

OPINION OF AN INDEPENDENT AUDITOR

To the Shareholders and the Board of Supervisors of ComArch S.A.

We carried out the audit of the attached financial statement of ComArch S.A. with its registered seat in Krakow, at al. Jana Pawła II 39A, including:

- introduction to the financial statement,
- balance sheet as at 31 December 2007, with total assets and total equity and liabilities amounting to 506,314 thousand PLN,
- income statement for the period from 1 January 2007 to 31 December 2007, with the net profit for the year amounting to 25,823 thousand PLN,
- changes in equity for the period from 1 January 2007 to 31 December 2007, presenting the increase in equity in the amount of 26,257 thousand PLN,
- cash flow statement for the period from 1 January 2007 to 31 December 2007, presenting the increase in cash in the amount of 178 thousand PLN,
- additional information and commentary.

The Management Board of the company is responsible for the preparation of the financial statements. Our task was auditing this financial statement and presenting our opinion whether this financial statement presents a true and fair view of financial situation and whether accounting books that are the basis of preparation of the financial statement are carried on correctly.

The auditing was planned and conducted according to the following regulations:

- chapter 7 of the Act on Accounting dated 29 September 1994 (Journal of Laws 2002, No. 76, pos. 694 as amended),
- standards for performance of the expert auditor profession, issued by the National Board of Expert Auditors in Poland

so as to have sufficient certainty that the financial statement does not include significant errors.

That audit included, in particular, verification, largely on the basis of the sample, proofs and accounting records confirming amounts and information presented in the financial statement. The audit included also assessment of the accounting principles applied by the company's management board and significant assessments as well as the general assessment of the financial statement's presentation.

We believe our audit constituted sufficient basis for expressing our opinion.

In our opinion, the audited financial statement for the financial year 2007 was prepared in all significant aspects:

- compliant in form and content with the regulations of the Act on Accounting and the company's statute,
- compliant with the accounting principles specified in this act and accounting policy applied by the company,
- on the basis of accounting books carried on correctly,
- compliant with the requirements specified in the Regulation issued by the Minister of Finance on 18 October 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones (Journal of Laws No. 209 pos. 1743) and the Regulation issued by the Minister of Finance on 19 October 2005 concerning current and periodical information pertaining to companies traded on the stock exchange (Journal of Laws No. 209 pos. 1744)

and presents a true and fair view on the equity and financial situation of the company as at 31 December 2007 and on the financial result for financial year from 1 January to 31 December 2007.

The report regarding the activities of the company in 2007 is complete in the sense of art. 49 sec. 2 of the Act on Accounting and the Regulation issued by the Minister of Finance on 19 October 2005 concerning current and periodical information pertaining to companies traded on the stock exchange and included information come directly from the audited financial statement and are compliant with it.

.....
Radosław Kuboszek
Expert auditor
Registration no. 90029/6847

.....
persons representing the company

.....
entity entitled to audit the financial
statements registered in the list of entities
entitled under item no. 73 (the list of KRBR)

Warsaw, 3 April 2008

**THE REPORT SUPPLEMENTING THE OPINION FROM THE AUDIT OF THE
FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2007**

I. GENERAL INFORMATION

1. General Characteristics of the Company

The company operates under the company name of ComArch Spółka Akcyjna. The city of Krakow, Al. Jana Pawła II 39 A is the seat of the company.

The company operates in the form of a joint stock company, formed with a notarial deed on 30 November 1994 by notary, Maria Kwiecinska-Stybel in Krakow (Repertory No. A 5209/94).

Pursuant to the notice dated 20 December 1994, the company was registered in division B, at number RHB 3218 of a commercial register of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow. Currently, the company is registered at no. KRS 0000057567 in the register of business entities of the District Court for Kraków-Śródmieście, Economic Division of the National Court Register in Krakow.

The company's Tax Identification Number is 677-00-65-406 and was given by the Tax Office, Kraków-Śródmieście in Krakow on 1 August 2000.

On 14 July 2000, the Statistical Office registered the company at REGON no. 350527377.

The company operates compliant with the provisions of the Commercial Companies Code.

It also operates compliant with the permit on business activities in the Special Economic Zone in Krakow.

According to the company's statute, the subject matter of the company's activities is:

- advisement within the scope of computer hardware,
- software editing activities,
- other activities within the scope of software,
- data processing,
- database activities,
- maintenance and service of office and accounting devices, and of computer hardware,
- other activities related to informatics,
- wholesale of computers, peripheral devices and software,
- wholesale of electronic elements,
- retail of computers and telecommunication hardware,
- retail undertaken through mail-order houses ,
- production of computers and other data processing hardware,
- production of radio, tele-IT and telecommunication hardware and devices,
- production of systems to run industrial processes,
- reproduction of computer data carriers,
- stationery telephony and telegraphy,
- mobile telephony,
- data transmission,
- radio communication,
- other telecommunication activities,
- research and development work within the scope of technical sciences,
- research and development work within the scope of mathematics and physical sciences as well as astronomy,
- financial leasing services,

- rental of machines, office devices and computer hardware,
- rental of real estate properties on its own account,
- the purchase and sales of real estate properties on its own account,
- intermediation within the scope of real estate properties' dealing,
- continual education of adults and other forms of education,
- road transport of items by motor vehicle,
- warehousing and storage of items in other storage facilities.

During the audited period, the company operates within IT business.

As at 31 December 2007, the company's share capital accounted for 7,960,596.00 PLN and was divided into 6,193,396 ordinary shares of nominal value of 1 PLN each and 1,767,200 registered shares of nominal value of 1.00 PLN each. Registered shares are preferential for voting so that 5 votes in the General Meeting correspond with each share. As at 31 December 2007, shareholders holding, directly or indirectly by subsidiary entities, at least 5 % of the total number of votes in the general meeting of ComArch S.A. are:

- E. and J. Filipiak – 42.85 % in the company's share capital (69.15 % of votes at the AGM),
- customers of BZ WBK AIB Asset Management S.A. – 27.02 % in the company's share capital (14.35 % of the votes at the AGM).

Within the financial year there were the following changes in the company's share capital:

- on 12 February 2007, the Board of Supervisors passed a resolution concerning an execution of the managerial option programme for members of the Management Board of ComArch S.A. and the company's key employees within the programme defined in resolution no. 51 of the Annual General Meeting dated 30 June 2005. In 2007, within the framework of the programme, 441,826 ordinary bearer series I2 shares of nominal value of 1 PLN and issue price of 1 PLN each will be issued.

After the balance sheet date, there were no changes in the company's share capital.

As at 31 December 2007, the company's equity was 264,948 thousand PLN.

The financial year of the company is the calendar year.

The company holds a share in the following related parties:

- | | | |
|--------------------------------------|---|--|
| - ComArch, Inc. | - | a subsidiary in 100 %, |
| - ComArch Software AG | - | a subsidiary in 100 %, |
| - ComArch Middle East FZ-LCC | - | a subsidiary in 100 %, |
| - ComArch s.r.o | - | a subsidiary in 100 %, |
| - ComArch Sp. z o.o. | - | a subsidiary in 100 %, |
| - ComArch Panama, Inc. | - | a subsidiary of the second degree in 100%, |
| - UAB ComArch | - | a subsidiary in 100 %, |
| - OOO ComArch | - | a subsidiary in 100 %, |
| - CA Services S.A. | - | a subsidiary in 99.90 %, |
| - MKS Cracovia SSA | - | a subsidiary in 49.15 %, |
| - Fidletronik-ComArch Sp. z o.o. | - | an associate in 50 %, |
| - ComArch Software S.A.R.L. | - | a subsidiary of the second degree in 100%, |
| - ComArch Management Sp. z o.o. | - | a subsidiary in 100 %, |
| - ComArch Management Sp. z o.o. SKA- | - | a subsidiary of the second degree in 100%, |
| - ComArch Corporate Finance FIZ | - | a subsidiary in 100 %. |

At the date of this report, the members of the Management Board are:

- Janusz Filipiak – President of the Management Board,
- Piotr Reichert – Vice-President of the Management Board,
- Paweł Prokop – Vice-President of the Management Board,
- Marcin Warwas – Vice-President of the Management Board,
- Zbigniew Rymarczyk – Vice-President of the Management Board,
- Piotr Piątosza – Vice-President of the Management Board.

During the audited period, the following changes in the membership of the company's Management Board occurred:

- Rafał Chwast, Vice-President of ComArch S.A.'s Management Board submitted his resignation on 19 October 2007 as of 31 December 2007,
- On 6 June 2007, the Management Board of ComArch S.A. received an information on resignation of Mr. Paweł Przewięźlikowski, Vice-President of ComArch S.A.'s Management Board,
- On 29 June 2007, at the Annual General Meeting Marcin Warwas was appointed to the post of Vice-President of the Management Board of ComArch S.A.,
- On 29 June 2007, at the Annual General Meeting Piotr Reichert was appointed to the post of Vice-President of the Management Board of ComArch S.A.

2. Information regarding the Financial Statement from the Previous Financial Year

For the year 2006, the closing balance of the company's net activities was 42,463 thousand PLN. The company's financial statement for the financial year of 2006 was audited by an expert auditor. An audit was carried out by Deloitte Audyt Sp. z o.o., the entitled auditor. There were no reservations in the opinion of an expert auditor dated 4 April 2007.

The Annual General Meeting that approved the financial statement for the financial year of 2006 was held on 29 June 2007. The AGM decided to allocate net profit for 2006 in its entirety for the supplementary capital.

On 2 July 2007, in compliance with the law, the financial statement for the financial year of 2006 was delivered to the National Court Register and on 4 July 2007, it was delivered for publishing in Monitor Polski B. The financial statement was published in Monitor Polski B no. 2068 on 3 December 2007.

3. Data that Identifies an Entitled Entity and an Expert Auditor Carrying Out an Audit on behalf of the Entity

The audit of the financial statement was carried out according to a contract dated 17 July 2006, concluded between ComArch S.A. and Deloitte Audyt Sp. z o.o. with its registered seat in Warsaw at ul. Piękna 18. Deloitte Audyt Sp. z o.o. is registered under item no. 73 in the list of entities entitled to audit financial statements (the list of National Council of Auditors). On behalf of the entity entitled to audit financial statements, the audit was carried out under the supervision of the auditor Radosław Kuboszek (register no. 90029/6847) at the company's seat from 3 March 2008 to 21 March 2008 and off-the-seat until 3 April 2008.

On 19 June 2006, according to the authorisation that is included in art. 19 sec. 2 of the company's statute, the Board of Supervisors selected the entitled auditor.

Deloitte Audyt Sp. z o.o. and auditor Radosław Kuboszek confirm that they are entitled to audit financial statements and perform the conditions specified in art. 66 sec. 2 and 3 of the Act on Accounting, to provide a fair and independent opinion regarding the financial statement of ComArch S.A.

4. Data Availability and Statements of the Entity's Management

There were no limitations within the audit.

During the audit, all demanded documents and data were made available to the entitled entity and expert auditor, as well, comprehensive information and explanations were also granted. That was, among other things, confirmed by a written statement from the company's Management Board dated 3 April 2008.

5. Equity and Financial Situation of the Company

Below is the basic data from the income statement and financial ratios describing the company's financial result, its equity and financial situation compared to parallel data for the previous years.

<u>Basic data from income statement</u> (in thousands of PLN)	2007	<u>2006</u>	<u>2005</u>
Revenues from sales	530,326	461,808	425,223
Costs from operating activities	474,178	410,233	387,695
Other operating revenues	599	418	1,330
Other operating costs	22,425	10,340	4,293
Financial revenues	2,239	9,512	1,807
Finance costs	9,039	4,949	6,287
Extraordinary profit (loss)	-	-	-
Income tax	1,699	3,753	997
Net profit (loss)	25,823	42,463	29,088
<u>Profitability ratios</u>	2007	2006	2005
- gross margin	5%	10%	7%
- net margin	5%	9%	7%
- return on equity	10%	22%	23%
<u>Efficiency ratios:</u>			
- assets turnover ratio	1.05	1.08	1.30
- receivables turnover ratio (days)	107	93	70
- liabilities turnover ratio (days)	54	56	44
- inventories turnover ratio (days)	20	20	19
<u>Liquidity/net working capital</u>			
- debt rate	48%	44%	52%
- degree of covering assets with equity	52%	56%	48%
- net working capital (in thousands of PLN)	168,783	147,521	88,033
- liquidity ratio	2.54	2.5	1.87
- cash to current liabilities ratio	2.24	2.35	1.62

An analysis of the above amounts and ratios indicates the following tendencies in 2007:

- decrease in sales profitability,
- increase in turnover time of receivables, decrease in turnover time of liabilities and no changes in turnover time of inventories,
- decrease in covering assets with equity,
- increase in debt rate,
- increase in working capital in the company and maintaining the similar level of liquidity ratios.

II. DETAILED INFORMATION

1. Accounting System Appraisal

Accounting system

The company has current financial records that describe the accounting principles applied by the company, in particular concerning: determination of the financial year, and reporting periods that are included in it, methods of valuation of assets, equity and liabilities, establishing the financial result, methods of preparation of accounting books, data protection systems and data files. The documentation of accounting policy was prepared compliant with the Act on Accounting and basic principles of valuation of assets, equity and liabilities and of establishing the financial result were presented in the introduction to the financial statement.

The company uses a computer system of accounting records, named Egeria. All economical events are entered in this system. The Egeria system is secured with a password against unauthorized persons and allows for functional limitation of access. Description of this system is compliant with the requirements of art. 10 sec. 1 pt. 3 lit. c) of the act.

The opening balance results from the approved financial statement for the previous financial year and was input correctly into the accounting books for the audited period.

Within the opening balance, we've made indispensable procedures to confirm that these accounts don't include significant errors.

In the part we audited, documentary economical operations, the accounting books and the affiliation of accounting writing with the documents and financial statements are compliant with chapter 2 of the Accounting Act.

Accounting books, accounting evidence, documentation of the methods applied to conducting accounting and the approved financial statement of the company are stored in compliance with chapter 8 of the Accounting Act.

The company carried out a control of assets, liabilities and equity within the terms and frequency compliant with the Act on Accounting. Control differences were presented and settled in the books of the audited period.

2. Information on Audited Financial Statement

The audited financial statement was prepared as at 31 December 2007 and includes:

- introduction to the financial statement,
- balance sheet as at 31 December 2007, with total assets and total equity and liabilities amounting to 506,314 thousand PLN,
- income statement for the period from 1 January 2007 to 31 December 2007, with net profit for the year amounting to 25,823 thousand PLN,
- changes in equity for the period from 1 January 2007 to 31 December 2007, presenting an increase in equity in the amount of 26,257 thousand PLN,
- cash flow statement for the period from 1 January 2007 to 31 December 2007, presenting an increase in cash in the amount of 178 thousand PLN,
- additional information and commentary.

The structure of assets, equity and liabilities, and items that create the financial result is presented in the financial statement.

3. Information on Selected and Significant Items in the Financial Statement

Property, plant and equipment

Property, plant and equipment of the company include:

- property, plant and equipment in use in the amount of 153,008 thousand PLN,
- property, plant and equipment under construction in the amount of 32,351 thousand PLN,
- advances for property, plant and equipment in the amount of 26 thousand PLN.

Commentary notes and information to the financial statement correctly describe changes in property, plant and equipment in use and property, plant and equipment under construction, including the recognition of possible write-offs that reevaluate the above property items.

Non-current investment

Non-current investment of the company includes:

- interest and shares in subsidiaries in the amount of 28,314 thousand PLN,
- loans granted to subsidiaries in the amount of 5,439 thousand PLN,
- other securities in subsidiaries in the amount of 1,060 thousand PLN,
- other non-current financial assets, i.e. interest on granted loans in the amount of 1,127 thousand PLN.

Commentary notes and information to the financial statement correctly describe changes in investment during the financial year.

Inventories structure

The inventories structure was correctly prepared in note that describes these balance sheet items.

Receivables structure

The trade receivables age structure was correctly prepared in note that describes these balance sheet items. There were no outdated or extinguished receivables in the audited part of the financial statement.

Liabilities

The liabilities structure (by time and type) depending on payment period was correctly prepared in the note that describes these balance sheet items.

Liabilities with the highest values are:

- non-current credits and loans in the amount of: 77,739 thousand PLN,
- current credits and loans in the amount of: 4,740 thousand PLN,
- liabilities due to deliveries and services in the amount of 76,766 thousand PLN.

Details about credits and the description of their hedging were presented in additional notes and information to the financial statement. The some of non-current credits, which should be repaid in 2007 and charged but have unpaid interest were presented in the financial statement as non-current liabilities. There were no outdated or extinguished liabilities in the audited part of the financial statement.

Prepayments, accruals and provisions for liabilities

Commentary notes that describe prepayments, accruals and provisions for liabilities, correctly describe their structure.

Cost and revenues settled in time are correctly classified within the audited accounting period.

Provisions for liabilities are established in reliably estimated amounts.

These items are presented completely and correctly in essential facets in relation to the total financial statement.

4. Completeness and Correctness in the Preparation of the Introduction to the Financial Statement, Additional Information and Commentary and the Report regarding the Entity's Activities

The introduction to the financial statement includes all required information of appendix no. 1 of the Act on Accounting. The company confirmed that it had been appropriate to use a principle of business continuation when preparing the financial statement. Methods of assets, liabilities and equity valuation, the establishment of financial result and the method of financial statement preparation were completely and correctly described in this introduction.

The company prepared additional information and commentary in tabular notes related to the particular items of the balance sheet, income statement and descriptions.

Commentary notes to the items: property, plant and equipment, intangible assets, investment, liabilities and provisions for liabilities correctly present increases and decreases as well as the reasons for these changes during the financial year. The possibility of administration of the particular assets that are presented in the balance sheet was presented due to hedges made in the interest of creditors.

Additional information and commentary to the financial statement describe the reported items correctly and completely. They clearly present all additional information that is compliant with requirements specified in the regulation issued by the Minister of Finance on 18 October 2005 concerning information presented in financial statements and consolidated financial statements that is required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones (Journal of Laws No. 209 pos. 1743) and the Regulation issued by the Minister of Finance on 19 October 2005 concerning current and periodical information pertaining to companies traded on the stock exchange (Journal of Laws No. 209 pos. 1744).

The Management Board prepared and attached the report regarding the activities of the company in 2007 to the financial statement. This report contains information that is required by art. 49 sec. 2 of the Accounting Act and the regulation issued by the Minister of Finance on 19 October 2005 concerning current and periodical information pertaining to companies traded on the stock exchange. We've audited this report concerning the presented information that has a direct source in the audited financial statement.

5. Final Information and Arrangements

The Management Board declarations

Deloitte Audyt Sp. z o.o. and an expert auditor received a written statement from the company's Management Board, which states that the company complied with the law.

.....
Radosław Kuboszek
Expert auditor
Registration no. 90029/6847

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persons representing the company

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entity entitled to audit the financial
statements registered in the list of
entities entitled under item no. 73 (the list
of KRBR)

Warsaw, 3 April 2008

Krakow, 3rd April 2008

Dear Shareholders,

The Comarch Group enjoyed another successful year in 2007. Revenues from sales increased by 14.8 % and accounted for PLN 530 million, while net profit amounted to PLN 34.3 million and EBIT margin reached 6.5 %. The Group's other entities grew dynamically and they now contribute a more and more significant share to the overall financial results.

In 2007, Comarch continued to pursue its long-term growth strategy based on proprietary products. The Comarch brand, after several years of international expansion, is steadily gaining worldwide recognition and is associated with technologically advanced IT systems and a modern customer-focused approach. Comarch systems serve customers in various sectors in over 20 countries, not only in Central Europe but also in Western Europe, both of the Americas and the Middle East. This year, the company plans to intensify its marketing operations to win additional international customers for its high-tech products. This initiative will be concentrated on Western Europe. In 2007, Comarch signed a contract with the Ministry of Interior Affairs and Administration to implement the first stage of ePASP (Electronic Public Administration Platform), a contract to deliver the Comarch BSS billing platform to the Middle East operator TeleYemen, and a contract with PZU S.A. to implement a comprehensive IT solution for financial insurance.

To secure its long-term development, Comarch continues to invest in human resources and innovative, high-tech products. In 2007, Comarch employed two-hundred and seventy-nine more people – most of them graduates of Poland's best universities. The company's new domestic branches as well as its foreign subsidiaries are also developing dynamically. R&D work exceeded 16 % of revenue and was financed from Comarch's own funds and those won from the European Union. These investments strengthened Comarch's position among international IT companies.

Comarch's decision to sell INTERIA.PL S.A. shares was a significant event in 2007. This year, 2008, the cash resources generated by the transaction will be dedicated to financing innovative investment projects enabling further expansion of the company into new areas of activity and onto new markets.

With dynamic development creating demand for new capacity, Comarch continued to develop its production resources. At the beginning of 2007 the third production and office building in the Kraków Special Economic Zone was completed. Work on the fourth building continues and will be completed this year.

The Management Board of ComArch S.A. shall do all in their power to ensure that dynamic growth is linked to increased operational effectiveness to deliver the results that will ensure stable growth in the company's value to shareholders.

Professor Janusz Filipiak
President of the Management Board
ComArch S.A.

INTRODUCTION TO THE COMARCH S.A.'S FINANCIAL STATEMENT SA-R 2007

I General Information about the Company

The basic activities of ComArch S.A. with its registered seat in Krakow at Al. Jana Pawła II 39 A include production, trade and services in the fields of IT and telecommunications, PKD 72.22.Z The registration court for ComArch S.A. is the District Court for Krakow Śródmieście in Krakow, XI Economic Division of the National Court Register. The company's KRS number is 0000057567. The duration of the dominant unit is not limited.

In the tables of this statement:

- the previous period means period 01.01.2006 - 31.12.2006 and refers to 12 months,
- the current period means period 01.01.2007 - 31.12.2007 and refers to 12 months.

As at 31 December 2007, members of ComArch S.A.'s Board of Supervisors were:

- Elżbieta Filipiak - Chairman of the Board of Supervisors,
- Maciej Brzeziński - Vice-Chairman of the Board of Supervisors,
- Wojciech Kucharzyk - Member of the Board of Supervisors,
- Anna Ławrynowicz- Member of the Board of Supervisors,
- Tadeusz Stryjczyk - Member of the Board of Supervisors.

As at 31 December 2007, members of ComArch S.A.'s Management Board were:

- Janusz Filipiak - President of the Management Board,
- Rafał Chwast - Vice-President of the Management Board*,
- Piotr Piątosa - Vice-President of the Management Board,
- Paweł Prokop - Vice-President of the Management Board,
- Piotr Reichert - Vice-President of the Management Board,
- Zbigniew Rymarczyk - Vice-President of the Management Board,
- Marcin Warwas - Vice-President of the Management Board.

*) Rafał Chwast, Vice-President of ComArch S.A.'s Management Board submitted his resignation on 19 October 2007 as of 31 December 2007.

On 6 June 2007, the Management Board of ComArch S.A. received an information on resignation of Mr. Paweł Przewięźlikowski, Vice-President of ComArch S.A.'s Management Board, as of 28 June 2007. Mr. Przewięźlikowski declared a wish to found a private firm.

The financial statement was prepared with the assumption of the continuation of commercial activities by the ComArch S.A. in the foreseeable future. According to the company's management, there are no circumstances suggesting any threat to the continuation of activities.

ComArch S.A. is dominant unit in the Capital Group. In addition to financial statement that is prepared pursuant to Act on Accounting, the company prepares also consolidated financial statement according to International Financial Reports Standards that are approved by the European Union.

II There Were no Reservations in the Opinion of an Auditor Entitled to Audit Financial Statements of ComArch S.A. for 2006

III Principles of Valuation of Assets and Equity and Liabilities and Measure of Financial Result

This financial statement was prepared according to the Act passed on 29 September 1994 on Accounting and the Regulation issued by the Minister of Finance on 18 October 2005 concerning information presented in financial statements and consolidated financial statements, required in a prospectus for issuers with its registered seat in Poland, to whom Polish accounting principles are proper ones, and according to the Regulation issued by the Minister of Finance on 19 October 2005 concerning current and periodical information pertaining to companies traded on the stock exchange.

1. Non-Current Assets

1.1 Intangible Assets

Intangible assets are recorded at their acquisition prices with reference to the current redemption. The company carries out depreciation write-offs using the straight-line method. The following depreciation rates have been adopted:

- computer software 30 %
- licences 30 %
- copyrights 30 %
- other rights 10-20 %

Adopted depreciation rates are related to the estimated useful life of intangible assets. In the case of intangible assets that were acquired for a particular project, the depreciation period is established as the duration of the project.

1.2 Property, Plant and Equipment

A) Proprietary property, plant and equipment in use

Proprietary property, plant and equipment in use were valued according to acquisition prices or production costs less depreciation write-offs in proportion to their useful life and write-offs due to permanent losses in value.

The following detailed principles of depreciation of proprietary property, plant and equipment in use have been adopted by the company: assets are depreciated with the straight-line method with application of depreciation rates corresponding with periods of their economic utility. In most cases, depreciation rates are: 2.5 % (for group number I), 30 % (for group number IV) and 20 % (for groups number VII and VIII). In case of proprietary property, plant and equipment in use that were acquired in order to be used in a specific project, the depreciation period is set as equal to the project duration.

Lands and the right of perpetual usufruct of land are not depreciated.

B) Proprietary property, plant and equipment under construction are valued according to acquisition prices less write-offs due to permanent losses in value.

C) Improvements in third party's proprietary property, plant and equipment are valued according to the acquisition price less depreciation. They are related to buildings and structures and depreciated with the straight-line method corresponding with periods of their economic utility.

D) Proprietary property, plant and equipment, which are used according to the lease agreements concluded after 1 January 2002, are classified as company's non-current assets if conditions resulting from article 3, section 4 of the Act on Accountancy are met and they are valued at fair value established as at the date of the beginning of the agreement or as at reception of the lease object into use, or at the current value of minimum lease fees, if it is lower than the fair value.

1.3 Non-Current Investments

A) Non-current financial assets

As at the balance sheet date, financial assets are classified as non-current in the financial statement if the estimated period of their further owning exceeds 12 months from the balance sheet date. Shares are recognised at the acquisition or originate date according to acquisition price, and at the balance sheet date according to acquisition price less write-offs due to permanent loss in value. When permanent loss in value appears, the revaluation of write-offs is carried out no later than at the balance sheet date.

Loans are valued according to value of depreciated cost using effective interest rate. In case of lack of differences that are significant for valuation, loans are classified at nominal value plus accrued interest based on interest rate resulting from contracts.

2. Current Assets

2.1 Inventories, Products in Progress and Finished Goods

Materials are valued according real purchase prices. When loss in value in use is observed, revaluing write-offs are carried not later than as at the balance sheet date. Production in progress given in the statement refers to software produced by ComArch S.A. and allocated for multiple sales. Production in progress is valued according to direct technical production costs.

Application software produced by ComArch S.A. and allocated for multiple sales is valued in the period when it benefits, no longer than 36 months from an initial sale, in the amount of surplus of software production costs over net revenues obtained from sales of

these products within the following 36 months. Software production costs, not written off after this period of time, increase other operational costs.

Depending on the nature of the produced software and the assessment of its possible sales, expenditures incurred for software production, in the amount of 50 % to 100 % of the invoiced sale in the above time period of sales, are written off into its own costs, provided that the 50 % rate is the basic rate. If the company is aware of limits to sales capacity at an earlier point, it immediately performs a write-off revaluating production in progress in the amount of expenses in reference to which there is a probability that they will not be recovered, or does a one-time write-off of the entirety of unsettled expenses (depending on the degree of risk valuation) into its own cost of sales.

Finished goods are appraised according to actual purchase prices, no higher than net selling prices.

2.2 Receivables

Receivables are recognised initially at nominal value and as at the balance sheet date in the amount of required payment. Receivables due to deliveries and services are classified as current receivables. Other receivables are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date). In order to make their value real, receivables are decreased by write-offs revaluating bad debts. Receivables in foreign currencies were valued as at the balance sheet date at NBP average exchange rates. The realised and resulting from balance valuation exchange differences are classified as revenues and financial costs respectively, after they were compensated.

2.3 Current Financial Assets

Assets recognised in the financial statement consist mostly of monetary assets and loans to other entities.

Monetary assets consist of cash in hand, cash at banks and accrued interest on financial assets.

Cash in domestic currency was valued at nominal value, while cash in foreign currencies was valued at NBP average exchange rates.

2.4 Current and Non-current Prepayments of Costs

Expenses incurred in advance, but related to future reporting periods are settled by prepayments of costs. Prepayments of costs that last longer than 12 months starting with the balance sheet date are regarded as a non-current item.

Prepayments include also surplus of sales in long-term contracts made according to article 34a, section 1 and section 2, point 2 of the Act on Accounting over value of sales invoiced to contractors. Prepayments include also due subsidies from union and budget funds.

3. Equity

Equity includes:

- share capital of the company presented at nominal value,
- supplementary capital from profit-sharing in compliance with principles and limitations specified in the Commercial Companies Code and from surpluses of shares sold above their nominal value,
- revaluation reserve from valuation of capital part of non-current liability due to bond issue and redemption of some convertible bonds, and also effects of valuation of shares in foreign currencies held by ComArch S.A,
- other reserve capitals from profit-sharing intended for investment targets and other specified in statute – valued at nominal value,
- retained profit from adjustments due to changes in accounting principles in 2002 resulting from amendments to the Act on Accounting and adjustments due to changes to the rules of recognising of built-in derivatives. Retained profit comprise also results for the periods I-VIII 2004 of companies which consolidated with ComArch S.A. in 2004,
- capital from merger

4. Liabilities and Provisions for Liabilities

4.1 Provisions for Liabilities

They are created for reliable and possible losses due to business activities. They include also provisions due to deferred income tax.

4.2 Liabilities

At the time of initial recognition, financial liabilities are valued at nominal value and as at the balance sheet date, in the amount of required payment. Liabilities due to deliveries and services are classified as current liabilities. Other liabilities are recognised as current or non-current receivables depending on maturity (depending on whether this is less than or over 12 months from the balance sheet date). Liabilities in foreign currencies were valued as at the balance sheet date at NBP average exchange rates. Liability due to issuance of bonds convertible to shares is valued as at the balance sheet date at depreciated cost.

4.3 Special Funds consist of Social Services Fund and Residential Fund that was created from profit-sharing for 1998 and 1999

4.4 Accruals

Accruals of costs include possible future liabilities, but related to the current reporting period. In particular, they are related to:

- expected expenses that will incur during the next reporting period due to costs that are related to the current period,
- provisions for additional costs of contracts completion that are expected to incur and that exceed the amount of possible to achieve revenues; and provisions for guarantees,
- provisions for unused leaves,
- provisions due to remuneration expected to be paid in the next reporting period, but related to the previous period.

Accruals of revenues include subsidies for financing of research and development works that are received from union funds and domestic funds for science.

Accruals of revenues include also surplus of sales invoiced to contractors over the value of proceeds from sales in long-term contracts determined according to article 34a, section 1 and section 2, point 2 of the Act on Accounting.

5. Valuation of Assets and Equity and Liabilities Presented in Foreign Currencies and Principles of Determining Exchange Differences

5.1 Within Reporting Year

- A) Operations related to sales and purchase of currencies and payment of receivables and liabilities at purchase exchange rate or sales of currencies used by banks, whose services ComArch S.A. uses,
- B) Other operations at the average NBP exchange rate, provided that import purchases requiring customs clearance and export sales of finished goods are appraised according to exchange rates set forth in proofs of customs clearance.

5.2 As at Balance Sheet Date

- A) Items of assets and equity and liabilities are valued at binding NBP average exchange rates.
- B) Exchange differences related to non-current investment are accounted for adequately with revaluation reserve or revenues and financial costs (according to article 35, section 2 and 4 of the Act).
- C) Exchange differences related to the other assets and equity and liabilities and those arising on payment of receivables and liabilities are classified to revenues and financial costs, respectively.
Realised exchange differences, related to receivables and liabilities, are determined up to date, while unrealised exchange differences, related to receivables and liabilities and cash at banks are valued at the end of the quarter.

6. Financial Instruments

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12 December 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, qualified as fair value hedging, are valued at fair value and change in their valuation refers to the result from financial operations.

Derivative financial instruments designated as 'hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12 December 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, qualified as cash flow hedging, are valued at fair value change in their valuation refers to:

- the revaluation reserve (in the part that constitutes the effective hedging),
- the result from financial operations (in part that doesn't constitute the effective hedging).

Derivative financial instruments designated as 'non-hedging instruments' according to §27-30 of the Regulation issued by Ministry of Finance on 12 December 2001 concerning detailed classification rules, valuation methods, scope of disclosure and presentation method of financial instruments, are valued at fair value and change in their valuation refers to the result from financial operations.

7. Financial Result

ComArch S.A. prepares its income statement in calculation version in compliance with matching principle revenues and costs. ComArch S.A.'s operations mostly consist of producing software for multiple sales and implementing IT integration contracts. As part of its integration contracts, ComArch offers the implementation of IT turnkey systems consisting of (own and third party) software and/or computer hardware and/or services such as:

- implementation services,
- installation services,
- guarantee and post-guarantee services,
- technical assistance services,
- software customisation services,
- other IT and non-IT services necessary for system implementation.

Integration contracts realised by ComArch S.A. are classified according to article 34 a-d of the Act, whereas degree of progress for contract is determined by share of incurred costs compared to total costs of service execution.

In determining the total revenues from contracts, the following items are taken into account:

- revenues from proprietary software (irrespective of form, i.e. licences, property rights, etc.),
- revenues from services.

Unit managers may decide to include estimated revenues that are highly probable to be realised into the total revenues from a contract (e.g. during the implementation of the contract, project modifications are carried out for technical reasons and it is justified to assume with some probability that the ordering party will accept the modifications and that there will be revenues flowing from them).

When integration contracts under which software is allocated for multiple sales are ComArch property, the revenues and costs related to this software and the revenues and costs related to the other part of the integration contract are recognised separately.

Several integration contracts are combined and recognised as one contract, if:

- the agreements are executed at the same time or sequentially one after another and the precise separation of the costs of their execution is impossible, or
- the agreements are so closely inter-related that they are actually parts of a single project and share a single profit margin for the entire project.

7.1 Revenues are Classified according to Accrual Basis

Revenues from uncompleted non-current services (contracts) are classified in proportion to the level of service according to article 34 a, section 2, point 1.

Revenues from sales of other services, products, finished goods and other item of assets are recognised at the moment of delivery of products, finished goods and other items of assets, if the entity transferred significant risk and benefits resulting from their ownership or at the moment of executing the service. Sales are presented in net value, i.e. without commodity and services taxes and taking into account all discounts.

7.2 Costs Consist of:

- A) In relation to long-term contracts, total expenditures incurred in the period, on execution of contracts that were valued at production costs.
- B) In relation to other services, finished goods and other assets – value of sold (invoiced) products, finished goods and other items valued at production cost or acquisition price.
- C) Total administrative costs and cost of sales incurred in the period.

In the item "Costs of sold products, finished goods and materials from related parties" in the income statement the company presents the value of products, finished goods and materials purchased from related parties excluding these included in administrative costs, cost of sales and other operating costs.

Costs of sales consist of marketing costs and the costs of order acquisition by sales centres (departments) in the ComArch S.A.

General costs consist of the costs of the ComArch S.A. functioning as a whole and include administrative expenses and the costs of departments that operate for the general needs of the company.

7.3 Other Revenues and Operating Costs

These consist of revenues and costs not related directly to the ordinary activities of entities and comprise mostly: result from sale of property, plant and equipment and intangible assets, subsidies, provisions created, effects of revaluation of assets and result from research and development financed by union.

According to the materiality principle, content-related items are compensated and they are presented resultantly, respectively in operating revenues or costs. In particular, it refers to:

- result on sales and decommissioning of property, plant and equipment; recovered communication damages and costs of repairs after damage,
- received and paid penalties,
- recognised and dissolved write-offs that revalue receivables,
- subsidies, costs of realisation of research and development works financed by them.

7.4 Revenues and Financial Costs

Revenues and financial costs consist of revenues and costs due to interest, result from exchange differences, from disposal of financial assets and effects of investment revaluation.

7.5 Deferred Income Tax

Due to temporary differences between the presented value of assets and liabilities as well as their tax value and tax loss it will possible to deduct in the future, a provision is established and deferred income tax assets are defined.

Deferred income tax assets are defined in the amount that it is anticipated will have to be deducted from income tax in the future in reference to negative temporary differences which shall result in the future in reducing the amount of the basis of taxation and the deductible tax loss defined using the precautionary principle.

Deferred income tax provisions are established in the amount of income tax payable in the future in reference to positive temporary differences, which would result in increasing the basis of taxation in the future.

Provisions and assets due to deferred income tax are established fiscal rates which are legally binding in the tax point year.

The difference between deferred income tax provisions and deferred income tax assets at the end and at the beginning of the reporting period affects the financial results. In addition, provisions and assets due to deferred income tax related to operations settled with equity are referred into equity.

Due to the fact that the company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised on the basis of the annual settlement of income tax, after the end of the fiscal year. Therefore as at the balance sheet date, the company determines only an asset and provision for deferred income tax only in relation to the types of activities, which are always taxable according to principles that are applied by the company, i.e. financial activities and other operating activities.

On 1 July 2004, ComArch S.A. received a decision from the Minister of the Economy dated 24 June 2004 that changed the conditions for tax exemptions for entities operating in special economic zones to conditions included in the act that was passed on 2

October 2003 on changing the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840). Pursuant to article 5, section 2, point 1, lit. b), point 2, point 3 of the act, the maximum amount of public aid for entities, which operate in a special economic zone on the basis of a permit issued before 1 January 2000, cannot exceed 75 % of the value of investments incurred in the period from the date of obtaining the permit until 31 December 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since 1 January 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the case of ComArch S.A., the maximum value of public aid will not exceed 75 % of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. 22 March 1999, until 31 December 2006. Tax exempt due to income tax is included in this limit. Additional information on methods of recognition of a deferred income asset and tax exempt due to operations in Special Economic Zone are included in Note 4a of additional information and commentary to this financial statement.

Financial result is determined according to article 42 of the Act on Accounting dated 29 September 1994 r. Cash flow statement is prepared using the indirect method.

IV Principles of Conversion PLN to EURO

EURO rates used to financial data:

NBP average exchange rates as at 31.12.2007:	3.5820
NBP average exchange rates as at 31.12.2006:	3.8312
NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2007:	3.7768
NBP arithmetic average exchange rates as at the end of every month for the period 1.01 - 31.12.2006:	3.8991
NBP minimum rate in the period 1.01 - 31.12.2007:	3.5699
NBP minimum rate in the period 1.01 - 31.12.2006:	3.7565
NBP maximum rate in the period 1.01 - 31.12.2007:	3.9385
NBP maximum rate in the period 1.01 - 31.12.2006:	4.1065

In the table "Selected financial data" points I-VIII and XVI-XVII are valued at NBP arithmetic average exchange rates as at the end of every months in the period, while points IX-XIV and XVIII-XX at NBP rate binding at the end of the period.

V Differences between Polish Accounting Principles and International Financial Reporting Standards

Differences:

1. The Right of Perpetual Usufruct of Land

In IFRS, the method of presentation of the right of perpetual usufruct of land is not defined explicitly. There are different opinions in that case. ComArch S.A. as the dominant unit prepares consolidated financial statement according to IFRS and presents the right of perpetual usufruct of land as non-current prepayments settled in time. According to Act on Accounting the law of perpetual usufruct of land is presented as "lands" in property, plant and equipment and is not depreciated.

2. Operating in Special Economic Zone (SEZ)

As a result of Poland joining the European Union, there was a change within terms of income tax from legal persons from unlimited relief to relief that is limited in value and depends on the value of investments made. Pursuant to IAS 12, unused tax relief as at 31 December 2006 constitutes a deferred income tax asset. As at 31 December 2006, the company determined the asset that is worth 6.81 million PLN and presented it in consolidated financial statement according to IFRS. Within 2007 the asset was dissolved, however as at 31 December 2007 an asset worth 8.74 million PLN was created. Total effect on result would amount to +1.93 million PLN.

3. Managerial Option Programme

a) Managerial Option Programme for 2005-2007

On 30 June 2005, the Annual General Meeting of Shareholders passed Resolution no. 51 on the managerial options programme for members of the Management Board and the company's Key Employees (17 persons in total). The objective of the programme was to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and its net profit. The program was executed through offers of newly-issued shares in the company in 2006, 2007 and 2008 to members of the Management Board and Key Employees. The value of the Option was supposed to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2005) and the issue price of shares offered to members of the Management Board and Key Employees. The basis for the calculation of the value of the Option were increases in company capitalisation, calculated as follows:

- For 2006 it was the difference between the average capitalisation of the company in December 2005 and the average capitalisation of the company in December 2004; this was calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2007 it was the difference between the average capitalisation of the company in December 2006 and its average capitalisation in December 2005;

- For 2008 it was the difference between the average capitalisation of the company in December 2007 and its average capitalisation in December 2006, where the average capitalisation was the number of shares multiplied by the average closing price for shares of the company in December of a given year.

The Option was defined in each successive year of the program separately for each entitled individual as set forth in Resolution no. 51 of the AGM. The total value of the option was 9.4 % of the increase in capitalisation in the periods set forth in Clauses a), b) and c) (for options No. 1, No. 2 and No. 3, respectively) at the beginning. After the application of changes to the program (pursuant to the resolution of the AGM passed on 22 June 2006 and according to changes to the list of program participants that took place in the 2006 and 2007) the value of the Option amounted to 7.8 % of the increase in capitalisation.

Pursuant to Act on Accounting dated 29 September 1994 managerial option programme is not presented in the income statement. The Option is recognised as cost in the consolidated income statement prepared according to IFRS.

The difference between the average capitalisation in December 2005 and the average capitalisation in December 2004 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees weren't issued in 2006.

Basing on the company's quotations on Warsaw Stock Exchange, the Board of Supervisors agreed an increase in the company's cap of 1,098,010,607.08 PLN as at 31 December 2006. The Board of Supervisors agreed an option's value in the amount of 8.2 % of the increase in cap, i.e. 90,036,869.78. On 12 February 2007, the company's Board of Supervisors passed a resolution concerning execution of managerial option programme and declared that 441,834 series I2 shares will be issued, of nominal value of 1 PLN and issue price of 1 PLN. On 14 March 2007, the Board of Supervisors passed a resolution concerning changes in the resolution dated 12 February 2007, concerning execution of managerial option programme. As a result, 441,826 series I2 shares was issued, of nominal value of 1 PLN and issue price of 1 PLN. A subscription of I2 shares took place between 16 March 2007 and 23 March 2007.

The difference between the average capitalisation in December 2007 and the average capitalisation in December 2006 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees will not be issued in 2008.

b) Managerial Option Programme for 2008-2010

On 30 June 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2009, 2010 and 2011 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2008) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- For 2008 it will be the difference between the average capitalisation of the company in December 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December 2008 and its average capitalisation in December 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December 2009 and its average capitalisation in December 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation. Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

On 10 December 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %

Pursuant to Act on Accounting dated 29 September 1994 managerial option programme is not presented in the income statement. The Option is recognised as cost in the consolidated income statement prepared according to IFRS.

4. Differences compared to IFRS

Item	Equity as at 31 December 2007	Net result for 2007
Corrections according to the Polish accounting principles:	264,948	25,823
a) presentation of managerial option (pt V 3)	-	-1,080*
b) an asset due to tax exemption in the SEZ (pt V 2)	1,926	1,926
c) depreciation due to the right of perpetual usufruct of lands (pt V 1)	-347	-93
Equity and net result after adjusting above-mentioned differences:	266,527	26,576
Change	1,579	753

*) These items have an affect on the amount of result from the current year, however at the same time they are settled with equity.

FINANCIAL SUPERVISION AUTHORITY

ANNUAL REPORT SA-R 2007

(pursuant to §86 sec.1, pt.3 of the Regulation issued by the Minister of Finance on 19 October 2005- Journal of Laws No. 209 Item 1744)
(for issuers of securities managing production, construction, trade and services activities)

For financial year 2007 from 2007-01-01 to 2007-12-31
And for the previous year 2006 from 2006-01-01 to 2006-12-31

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Deloitte Audyt Sp. z o.o.

(An auditor entitled to audit financial statements)

Annual report includes:

- Opinion and Report of an Auditor regarding the Annual Financial Statement
- The Management Board's Statement regarding the Reliability of Financial Statement
- The Management Board's Statement regarding the Auditor Independence
- Letter of the President of the Management Board
- Annual Financial Statement
 - Introduction
 - Balance Sheet
 - Income Statement
 - Changes in Equity
 - Cash Flow Statement
 - Additional Information and Commentaries
- Report of the Management Board (Report regarding the Activities of Issuer)

SELECTED FINANCIAL DATA	thousands of PLN		thousands of EURO	
		2006		2006
I. Net revenues from sales of products, goods and materials	530,326	461,808	140,417	118,440
II. Profit (loss) on operating activities	34,322	41,653	9,088	10,683
III. Gross profit (loss)	27,522	46,216	7,287	11,853
IV. Net profit (loss)	25,823	42,463	6,837	10,890
V. Cash flows from operating activities	35,432	22,843	9,381	5,859
VI. Cash flows from investing activities	-59,530	-43,627	-15,762	-11,189
VII. Cash flows from financing activities	24,678	29,657	6,534	7,606
VIII. Total net cash flows	580	8,873	154	2,276
IX. Total assets	506,314	427,236	141,350	111,515
X. Liabilities and provisions for liabilities	241,366	188,545	67,383	49,213
XI. Non-current liabilities	78,157	51,904	21,819	13,548
XII. Current liabilities	109,697	95,151	30,625	24,836
XIII. Equity	264,948	238,691	73,966	62,302
XIV. Share capital	7,960	7,519	2,222	1,963
XV. Number of shares	7,960,596	7,518,770	7,960,596	7,518,770
XVI. Earnings (losses) per single share (PLN/EURO)	3.30	5.74	0.86	1.47
XVII. Diluted earnings (losses) per single share (PLN/EURO)	3.30	5.42	0.86	1.39
XVIII. Book value per single share (PLN/EURO)	33.28	31.75	9.29	8.29
XIX. Diluted book value per single share (PLN/EURO)	33.28	30.00	9.29	7.83

OPINION OF AN AUDITOR ENTITLED TO AUDIT FINANCIAL STATEMENTS ON ANNUAL FINANCIAL STATEMENT

File	Description
Opinion of an Auditor.pdf	Opinion of an Auditor -Appendix No. 1

REPORT OF AN AUDITOR ENTITLED TO AUDIT FINANCIAL STATEMENTS ON ANNUAL FINANCIAL STATEMENT

File	Description
Report of an Auditor.pdf	Report of an Auditor -Appendix No. 2

THE MANAGEMENT BOARD'S STATEMENT REGARDING THE RELIABILITY OF FINANCIAL STATEMENT

File	Description
The Management Board's Statement regarding the Reliability of Financial Statement.pdf	The Management Board's Statement regarding the Reliability of Financial Statement -Appendix No. 3

THE MANAGEMENT BOARD'S STATEMENT REGARDING AUDITOR INDEPENDENCY

File	Description
The Management Board's Statement regarding Auditor Independence.pdf	The Management Board's Statement regarding Auditor Independence - Appendix No. 4

LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD

File	Description
Letter of the President of the Management Board.pdf	Letter of the President of the Management Board -Appendix No. 5

ANNUAL FINANCIAL STATEMENT**INTRODUCTION TO THE FINANCIAL STATEMENT**

File	Description
Introduction to the Financial Statement.pdf	Introduction to the Financial Statement - Appendix No. 6

BALANCE SHEET

	Notes	thousands of PLN	
		2007	2006
ASSETS			
I. Non-current assets		228,145	184,564

1. Intangible assets	1	3,146	3,521
2. Property, plant and equipment	2	185,385	142,195
3. Non-current investment	3	35,983	36,293
3.1 Non-current financial assets		35,940	36,250
a) in related parties		35,940	36,247
b) in other entities		0	3
3.2 Other non-current investment		43	43
4. Non-current prepayments	4	3,631	2,555
4.1 Deferred income tax assets		3,116	2,428
4.2 Other prepayments		515	127
II. Current assets		278,169	242,672
1. Inventories	5	32,423	19,498
2. Current receivables	6 7	169,342	145,104
2.1 from related parties		22,807	20,231
2.2 from other entities		146,535	124,873
3. Current investment		51,657	51,525
3.1 Current financial assets	8	51,657	51,525
a) in related parties		1,450	1,250
b) in other entities		12	346
c) cash and cash equivalents		50,195	49,929
4. Current prepayments	9	24,747	26,545
Total assets		506,314	427,236
EQUITY AND LIABILITIES			
I. Equity		264,948	238,691
1. Share capital	10	7,960	7,519
2. Capital from merger settlement		0	-7,334
3. Supplementary capital	11	230,244	172,097
4. Revaluation reserve	12	0	6
5. Other reserve capitals	13	745	21,948
6. Previous years' profit (loss)		176	1,992
7. Net profit (loss)		25,823	42,463
II. Liabilities and provisions for liabilities		241,366	188,545
1. Provisions for liabilities	14	3,252	878
1.1 Provisions due to deferred income tax		1,202	878
1.2 Other provisions		2,050	0
a) current		2,050	0
2. Non-current liabilities	15	78,157	51,904
2.1 to related parties		305	433
2.2 to other entities		77,852	51,471
3. Current liabilities	16	109,697	95,151
3.1 to related parties		6,085	4,654
3.2 to other entities		102,237	89,302
3.3 special funds		1,375	1,195
4. Accruals	17	50,260	40,612
4.1 Other accruals		50,260	40,612
a) current		50,260	40,612
Total equity and liabilities		506 314	427,236

Book value		264 948	238 691
Number of shares		7,960,596	7,518,770
Book value per single share (PLN)	18	33.28	31.75
Diluted number of shares		7,960,596	7,957,360

Diluted book value per single share (PLN)	18	33,28	30,00
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OFF-BALANCE SHEET ITEMS

	Notes	thousands of PLN	
		2007	2006
1. Contingent liabilities	19	0	94
1.1 To related parties (due to)		0	94
-bank guarantees and suretyships		0	94
1.2 To other entities (due to)		46,461	32,017
-bank guarantees and suretyships		46,461	32,017
Total off-balance sheet items		46,461	32,017

INCOME STATEMENT

	Notes	thousands of PLN	
		2007	2006
I. Net revenues from sales of products, goods and materials, including:		530,326	461,808
-revenues from related parties		35,400	26,053
1. Net revenues from sales of products		312,451	293,512
2. Net revenues from sales of goods and materials		217,875	168,296
II. Costs of products, goods and materials sold, including:		400,332	342,322
-to related parties		16,606	16,299
1. Manufacturing cost of products sold		209,620	187,474
2. Value of products, goods and materials sold		190,712	154,848
III. Gross profit on sales		129,994	119,486
IV. Costs of sales		41,000	38,295
V. Administrative costs		32,846	29,616
VI. Profit (loss) on sales		56,148	51,575
VII. Other operating revenues		599	418
1. Gain on disposal of non-financial non-current assets		152	0
2. Other operating revenues	23	447	418
VIII. Other operating costs		22,425	10,340
1. Loss on disposal of non-financial non-current assets		0	55
2. Revaluation of non-financial assets		347	0
3. Other operating costs	24	22,078	10,285
IX. Profit (loss) on operating activities		34,322	41,653
X. Financial revenues	25	2,239	9,512
1. Interest, including:		2,210	1,109
-from related parties		414	409
2. Gain on disposal of investment		0	8,217
3. Other		29	186
XI. Finance costs	26	9,039	4,949
1. Interest, including:		2,541	1,962
2. Revaluation of investment		1,644	46
3. Other		4,854	2,941
XII. Profit (loss) on business activities		27,522	46,216
XIII. Gross profit (loss)		27,522	46,216
XIV. Income tax	27	1,699	3,753
a) current		2,063	4,106
b) deferred		-364	-353
XV. Net profit (loss)		25,823	42,463

Net profit (loss) (annualised)		25,823	42,463
Weighted average number of shares		7,827,443	7,396,147
Earnings (losses) per single share (PLN)	29	3.30	5.74
Diluted weighted average number of shares		7,827,443	7,834,737
Diluted earnings (losses) per single share (PLN)	29	3.30	5.42

CHANGES IN EQUITY

	thousands of PLN	
	2007	2006
I. Opening balance of equity (BO)	238,691	157,774
I. a. Opening balance of equity after adjustments	238,691	157,774
1. Opening balance of share capital	7,519	6,995
1.1. Changes in share capital	441	564
a) increases (due to)	441	564
-share issue – due to managerial option programme	441	0
-share issue – due to bonds conversion into shares	0	564
1.2. Closing balance of share capital	7,960	7,519
2. Opening balance of supplementary capital	172,097	105,113
2.1. Changes in supplementary capital	0	66,984
a) increases (due to)	65,481	66,984
-profit-sharing for the previous years	44,279	29,088
-transferring to reserve capital	21,202	0
-surplus due to conversion of convertible bonds to shares	0	37,896
b) decreases (due to)	7,334	0
-covering the loss on merger	7,334	0
2.2. Closing balance of supplementary capital	230,244	172,097
3. Opening balance of revaluation reserve	6	12
3.1. Changes in revaluation reserve	0	-6
a) increases (due to)	0	12
-correction of valuation due to conversion of bonds	0	12
a) decreases (due to)	6	18
-writing off a valuation of shares at the balance sheet date	6	18
3.2 Closing balance of revaluation reserve	0	6
4. Opening balance of capital from merger	-7,334	-7,334
a) increases (due to)	7,334	0
-covering the loss from supplementary capital	7,334	0
4.1 Closing balance of capital from merger	0	-7,334
5. Opening balance of other reserve capitals	21,948	21,948
a) decreases (due to)	21,203	0
-transferring to supplementary capital	21,203	0
5.1 Closing balance of other reserve capitals	745	21,948
6. Opening balance of the previous years' profit (loss)	44,455	31,080
6.1. Opening balance of the previous years' profit	44,455	31,080
6.2. Opening balance of the previous years' profit after adjustments	44 455	31,080
b) decreases (due to)	44,279	29,088
-transferring the result for the year 2007/2006 to supplementary capital	44 279	29,088
6.3. Closing balance of the previous years' profit	176	1,992
7. Net result	25,823	42,463
a) net profit	25,823	42,463
II. Closing balance of equity	264,948	238,691

III. Equity including proposed profit-sharing (loss coverage)	264,948	238,691
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CASH FLOW STATEMENT

	thousands of PLN	
	2007	2006
A. Cash flows from operating activities		
I. Net profit (loss)	25,823	42,463
II. Total adjustments	9,609	-19,620
1. Depreciation	15,595	11,561
2. Exchange gains (losses)	402	108
3. Interest and shares in profits (dividends)	3,703	1,727
4. Profit (loss) on investing activities	1,452	-8,177
5. Change in provisions	-364	-353
6. Change in inventories	-12,924	6,396
7. Change in receivables	-23,336	-50,546
8. Change in current liabilities, excluding credits and loans	13,438	18 164
9. Change in prepayments and accruals	11,058	1,500
10. Other adjustments	585	0
III. Net cash used in operating activities (I+/-II)-indirect method	35,432	22,843
B. Cash flows from investing activities		
I. Inflows	3,553	16,017
1. Disposal of property, plant and equipment and intangible assets	613	400
2. From financial assets, including:	2,940	15,617
a) in related parties	900	12,575
-disposal of financial assets	900	12,233
-repayment of granted non-current loans	0	342
b) in other entities	2,040	3,042
-disposal of financial assets	2,040	3,042
II. Outflows	-63,083	-59,644
1. Purchase of property, plant and equipment and intangible assets	-58,020	-54 013
2. For financial assets, including:	-5,063	-5,631
a) in related parties	-3,863	-2,631
-purchase of financial assets	-2,863	-1,000
-granted non-current loans	0	-1,631
-granted current loans	-2,00	0
b) in other entities	-2,000	-3,000
-purchase of financial assets	-2,000	-3,000
III. Net cash used in investing activities (I-II)	-59,530	-43,627
C. Cash flows from financing activities		
I. Inflows	31,237	37,026
1. Inflows from share issue and other capital instruments as well as surcharges to capital	441	0
2. Loans and credits	30,795	37,026
3. Other financial inflows	1	0
II. Outflows	-6,559	-7,369
1. Repayment of loans and credits	-2,270	-2,403
2. Redemption of bonds	0	-2,930
3. Interest	-3,704	-1,726
4. Other financial outflows	-585	-310
III. Net cash (used in)/generated from financing activities (I-II)	24,678	29,657
D. Total net cash flows (A.III+/-B.III+/-C.III)	580	8,873
E. Balance sheet change in cash and cash equivalents, including:	178	8,765

-change in cash and cash equivalents due to exchange differences	-402	-108
F. Cash and cash equivalents opening balance	49,905	41,140
G. Closing balance of cash and equivalents (F+/-E), including:	50,083	49,905

ADDITIONAL INFORMATION AND COMMENTARY

A. COMMENTARY NOTES

BALANCE SHEET COMMENTARY NOTES

Note 1 a

INTANGIBLE ASSETS	thousands of PLN	
	2007	2006
a) costs of finished development works	0	0
b) goodwill	0	0
c) licences, patents and similar items, including:	3,136	3,511
-computer software	147	206
d) other intangible assets	10	10
e) advance payments for intangible assets	0	0
Total intangible assets	3,146	3,521

Note 1 b

CHANGES IN INTANGIBLE ASSETS (BY TYPES)							
thousands of PLN							
	a	b	c		d	e	Total intangible assets
	costs of completed development work	goodwill	licences, patents and similar items, including	-computer software	other intangible assets	advances for intangible assets	
a) opening balance of gross value of intangible assets	2,057	0	13,182	2,634	112	0	15,351
b) increases (due to)	0	0	1,281	54	0	0	1,281
-purchase	0	0	1,281	54	0	0	1,281
c) decreases (due to)	0	0	2	0	0	0	2
-decommissioning	0	0	2	0	0	0	2
d) closing balance of gross value of intangible assets	2,057	0	14,461	2,688	112	0	16,630
e) opening balance of accumulated depreciation (amortisation)	2,057	0	9,671	2,428	102	0	11,830
f) depreciation for the period (due to)	0	0	1,654	113	0	0	1,654
-increases	0	0	1,654	113	0	0	1,654
g) closing balance of accumulated depreciation (amortisation)	2,057	0	11,325	2,541	102	0	13,484
h) closing balance of net value of intangible assets	0	0	3,136	147	10	0	3,146

Note 1 c

INTANGIBLE ASSETS (PROPRIETARY STRUCTURE)	thousands of PLN	
	2007	2006
a) proprietary	3,146	3,521
Total intangible assets	3,146	3,521

Note 2 a

PROPERTY, PLANT AND EQUIPMENT	thousands of PLN	
	2007	2006
a) property, plant and equipment in use, including:	153,008	99,560
-lands (including right of perpetual usufruct of land)	29,256	10,430
-buildings, premises and water and civil engineering structures	86,825	60,927
-technical equipment and machines	26,781	20,133
-means of transport	8,236	6,806
-other property, plant and equipment	1,910	1,264
b) property, plant and equipment under construction	32,351	42,416
c) advances for property, plant and equipment	26	219
Total property, plant and equipment	185,385	142,195

Note 2 b

CHANGES IN PROPERTY, PLANT AND EQUIPMENT IN USE (BY TYPES)						
thousands of PLN						
	- lands (including right of perpetual usufruct of land)	- buildings, premises and water and civil engineering structures	- technical equipment and machines	- means of transport	- other non-current assets	Total non-current assets in use
a) opening balance of gross value of property, plant and equipment in use	10,577	69,770	50,223	10,549	4,033	145,152
b) increases (due to)	18,826	28,371	16,106	3,421	1,159	67,883
-purchase	18,826	28,371	16,106	3,421	1,159	67,883
c) decreases (due to)	0	42	1,485	936	56	2,519
-decommissioning	0	42	1,274	0	56	1,372
-sales	0	0	211	936	0	1,147
d) closing balance of gross value of property, plant and equipment in use	29,403	98,099	64,844	13,034	5,136	210,516
e) opening balance of accumulated depreciation (amortisation)	147	8,843	30,090	3,743	2,769	45,592
f) depreciation for the period (due to)	0	2,431	7,973	1,055	457	11,916
-increases	0	2,444	9,390	1,594	513	13,941
-decreases (decommissioning)	0	13	1,244		56	1,313
-decreases (sales)	0	0	173	539	0	712
g) closing balance of accumulated depreciation (amortisation)	147	11,274	38,063	4,798	3,226	57,508
h) closing balance of net value of property, plant and equipment in use	29,256	86,825	26,781	8,236	1,910	153,008

Balance sheet value of lands in perpetual usufruct is worth 8.29 million PLN, including acquired ones in amount of 8.29 million PLN.

Note 2 c

BALANCE SHEET PROPERTY, PLANT AND EQUIPMENT IN USE (PROPRIETARY STRUCTURE)	thousands of PLN	
	2007	2006
a) proprietary	151,552	98,741
b) used on the basis of an agreement of rental, lease or another agreement, including a lease agreement	1,456	819
Total balance sheet property, plant and equipment in use	153,008	99,560

Note 3 a

NON-CURRENT FINANCIAL ASSETS	thousands of PLN	
	2007	2006
a) in subsidiaries	35,940	24,987
-interest or shares	28,314	17,803
-granted loans	5,439	6,249
-other securities	1,060	0
-other non-current financial assets (by types)	1,127	935
-interest due to non-current loans	1,127	935
b) in associates	0	11,260
-interest or shares	0	11,260
c) in other entities	0	3
-granted loans	0	3
Total non-current financial assets	35,940	36,250

Note 3 b

CHANGES IN NON-CURRENT FINANCIAL ASSETS (BY TYPES)	thousands of PLN	
	2007	2006
a) opening balance	36,250	38,428
Interest and shares		
b) opening balance	29,063	32,123
c) increases (due to)	13,063	1,000
-purchase of shares in subsidiaries	13,063	1,000
d) decreases (due to)	13,812	4,060
-sales of INTERIA.PL S.A. shares and NetBrokers Sp. z o.o. shares	0	3,996
-sales of shares in subsidiaries	900	0
-contribution of an apport (shares of INTERIA.PL S.A.)	11,260	0
-balance sheet valuation of shares	1,652	64
e) closing balance	28,314	29,063
Other securities		
f) opening balance	0	0
g) increases (due to)	1,060	0
-purchase of shares in Closed Investment Fund	1,060	0
h) closing balance	1,060	0
Non-current loans and other non-current assets in subsidiaries		
i) opening balance	7,184	6,167
j) increases (due to)	606	1,874
-reclassification to non-current loans to ComArch Software and ComArch Global	0	888

-loans granted	200	632
-interest due to non-current loans	406	354
k) decreases (due to)	1,224	857
-repayment of loans	0	322
-balance sheet valuation	1,224	535
l) closing balance	6,566	7,184
Other loans		
m) opening balance	3	138
n) decreases (due to)	3	135
-reclassification to current financial assets	3	98
-repayment of loans	0	37
o) closing balance	0	3
p) Closing balance	35,940	36,250

On 3 December 2007, an agreement on INTERIA.PL S.A. ownership transfer between ComArch S.A. with its registered seat in Krakow and SKA was concluded. In consequence of this agreement ComArch S.A. transferred INTERIA.PL S.A. ownership to SKA. These were 2,267,814 registered preferential shares and 270,555 ordinary bearer shares. They in total constituted 36.08 % of share capital of INTERIA.PL S.A. and entitled to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A. As at 31 December 2007, ComArch S.A. doesn't hold any INTRIA.PL S.A. shares. In January 2008, a transaction of sales of INTERIA.PL S.A. shares by "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna to "BAUER MEDIA INVEST" GmbH was settled. It was a consequence of an agreement concluded between ComArch S.A. and "BAUER MEDIA INVEST" GmbH on 3 December 2007.

Due to the above-mentioned transaction, ComArch S.A. turned to the Minister of Finance for an opinion about tax interpretation that would specify whether contribution of INTERIA.PL S.A. related to covering shares in the increased share capital of private company Comarch Management sp. z o.o. spółka komandytowo-akcyjna (Ltd' Joint Stock Partnership) results in recognition of tax income in ComArch S.A. In ComArch S.A.'s opinion, in this case tax income doesn't appears because the apport was contributed to private company. Pursuant to the received interpretation, despite the contrary opinion, ComArch S.A. determined income in the nominal amount of shares in the Ltd' Joint Stock Partnership that will be issued in return for the contributed apport as well as declared and paid the appropriate income tax.

Note 3 c

INTEREST OR SHARES IN RELATED UNITS												
LP thousands of PLN												
	a	b	c	d	e	f	g	h	i	j	k	l
	name of entity (company) including legal form	seat	activities	nature of relationship (subsidiary, correlate or associate, including direct and indirect relationship)	the applied method of consolidation / equity method valuation or indication that an entity is not subject to consolidation/ valued by equity method	date of control / co-control accession / obtaining major share	value of interest / shares by acquisition price	revaluating corrections (total)	balance sheet value of interest / shares	% of share capital held	share in total number of votes at AGM	indication of basis for control / co control / major share different than the one specified under clauses j) or k)
1.	ComArch, Inc.	Chicago	Sales of software and services in US market	subsidiary	consolidated	24.06.1999	991	-991	0	100	100	
2.	ComArch Software AG	Dresden	Sales of software and services in European market	subsidiary	consolidated	13.09.1999	8,949	-1,011	7,938	100	100	
3.	ComArch Middle East FZ-LCC	Dubai	Sales of IT systems in the Near East and support of delivered IT systems	subsidiary	consolidated	08.04.2004	203	-66	137	100	100	
4.	ComArch LLC	Kiev	Sales of IT systems in Ukraine and support of delivered IT systems	subsidiary	consolidated	01.06.2004	35	-2	33	100	100	
5.	ComArch s.r.o.	Bratislava	Production of software	subsidiary	consolidated	31.08.2004	494	-59	435	100	100	
6.	ComArch Panama, Inc.	Panama	Sales and production of IT systems in Central and Southern America market	second degree subsidiary (subsidiary of ComArch Global, Inc.)	consolidated	22.11.2004	914		914	100	100	subsidiary of ComArch Global, Inc.(100%)

7.	OOO ComArch	Moscow	Sales of IT systems in Russia and support of delivered IT systems	subsidiary	consolidated	26.01.2005	147	-21	126	100	100	
8.	UAB ComArch	Vilnius	Sales of IT systems in Lithuania and support of delivered IT systems	subsidiary	consolidated	07.10.2005	83	-11	72	100	100	
9.	CA Services S.A.	Krakow	Delivering of connections and outsourcing services	subsidiary	consolidated	18.06.2004	1,053		1,053	99.9	99.9	
10.	MKS Cracovia SSA	Krakow	Activities in the scope of physical education and sport	subsidiary	consolidated	29.09.2003	7,209		7,209	49.15	49.15	Company is a subsidiary of ComArch S.A. due to Art 3 pt 37, sec. d) of the Act on Accounting
11.	Fidletronik-ComArch Sp. z o.o.	Krakow	Sales and development of network computers and WEB TV sets	associate	not consolidated	25.11.1998	2		2	50	50	
12.	Comarch Software S.A.R.L	Krakow	Sales of software in European market	second degree subsidiary (subsidiary of ComArch Software AG)	consolidated	14.09.2007	567		567	100	100	subsidiary of ComArch Software AG (100%)
13.	Comarch Management Sp z o.o	Krakow	Activities related to IT	subsidiary	consolidated	19.10.2007	50		50	100	100	
14.	Comarch Corporate Finance FIZ	Krakow	Investment activity in the scope of new technologies and Internet services		consolidated	24.10.2007	1 060		1 060	100	100	

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15.	Comarch Management Sp z o.o. SKA	Krakow	Activities related to IT	second degree subsidiary	consolidated	21.11.2007	11 260		11 260	100	100	
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Note 3 d

INTEREST OR SHARES IN RELATED PARTIES																		
No.	thousands of PLN																	
	a	m							n			o			p	r	s	t
	name of entity	equity, including:							liabilities and provisions for liabilities			receivables of entity, including:			assets, including:	revenues from sales	value of interest/shares in entity unpaid by issuer	dividends from entity received or due for the financial year
		-share capital	- due payments on share capital (negative value)	- supplementary capital	-other equity, including:			-non-current liabilities	- current liabilities		-non-current receivables	- current receivables						
				profit (loss) from previous years	net profit (loss)													
1.	ComArch, Inc.	-7,840	154		853	-8,847	-9,834	2,551	14,269	2,547	11,722	3,855	0	3,855	5,056	14,304		
2.	ComArch Software AG	7,100	222		8,125	-1,247	-5,998	5,511	13,906	2,568	11,338	15,342	273	15,069	19,253	32,173		
3.	ComArch Middle East FZ-LCC	5,844	200		0	5,644	2,584	3,743	1,906	0	1,906	5,227	0	5,227	7,689	7,442		
4.	ComArch LLC	613	15		0	598	-30	685	1,557	108	1,449	1,025	0	1,025	2,170	2,914		
5.	ComArch s.r.o.*	427	487		0	-60	163	-232	13	1,111	13	31	0	31	441	7		
6.	ComArch Panama, Inc.	-267	914		0	-1,181	-1,038	-460	2,077	419	966	635	0	635	1,810	2,270		
7.	OOO ComArch	145	140		585	-580	-483	-65	1,237	0	818	496	0	496	1,382	1,731		
8.	UAB ComArch	1,070	80		0	990	265	818	1,250	1	1,250	392	0	392	1,769	3,839		
9.	CA Services S.A.	4,645	1,050		1,012	2,583	0	2,583	6,633	6,056	6,632	8,808	0	8,808	11,279	31,445		
10.	MKS Cracovia SSA	28,829	14,557		11	14,261	-9,034	147	11,993	0	5,937	1,792	0	1,792	40,822	16,808		
11.	ComArch Management Sp z o.o.	37	50		0	-13	0	-13	5	0	5	0	0	0	42	0		
12.	ComArch Management Sp z o.o. SKA	879	900		1	-22	0	-22	170,125	0	170,125	0	0	0	171,003	0		
13.	ComArch Corporate Finance FIZ	963	1,000		0	-37	0	0	32	0	32	0	0	0	995	0		
14.	ComArch	369	567		0	-198	0	-169	171	0	171	3	0	3	540	0		

	Software S.A.R.L																	
15.	ComArch- Fidletronik Sp. z o.o.*																	

*) It is planned to limit the company's operations.
 **) Company did not begin to operate.

Note 3 e

SECURITIES, SHARES AND OTHER NON-CURRENT FINANCIAL ASSETS (BY CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			20,592	19,524
b) in foreign currencies (by currencies and after conversion to PLN)			9,909	10,474
b1. in currency	in thou.	USD	170	210
after conversion to thousands of PLN			608	610
b2. in currency	in thou.	EURO	2,346	2,320
after conversion to thousands of PLN			8,403	8,954
other currencies in thousands of PLN			898	910
Total securities, shares and other non-current financial assets			30,501	29,998

Note 3 f

SECURITIES, SHARES AND OTHER NON-CURRENT FINANCIAL ASSETS (BY DISPOSAL)	thousands of PLN	
	2007	2006
A. Total interest /shares/	31,524	29,063
a. shares (balance sheet value) – admitted do public trading	0	11,260
-opening balance value	11,260	14,760
-decrease in value-sale of shares	0	3,500
-decrease in value-contribution	11,260	0
-value according to the acquisition price	0	11,260
b. shares (balance sheet value)-other	27,634	17,045
-opening balance value	17,045	16,605
-revaluating corrections for the period	-1,523	-64
-increase - purchase of shares	13,012	1,000
-decrease - sales of shares	900	496
-value according to the acquisition price	29,669	0
c) participation units	1,060	0
-value according to the acquisition price	1,060	0
d. shares in limited companies	680	758
-revaluating corrections for the period	-128	0
-opening balance value	758	758
-value according to the acquisition price	808	758
e. others-interest from non-current loans (balance sheet value)	1,127	935
-opening balance value	935	581
Total value according to the acquisition price	31,537	29,063
Total opening balance value	29,998	32,704
Total revaluating corrections for the period	-1,651	-64
Total balance sheet value	30,501	29,998

Note 3 g

GRANTED NON-CURRENT LOANS (BY CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			0	0
b) in foreign currencies (by currencies and after conversion to PLN)			5,439	6,252
b1. in currency	in thou.	EURO	560	560

after conversion to thousands of PLN			2,006	2,145
b2. in currency	in thou.	USD	1,410	1,410
after conversion to thousands of PLN			3,433	4,107
Total non-current loans			5,439	6,252

Note 3 h

OTHER NON-CURRENT INVESTMENTS (BY TYPES)	thousands of PLN	
	2007	2006
-works of art.	43	43
Total other non-current investments	43	43

Note 3 i

CHANGES IN OTHER NON-CURRENT INVESTMENTS (BY TYPES)	thousands of PLN	
	2007	2006
a) opening balance	43	43
b) closing balance	43	43

Note 3 j

OTHER NON-CURRENT INVESTMENT (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			43	43
b1. in currency				
Total other non-current investment			43	43

Note 4 a

CHANGE IN DEFERRED INCOME TAX ASSETS	thousands of PLN	
	2007	2006
1. Opening balance of deferred income tax assets	2,428	1,197
2. Increases	2,443	2,428
a) referred into the financial result of the period	2,443	2,428
3. Decreases	1,755	1,197
4. Closing balance of deferred income tax assets, including:	3,116	2,428
a) referred into the financial result	3,116	2,428

I. Tax exempt due to activities in Special Economic Zone.

As a result of Poland joining the European Union, an act was passed on 2 October 2003 that changed the act on special economic zones and certain other acts (Journal of Laws No. 188 Item 1840) that changed the conditions for tax exemptions for entities operating in special economic zones. Pursuant to article 6, section 1 of this act, these entities may apply for changes to the terms and conditions of their permits in order to adjust them to the principles for granting public aid in force in the European Union. Pursuant to article 5, section 2, point 1 lit. b), point 2, point 3 of the act, the maximum amount of public aid for entities, which operate in a special economic zone on the basis of a permit issued before 1 January 2000, cannot exceed 75 % of the value of investments incurred in the period from the date of obtaining the permit until 31 December 2006, provided that in determining the maximum amount of public aid, the total amount of public aid obtained since 1 January 2001 is taken into consideration. This means a change in the current method of granting tax relief (public aid) from unlimited relief to relief that is limited in value and depends on the value of investments made. In the

case of ComArch S.A., the maximum value of public aid will not exceed 75 % of the value of investment expenditures, which the company has incurred/shall incur since obtaining the permit, i.e. 22 March 1999, until 31 December 2006.

The costs of investments and the amount of aid are subject to discounting pursuant to Par. 9 of the Regulation of the Ministry from 14 September 2004 on the Krakow Special Economic Zone (Journal of Laws 220 Item 2232) with wording changed pursuant to Par. 1 of the Regulation of the Ministry from 8 February 2005 that changed the Ordinance on the Krakow Special Economic Zone (Journal of Laws No. 32 Item 270) and with Par. 2 of the latter Ordinance taken into consideration. The limit of the unused investment relief as at 31 December 2007, discounted as at the permit date, is 27.181 million PLN. ComArch S.A. approached the Minister of the Economy in order to change the terms and conditions of its permit. On 1 July 2004, it received a decision from the Minister of the Economy dated 24 June 2004 on the topic of changes to the terms and conditions of the permit (those mentioned above and those compliant with the act). The updated permit extended the period in which ComArch S.A. is entitled to use public aid for investments incurred in the special economic zone until 31 December 2017. Pursuant to the Act on Accounting dated 29 September 1994, company does not include tax exempt due to activities in Special Economic Zone in calculating a value of a deferred income tax asset.

II. Temporary differences and tax losses to be settled

Due to the fact that the company is taxed according to general principles and enjoys tax-exempt status, temporary differences in the tax yield may be realised within both of these activities. At the same time, the final determination within which of these activities (taxed or tax-exempt) the temporary differences will be realised on the basis of the annual settlement of income tax, after the end of the fiscal year. As at 31 December 2007, the company used value of deferred income tax asset in the amount of 1.755 million PLN and dissolved provision due to deferred income tax in the amount of 0.029 million PLN that were recognised at 31 December 2006. At the same time company recognised an asset worth 2.443 million PLN and provisions due to deferred income tax worth 0.353 million PLN. The effect of these operations on the 2007 result was plus 0.364 million PLN.

Note 4 b

OTHER PREPAYMENTS	thousands of PLN	
	2007	2006
a) prepayments of costs, including:	515	127
-non-current prepayments due to costs	479	81
-non-current prepayments due to interest on lease agreements	36	46
Total other prepayments	515	127

Note 5 a

INVENTORIES	thousands of PLN	
	2007	2006
a) materials	708	704
b) rough products and products in progress	13,584	11,802
c) finished goods	18,131	6,992
Total inventories	32,423	19,498

Due to loss in value, write-offs that revalue inventories were done. As at 31 December 2007, value of write-offs that are included in the result for 2007 amounts to 0.347 million PLN.

Note 6 a

CURRENT RECEIVABLES	thousands of PLN	
	2007	2006
a) from related parties	22,807	20,231
-due to deliveries and services with payment period of:	22,709	20,231
-up to 12 months	22,709	20,231
-other	98	0
b) from other entities	146,535	124,873
-due to deliveries and services with payment period of:	143,348	123,659
-up to 12 months	138,509	109,070
-over 12 months	4,839	14,589
-other	3,187	1,214
-settlements with employees due to advances and loans	223	186
-deposits and securities	2,927	1 028
-investments receivables	37	0
Total net current receivables	169,342	145,104
c) write-offs revaluating receivables	5,169	2,270
Total gross current receivables	174,511	147,374

Note 6 b

CURRENT RECEIVABLES FROM RELATED PARTIES	thousands of PLN	
	2007	2006
a) due to deliveries and services, including:	22,709	20,231
-from subsidiaries	22,708	20,207
-from associates	1	24
b) others, including:	98	0
-from subsidiaries	98	0
Total net current receivables from related parties	22,807	20,231
c) write-offs revaluating receivables from related parties	1,561	141
Total gross current receivables from related parties	24,368	20,372

Note 6 c

CHANGE IN WRITE-OFFS THAT REVALUATE CURRENT RECEIVABLES	thousands of PLN	
	2007	2006
Opening balance	2,270	2,631
a) increases (due to)	5,262	2,357
write-offs taken over from merger		
-establishing write-offs for bad debts	5,262	2,357
b) decreases (due to)	2,363	2,718
dissolution of provisions		
-dissolution of provisions - paid receivables	1,502	1,631
-dissolution of provisions – listing of outdated receivables	115	1,087
-dissolution of provisions – irrecoverable receivables	746	0
Closing balance of write-offs that revalue current receivables	5,169	2,270

Note 6 d

GROSS CURRENT RECEIVABLES (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			142,329	91,939
b) in foreign currencies (by currencies and after conversion to PLN)			32,182	55,435
b1. in currency	in thou.	EURO	4,366	10,342
after conversion to thousands of PLN			15,647	40,308
b2. in currency	in thou.	USD	6,506	5,006
after conversion to thousands of PLN			16,018	14,621
b3. in currency	in thou.	CHF	193	193
after conversion to thousands of PLN			496	496
b4. in currency	in thou.	GBP	3	1
after conversion to thousands of PLN			14	3
other currencies in thousands of PLN			7	7
Total current receivables			174,511	147,374

Note 6 e

GROSS RECEIVABLES DUE TO DELIVERIES AND SERVICES, WITH PAYMENT PERIOD OF THE BALANCE SHEET DATE:	thousands of PLN	
	2007	2006
a) less than 1 month	80,091	87,989
b) over 1 month and less than 3 months	8,879	2,581
c) over 3 month and less than 6 months	25,213	132
d) over 6 months and less than 1 year	3,952	13
e) over 1 year	4,839	14,589
f) outdated receivables	48,220	40,802
Total gross receivables due to deliveries and services	171,194	146,106
g) write-offs that revalue receivables due to deliveries and services	5,137	2,216
Total net receivables due to deliveries and services	166,057	143,890

With the regular course of sales, receivables listed in items a) to e) are related. Payment deadline is one of integral elements of the financial offer of the Comarch Group. The Group applies different payment deadlines depending on agreement type and contractor. In particular, long payment deadlines result from using by public institutions of the so-called guarantee deposits settled after completion of a contract (i.e. withholding part of payment of each invoice until the contract is completely executed).

Note 6 f

GROSS RECEIVABLES DUE TO DELIVERIES AND SERVICES, OUTDATED, BY RECEIVABLES OUTSTANDING IN THE PERIOD:	thousands of PLN	
	2007	2006
a) less than 1 month	21,695	14,586
b) over 1 month and less than 3 months	9,349	7,677
c) over 3 month and less than 6 months	6,248	11,787
d) over 6 months and less than 1 year	6,244	3,830
e) over 1 year	4,684	2,922
Total gross receivables due to deliveries and services, outdated	48 220	40,802
-write-offs that revalue receivables due to deliveries and services, outdated	5 137	2,216
Total net receivables due to deliveries and services, outdated	43 083	38,586

Note 7 a

Contested debts and outdated receivables (by titles) as at 31 December 2007:
a) contested debts – comprised by revaluating write-offs
b) gross outdated receivables: 48.252 million PLN:
- due to deliveries of finished goods and services: 48.22 million PLN.
Outdated receivables on which revaluating write-offs were not made: 43.083 million PLN.
Outdated receivables comprised by revaluating write-offs: 5.169 million PLN.
Including receivables that are prosecuted – comprised by revaluating write-offs: 0.023 PLN.

File	Description

Note 8 a

CURRENT FINANCIAL ASSETS	thousands of PLN	
	2007	2006
a) in subsidiaries	1,450	1,250
-granted loans	1,450	1,250
b) in other parties	12	346
-granted loans	12	179
-other current financial assets (by types)	0	167
c) cash and cash equivalents	50,195	49,929
-cash in hand and at banks	50,083	49,905
-other monetary assets	112	24
Total current financial assets	51,657	51,525

Note 8 b

SECURITIES, SHARES AND OTHER CURRENT FINANCIAL ASSETS (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			0	167
b1. in currency	in thou.	EURO	0	167
-				
Total securities, shares and other current financial assets			0	167

Note 8 c

SECURITIES, SHARES AND OTHER CURRENT FINANCIAL ASSETS (BY DISPOSAL)	thousands of PLN	
	2007	2006
With unlimited disposability, not registered on regulated market (balance sheet value)	0	167
a) other-by types (balance sheet value):	0	167
-market value	0	167
-value by acquisition price	0	167
Total balance sheet value	0	167

Note 8 d

GRANTED CURRENT LOANS (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			1 462	1,429
b1. in currency				
Total granted current loans			1 462	1,429

Note 8 e

CASH AND CASH EQUIVALENTS (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			38,672	36,568
b) in foreign currencies (by currencies and after conversion to PLN)			11,523	13,361
b1. in currency	in thou.	EURO	2,612	2,975
after conversion to thousands of PLN			9,357	11,426
b2. in currency	in thou.	USD	886	627
after conversion to thousands of PLN			2,157	1,844
b3. in currency	in thou.	GBP	2	0
after conversion to thousands of PLN			7	2
b4. in currency	in thou.	CHF	0	37
after conversion to thousands of PLN			0	89
B5. in currency	in thou.	DKK	3	0
after conversion to thousands of PLN			2	0
Total cash and cash equivalents			50,195	49,929

Note 9 a

CURRENT PREPAYMENTS	thousands of PLN	
	2007	2006
a) current prepayments of costs, including:	2,347	2,440
-costs related to the future sales	1,532	1,931
-property and motor insurance	773	474
-other	42	35
b) other prepayments, including:	22,400	24,105
-prepayments due to revenues from non-current contracts	14,464	20,250
-due subsidies	7,936	3,855
Total current prepayments	24,747	26,545

Note 10 a

SHARE CAPITAL (STRUCTURE)								
in thousands of PLN								
Seri es/ issu e	Type of shares	Type of shares preference	Type of limitation of rights to shares	Number of shares	Value of series/ issue by nominal value	Capital covering transformation of limited company	Registration date	Right to dividend (from)
A	Registered preference	vote 5:1	not limited	883,600	884		1994-12-20	1994-12-20

A	ordinary bearer shares		not limited	56,400	56	transformation of limited company	1994-12-20	1994-12-20
B	Registered preference	vote 5:1	not limited	883,600	884	cash	1995-03-24	1994-12-20
B	ordinary bearer shares		not limited	56,400	56	cash	1995-03-24	1994-12-20
C	ordinary bearer shares		not limited	3,008,000	3,008	cash	1997-06-20	1996-11-01
D	ordinary bearer shares		not limited	1,200,000	1,200	cash	1999-03-01	1997-11-01
E	ordinary bearer shares		not limited	638,600	638	cash	2000-03-08	1999-01-01
G	ordinary bearer shares		not limited	125,787	126	cash	2004-06-29	2004-01-01
G3	ordinary bearer shares		not limited	102,708	103	cash	2005-06-23	2005-01-01
H	ordinary bearer shares		not limited	543,025	543	conversion of convertible bonds into shares	2006-03-20	2006-01-01
H	ordinary bearer shares		not limited	20,650	21	conversion of convertible bonds into shares	2006-03-31	2006-01-01
I2	ordinary bearer shares		not limited	441,826	441	execution of managerial option programme	2007-04-20	2007-01-01
Total number of shares				7,960,596				
Total share capital					7,960			
Nominal value of one share (PLN)			1,00					

I. Shareholders holding directly or indirectly by subsidiary entities at least 5 % of the total number of votes in the general meeting of ComArch S.A.

As at 31 December 2007, shareholders holding directly or indirectly by subsidiary entities at least 5 % of the total number of votes in the general meeting of ComArch S.A. were:

-Elżbieta and Janusz Filipiak held 3,411,383 shares (42.85 % of the company's share capital), which gave them 10,367,383 votes at the AGM and constituted 68.98 % of all votes at the AGM.
- customers of BZ WBK AIB Asset Management S.A. held 1,504,869 shares (18.90 % of company's share capital), which gave 1,504,869 votes at AGM and constituted 10.01 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that according to information on the day of the report held 829,619 shares (10.42 % of the company's share capital), which gave 829,619 votes at AGM (5.52 % of the total number of votes at the AGM).

In relation to change in rights from 9,400 ComArch S.A. series A shares that was carried on 2 January 2008 (current report no. 2/2008) and due to purchases of ComArch S.A. shares by BZ WBK AIB Asset Management S.A. settled in January and March of 2008 (current reports no. 3/2008 and 6/2008), according to information possessed by the company on the day of the report:

Elżbieta and Janusz Filipiak held 3,411,383 shares (42.85 % of the company's share capital), which gave them 10,367,383 votes at the AGM and constituted 69.15 % of all votes at the AGM.
- customers of BZ WBK AIB Asset Management S.A. held 2,150,852 shares (27.02 % of company's share capital), which gave 2,150,852 votes at AGM and constituted 14.35 % of the total number of votes at the AGM. These shares comprise shares held by BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A. (Investment Funds), that according to information on the day of the report held 829,619 shares (10.42 % of the company's share capital), which gave 829,619 votes at AGM

(5.53 % of the total number of votes at the AGM).

II. Managerial Option Program for Members of the Management Board and Other Key Employees

a) Managerial Option Programme for 2005-2007

On 30 June 2005, the Annual General Meeting of Shareholders passed Resolution no. 51 on the managerial options programme for members of the Management Board and the company's Key Employees (17 persons in total). The objective of the programme was to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and its net profit. The program was supposed to be executed through offers of newly-issued shares in the company in 2006, 2007 and 2008 to members of the Management Board and Key Employees. The value of the Option was at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2005) and the issue price of shares offered to members of the Management Board and Key Employees. The basis for the calculation of the value of the Option was increases in company capitalisation, calculated as follows:

- For 2006 it was the difference between the average capitalisation of the company in December 2005 and the average capitalisation of the company in December 2004; this was calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2007 it was the difference between the average capitalisation of the company in December 2006 and its average capitalisation in December 2005;
- For 2008 it was the difference between the average capitalisation of the company in December 2007 and its average capitalisation in December 2006, where the average capitalisation was the number of shares multiplied by the average closing price for shares of the company in December of a given year.

The total value of the option was 9.4 % of the increase in capitalisation in the periods set forth in Clauses a), b) and c) (for options No. 1, No. 2 and No. 3, respectively) at the beginning. As at 31 December 2007 and after the application of changes to the program (pursuant to the resolution of the AGM passed on 22 June 2006 and according to changes to the list of program participants that took place in 2006 and 2007) the value of the Option amounted to 7.8 % of the increase in capitalisation.

Pursuant to the Act on Accounting dated 29 September 1994, managerial option programme is not recognised in income statement. This option will be recognised as cost in income statement in consolidated financial statement according to IFRS.

The difference between the average capitalisation in December 2005 and the average capitalisation in December 2004 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees weren't issued in 2006.

Basing on the company's quotations on Warsaw Stock Exchange, the Board of Supervisors agreed an increase in the company's cap of 1,098,010,607.08 PLN as at 31 December 2006. The Board of Supervisors agreed an option's value in the amount of 8.2 % of the increase in cap, i.e. 90,036,869.78. On 12 February 2007, the company's Board of Supervisors passed a resolution concerning execution of managerial option programme and declared that 441,834 series I2 shares will be issued, of nominal value of 1 PLN and issue price of 1 PLN. On 14 March 2007, the Board of Supervisors passed a resolution concerning changes in the resolution dated 12 February 2007, concerning execution of managerial option programme. As a result, 441,826 series I2 shares was issued, of nominal value of 1 PLN and issue price of 1 PLN. A subscription of I2 shares took place between 16 March 2007 and 23 March 2007.

The difference between the average capitalisation in December 2007 and the average capitalisation in December 2006 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees will not be issued in 2008.

b) Managerial Option Programme for 2008-2010

On 30 June 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2009, 2010 and 2011 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2008) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- For 2008 it will be the difference between the average capitalisation of the company in December 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December 2008 and its average capitalisation in December 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December 2009 and its average capitalisation in December 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation.

On 10 December 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %.

Note 11 a

SUPPLEMENTARY CAPITAL	thousands of PLN	
	2007	2006
a) from sales of shares above par	84,448	84,448
b) created according to the law	2,506	2,506
c) created according to the statute/agreement, above the (minimal) value that is required by law	143 290	85,143
Total supplementary capital	230,244	172,097

Note 12 a

REVALUATION RESERVE	thousands of PLN	
	2007	2006
a) exchange differences due to conversion of shares in foreign currencies	0	6
capital part of convertible bonds		
negative capital that arose at redemption of bonds		
Total revaluation reserve	0	6

Note 13 a

OTHER RESERVE CAPITALS (BY PURPOSES)	thousands of PLN	
	2007	2006
-investment capital	79	79
-capital from profit-sharing	0	21,203
-supplementary capital for covering the tax liabilities	666	666

Total reserve capitals	745	21,948
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Note 14 a

CHANGES IN PROVISION DUE TO DEFERRED INCOME TAX	thousands of PLN	
	2007	2006
1. Opening balance of provision due to deferred income tax	878	0
2. Increases	352	878
-referred into the financial result of the period due to positive temporary differences	352	878
3. Decreases	28	0
-referred into the financial result of the period due to positive temporary differences	28	0
4. Closing balance of provision due to deferred income tax	1,202	878

Note 14 b

CHANGES IN OTHER CURRENT PROVISIONS (BY TITLES)	thousands of PLN	
	2007	2006
a) opening balance	0	0
b) increases (due to)	2,050	0
-payment of an amount due to an agreement	2,050	0
c) closing balance	2,050	0

Note 15 a

NON-CURRENT LIABILITIES	thousands of PLN	
	2007	2006
a) opening balance	305	433
-other (by types)	305	433
-due to lease	305	433
a) to other entities	77,852	51,471
-credits and loans	77,739	51,471
-due to lease	113	0
Total non-current liabilities	78,157	51,904

Note 15 b

NON-CURRENT LIABILITIES WITH PAYMENT PERIOD (FROM THE BALANCE SHEET DATE)	thousands of PLN	
	2007	2006
a) over 1 year up to 3 years	11,334	8,667
b) over 3 years up to 5 years	26,016	9,454
c) over 5 years	40,807	33,753
Total non-current liabilities	78,157	51,904

Note 15 c

NON-CURRENT LIABILITIES (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			78,157	51,904
Total non-current liabilities			78,157	51,904

Note 15 d

NON-CURRENT LIABILITIES (DUE TO CREDITS AND LOANS)													
thousands of PLN													
Name of entity (company) including legal form	Seat	Value of credit / loan according to a contract				Value of credit / loans to be paid				Interest rate	Maturity date	Hedges	Other
		in thousands of PLN	in currency	unit	currency	in thousands of PLN	in currency	unit	currency				
Fortis Bank S.A.	Warsaw	20,000		thou	PLN	13,000		thou	PLN	WIBO R1M+ 0,95%	05-04-2015	promissory note, the mortgage on land in the amount of 20 million PLN and maximum mortgage up to the amount of 4.788 million PLN and the building insurance policy	related to SEZ2 building
Kredyt Bank S.A.	Warsaw	26,824		thou	PLN	25,042		thou	PLN	WIBO R1M+ 0,85%	31-03-2022	the mortgage on land in the amount of 26.824 million PLN and maximum mortgage up to the amount of 6.5 million PLN and the building insurance policy	related to SEZ3 building
Fortis Bank S.A.	Warsaw	44,000		thou	PLN	24,597		thou	PLN	WIBO R1M+ 0,95%	29-07-2024	promissory note, the mortgage on land in the amount of 44 million PLN and maximum mortgage up to the amount of 7.735 million PLN and the building insurance policy	related to SEZ4 building
PEKAO S.A.	Warsaw	15,100		thou	PLN	15,100		thou	PLN	WIBO R1M+ 0,85%	30-04-2012	promissory note, the mortgage on land in the amount of 15.1 million PLN and maximum mortgage up to the amount of 2.5 million PLN, power of attorney to settle borrower's liabilities with the account of Comarch	Related to real estates in SEZ

At the balance sheet date, long-term part of credit to be paid is worth 77.739 million PLN.

Note 16 a

CURRENT LIABILITIES	thousands of PLN	
	2007	2006
a) to subsidiaries	6,085	4,429
-due to deliveries and services with payment period of:	5,904	4,266
-up to 12 months	5,904	4,266
-other (by types)	181	163
-liabilities due to lease	181	163
b) to associates	0	225
-due to deliveries and services with payment period of:	0	225
-up to 12 months	0	225
c) to other entities	102,237	89,302
-credits and loans, including:	4,740	2,441
-due to deliveries and services with payment period of:	70,862	59,065
-up to 12 months	65,969	44,399
-over 12 months	4,893	14,666
-advances for received deliveries	5,142	5,755
-due to taxes, customs, insurance and other benefits	15,739	17,060
-due to remuneration	10	3
-other (by titles)	5,744	4,978
-investment liabilities	5,115	4,228
-liabilities to employees	356	313
-due to lease	128	414
-other	145	23
d) special funds (by types)	1,375	1,195
-Social Services Fund and Residential Fund	1,375	1,195
Total current liabilities	109,697	95,151

Note 16 b

CURRENT LIABILITIES (CURRENCY STRUCTURE)	unit	currency	thousands of PLN	
			2007	2006
a) in polish currency			99,166	87,536
b) in foreign currencies (by currencies and after conversion to PLN)			10,531	7,615
b1. in currency	in thou.	EURO	2,382	1,540
after conversion to thousands of PLN			8,534	5,867
b2. in currency	in thou.	USD	772	430
after conversion to thousands of PLN			1,881	1,251
b3. in currency	in thou.	SKK	0	4,478
after conversion to thousands of PLN			0	497
b4. in currency	in thou.	GBP	24	0
after conversion to thousands of PLN			116	0
Total current liabilities			109,697	95,151

Note 16 c

NON-CURRENT LIABILITIES (DUE TO CREDITS AND LOANS)													
thousands of PLN													
Name of entity (company) including legal form	Seat	Value of credit / loan according to a contract				Value of credit / loans to be paid				Interest rate	Maturity date	Hedges	Other
		in thousands of PLN	in currency	unit	currency	in thousands of PLN	in currency	unit	currency				
Fortis Bank S.A.	Warsaw	20,000		thou	PLN	2,000		thou	PLN	WIBO R1M+ 0,95%	05-04-2015	promissory note, the mortgage on land in the amount of 20 million PLN and maximum mortgage up to the amount of 4.788 million PLN and the building insurance policy	related to SEZ2 building
Kredyt Bank S.A.	Warsaw	26,824		thou	PLN	1,512		thou	PLN	WIBO R1M+ 0,85%	31-03-2022	the mortgage on land in the amount of 26.824 million PLN and maximum mortgage up to the amount of 6.5 million PLN and the building insurance policy	related to SEZ3 building
Fortis Bank S.A.	Warsaw	44,000		thou	PLN	1,171		thou	PLN	WIBO R1M+ 0,95%	29-09-2023	promissory note, the mortgage on land in the amount of 44 million PLN and maximum mortgage up to the amount of 7.735 million PLN and the building insurance policy	related to SEZ4 building

At the balance sheet date short-term part of credit to be paid is worth 4.683 million PLN.

Note 17 a

OTHER ACCRUALS	thousands of PLN	
	2007	2006
a) accruals of costs	38,424	34,365
-current (by titles)	38,424	34,365
-provisions for leave	7,891	6,736
-costs related to the current period that will be incurred in future	27,957	25,337
-provisions for costs for contracts	2,576	2,292
b) accruals of revenues	7,267	857
-current (by titles)	7,267	857
-granted subsidies	7,267	857
c) accruals due to long-term contracts	4,569	5,390
Total other accruals	50,260	40,612

Note 18 a

Book value per single share in column "2007" is equal to book value (equity) divided by number of shares as at 31 December 2007. Book value per single share in column "2006" is equal to book value (equity) divided by number of shares as at 31 December 2006.

Diluted book value per single share in column "2007" is equal to book value (equity) divided by number of shares as at 31 December 2007. Diluted book value per single share in column "2006" is equal to book value (equity) divided by sum of number of shares as at 31 December 2006 and diluted number of shares that results from execution of managerial option for 2006.

Pursuant to IAS 33, in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).

File	Description

OFF-BALANCE ITEMS COMMENTARY NOTES

Note 19 a

CONTINGENT LIABILITIES TO RELATED PARTIES (DUE TO)	thousands of PLN	
	2007	2006
a) granted bank guarantees and suretyships	0	94
-to associates	0	94
Total contingent liabilities to related parties	0	94

INCOME STATEMENT COMMENTARY NOTES

Note 20 a

NET REVENUES FROM SALES OF PRODUCTS (MATERIAL STRUCTURE-TYPES OF ACTIVITIES)	thousands of PLN	
	2007	2006
-sales of IT services	239,211	224,104
-including: from related parties	8,208	7,139
-sales of proprietary software and licences	57,811	56,811
-including: from related parties	25,456	17,736
-sales of finished goods	12,127	9,076
-other sales	3,302	3,521

-including: from related parties	1,520	1,127
Total net revenues from sales of products	312,451	293,512
-including: from related parties	35,184	26,002

Due to change in method of calculation, data related to 2006 material structure were modified (compared to those presented in the financial statement for 2006) to make them comparable.

Note 20 b

NET REVENUES FROM SALES OF PRODUCTS (GEOGRAPHICAL STRUCTURE)	thousands of PLN	
	2007	2006
a) domestic	235,870	223,291
-including: from related parties	9,218	1,287
b) export	76,581	70,221
-including: from related parties	25,966	24,715
Total net revenues from sales of products	312,451	293,512
-including: from related parties	35,184	26,002

Note 21 a

NET REVENUES FROM SALES OF GOODS AND MATERIALS (MATERIAL STRUCTURE- TYPES OF ACTIVITIES)	thousands of PLN	
	2007	2006
-computer hardware	122,003	90,014
-including: from related parties	44	41
-proprietary software and licences	73,822	69,624
-including: from related parties	10	9
-other	22,050	8,658
-including: from related parties	162	1
Total net revenues from sales of goods and materials	217,875	168,296
-including: from related parties	216	51

Note 21 b

NET REVENUES FROM SALES OF GOODS AND MATERIALS (GEOGRAPHIC STRUCTURE)	thousands of PLN	
	2007	2006
a) domestic	217,306	167,287
-including: from related parties	32	0
b) export	569	1,009
-including: from related parties	184	51
Total net revenues from sales of goods and materials	217,875	168,296
-including: from related parties	216	51

Note 22 a

COSTS BY TYPES	thousands of PLN	
	2007	2006
a) depreciation	15,595	11,561
b) consumption of materials and energy	6,491	5,241
c) third party services	70,468	72,660

d) taxes and charges	3,169	2,431
e) remuneration	164,179	129,134
f) social insurance and other benefits	29,322	21,778
g) other (by types)	16,952	17,147
Total costs by types	306,176	259,952
Change in inventories, products and prepayments	-22,710	-4,567
Costs of sales (negative value)	-41,000	-38,295
Administrative costs (negative value)	-32,846	-29,616
Manufacturing costs of products sold	209,620	187,474

Note 23 a

OTHER OPERATING REVENUES	thousands of PLN	
	2007	2006
a) provision dissolution (due to)	0	31
dissolution of revaluating write-offs -payment		
-to write-offs that reevaluate materials and finished goods	0	31
b) other, including:	447	387
-recovered communication damages	26	26
-refund of VAT that was paid abroad	172	56
-received contractual penalties	39	47
-refunded legal expenses	10	0
-remuneration of taxpayer, refunds from Social Securities Institution	64	63
-cancelled training contracts	76	35
-other	60	160
Total operating revenues	447	418

Note 24 a

OTHER OPERATING COSTS	thousands of PLN	
	2007	2006
a) other, including:	22,078	10,285
-membership fees	249	129
-donations	182	188
-paid penalties	2,025	1,030
-costs of works that are financed with subsidies	15,079	7,698
-write-off that reevaluates receivables	3,785	611
-social costs	435	0
-other	323	629
Total operating costs	22,078	10,285

Note 25 a

FINANCING REVENUES DUE TO INTEREST	thousands of PLN	
	2007	2006
a) due to granted loans	414	409
-from related parties, including:	414	409
-from subsidiaries	414	409
b) other interest	1,796	700
-from other parties	1,796	700
Total financing revenues due to interest	2,210	1,109

Note 25 b

OTHER FINANCING REVENUES	thousands of PLN	
	2007	2006
a) other, including:	29	186
-credit valuation	0	128
-other	29	58
Total financing revenues	29	126

Note 26 a

FINANCING COSTS DUE TO INTEREST	thousands of PLN	
	2007	2006
a) other interest	2,541	1,962
-for subsidiaries	29	0
-for other parties	2,512	1,962
Total financing costs due to interest	2,541	1,962

Note 26 b

OTHER FINANCING COSTS	thousands of PLN	
	2007	2006
a) other, including:	4,854	2,941
-commissions on guarantees	402	409
-loans valuation	170	0
-exchange differences	3,574	2,516
-additional payments to the companies	585	0
-other	123	16
Total other financing costs	4,854	2,941

Note 27 a

CURRENT INCOME TAX	thousands of PLN	
	2007	2006
1. Gross profit (loss)	27,522	46,216
2. Permanent differences between gross profit (loss) and basis of taxation for income tax	7,499	11,661
3. Temporary differences between gross profit (loss) and basis of taxation for income tax	21,703	18,407
4. Other differences between gross profit (loss) and basis of taxation for income tax, including:	-45,868	-54,672
-income exempt due to activities in Special Economic Zone	-45,868	-42,822
-deducting loss from previous years	0	-11,850
5. Basis of taxation for income tax	10,856	21,612
6. Income tax at the rate of 19 %	2,063	4,106
7. Income tax recognised in income statement	1,699	3,753
-presented in tax declaration	2,063	4,106
-deferred	-364	-353

Note 27 b

DEFERRED INCOME TAX RECOGNISED IN INCOME STATEMENT:	thousands of PLN	
	2007	2006
-deferred income tax due to temporary differences	-364	353
Total deferred income tax	-364	353

Note 28 a

On 28 June 2007, Annual General Meeting decided that net profit for the period from 1 January 2006 to 31 December 2006 in amount of 42,463,185.16 PLN is allocated in entirety for the supplementary capital. ComArch S.A.'s Management Board has not made a decision until publication date of this report concerning a proposed profit-sharing for 2007.

File	Description

Note 29 a

Net profit per single share in column "2007" is equal to net profit for the period from 1 January 2007 to 31 December 2007 divided by weighted average number of shares between 1 January 2007 and 31 December 2007, where number of days is the weight. Net profit per single share in column "2006" is equal to net profit for the period from 1 January 2006 to 31 December 2006 divided by weighted average number of shares between 1 January 2006 and 31 December 2006, where number of days is the weight.

Diluted net profit per single share in column "2007" is equal to net profit for the period from 1 January 2007 to 31 December 2007 divided by weighted average number of shares between 1 January 2007 and 31 December 2007 that was calculated according to IAS 33. Diluted net profit per single share in column "2006" is equal to net profit for the period from 1 January 2006 to 31 December 2006 divided by weighted average number of shares between 1 January 2006 and 31 December 2006 that was calculated according to IAS 33.

Pursuant to IAS 33, in calculation of diluted profit per single share (diluted book value per single share) ordinary shares should be regarded as diluting if and only if their conversion to ordinary shares would reduce net profit (book value).

File	Description

CASH FLOW COMMENTARY NOTES

File	Description
Cash flow commentary notes.pdf	Cash flow commentary notes- Appendix no. 7

CASH FLOWS FROM INVESTING ACTIVITIES (INDIRECT METHOD)	in thousands of PLN	
	2007	2006
I. Net profit (loss)	25,823	42,463
II. Total adjustments	9,609	-19,620
1. Depreciation	15,595	11,561
2. Exchange gains (losses)	402	108
3. Interest and shares in profits (dividends)	3,703	1,727
4. Profit (loss) on investing activities	1,452	-8,177
5. Change in provisions	-364	-353
6. Change in inventories	-12,924	6,396
7. Change in receivables	-23,336	-50,546
8. Change in current liabilities, excluding credits and loans	13,438	18 164
9. Change in prepayments and accruals	11,058	1,500
10. Other adjustments	585	0
III. Net cash used in operating activities (I+/-II)	35,432	22,843

B. ADDITIONAL COMMENTARY NOTES

File	Description
Additional commentary notes.pdf	Additional commentary notes-Appendix no. 8

SIGNATURES

SIGNATURES OF ALL MEMBERS OF THE BOARD			
Date	Name and surname	Position	Signature
2008-04-03	Janusz Filipiak	President of the Management Board	
2008-04-03	Piotr Piątosza	Vice-president of the Management Board	
2008-04-03	Paweł Prokop	Vice-president of the Management Board	
2008-04-03	Piotr Reichert	Vice-president of the Management Board	
2008-04-03	Zbigniew Rymarczyk	Vice-president of the Management Board	
2008-04-03	Marcin Warwas	Vice-president of the Management Board	

SIGNATURE OF PERSON CHARGED WITH CARRYING ON ACCOUNT BOOKS			
Date	Name and surname	Position	Signature
2008-04-03	Maria Smolińska	Head Accountant	

REPORT OF THE MANAGEMENT BOARD (REPORT REGARDING THE ACTIVITIES OF ISSUER)

File	Description
Report of the Management Board.pdf	Report of the Management Board-Appendix no. 9
Report regarding the Corporate Governance.pdf	Report regarding the Corporate Governance- Appendix no. 10

In this report, the following notes have not been filed in:
 Property, plant and equipment in use recognised off-balance sheet
 Non-current receivables, Change in non-current receivables (by titles), Change in write-offs
 revaluating non-current receivables, Non-current receivables (currency structure)

Change in real estates (by types), Change in intangibles (by types), Interest or shares in related units that are valued by equity method, including: , Change in goodwill-subsiidiaries, Change in goodwill-co subsidiaries, Change in goodwill-associates, Change in negative goodwill-subsiidiaries, Change in negative goodwill- co subsidiaries, Change in negative goodwill-associates, Interest or shares in other entities
Other current investment (by types), Other current investment (currency structure)
Revaluating write-offs
Proprietary shares (interest), Shares (interest) of issuer that are propriety of related parties
Write-offs from net profit during financial year (due to)
Change in non-current provision for retirement pension and similar (due to), Change in current provision for retirement pension and similar (due to), Change in other non-current provisions (due to)
Non-current liabilities due to issued debts
Current liabilities due to issued debts
Change in negative goodwill
Contingent receivables from related entities (due to)
Financial revenues from dividends and shares in profits
Profit (loss) on sales of entirety or part of shares of related parties
Extraordinary profits
Extraordinary losses
Total amount of deferred tax, Income tax recognised in income statement related
Other obligatory decreases in profit (increases in losses), due to:
Share in net profits (losses) of related parties that are valued by equity method, including:

CASH FLOW COMMENTARY NOTES, SA-R 2007 COMARCH S.A. ANNUAL REPORT

Note 30 CASH STRUCTURE (CURRENT YEAR)

	31 December 2007	31 December 2006	Change
1	2	3	1=2-3
Cash in hand	516	367	149
Cash in banks	49,567	49,538	29
Total	50,083	49,905	178
<i>-including exchange differences</i>	<i>-402</i>	<i>-108</i>	<i>-294</i>

Note 31 CALCULATION DETAILS OF SELECTED ITEMS IN CASH FLOW STATEMENT (CURRENT YEAR)

Operating activities

Item A II 1 Depreciation

Depreciation of intangible assets	1,654
Depreciation of property, plant and equipment	13,941

Total	15,595

Item A II 3

Paid-out interest on credits	3,704
Received interest on loans	-1

	3,703

Item A II 4

Revenues from sales of property, plant and equipment	-648
Cost of sold and decommissioned property, plant and equipment in use	496
Inflow due to sales of securities	-39
Revaluation of shares	1,643
Result on sales of shares (interest)	-

Total	1,452

Item A II 7

Change in receivables	-23,458
Investment receivables	34
Investment advance payments	-193
Loans granted	200
Other	81

Total	-23,336

Item A II 8

Change in current liabilities excluding loans, credits And other financial liabilities	12,094
Change in investment liabilities	-886
Change in financial liabilities	2,050
Change in Social Services Fund	180

Total	13,438

Item A II 9

Change in prepayments	1,410
Change in accruals	9,648

Total	11,058

Investment activities**Inflows****Item B I 1**

Revenues from sales of property, plant and equipment	647
Receivables paid	-34

Total	613

Outflows**Item B II 1**

Purchase of intangible assets And property, plant and equipment	-59,099
Payment of investment liabilities	886
Investment advance payments	193

Total	- 58,020

ADDITIONAL COMMENTARY NOTES SA-R 2007 COMARCH S.A. ANNUAL REPORT

**Note 32
FINANCIAL INSTRUMENTS**

A) Changes in Financial Instruments (by categories)

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1 January 2006 to 31 December 2006 were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans and proprietary receivables	Financial liabilities
1 January 2006	0		7,109	60,245
+ increases	3,000		1,632	36,988
- decreases	3,000		1,060	43,321
31 December 2006	0		7,681	53,912
Balance sheet approach				
Non-current financial assets			6,252	
<i>in related parties</i>			6,249	
<i>in other entities</i>			3	
Current financial assets			1,429	
<i>in related parties</i>			1,250	
<i>in other entities</i>			179	
Current financial liabilities				2,441
<i>to related parties</i>				0
<i>to other entities</i>				2,441
Non-current financial liabilities				51,471
<i>to related parties</i>				0
<i>to other entities</i>				51,471

Changes in particular categories of financial assets (excluding cash and cash equivalents) from 1 January 2007 to 31 December 2007 were as follows:

Change in financial instruments by categories	Financial assets held for trading	Held to maturity financial assets	Granted loans and proprietary receivables	Financial liabilities
1 January 2007	0		7 681	53 912
+ increases	2 000		200	31 564
- decreases	2 000		980	2 398
31 December 2007	0		6 901	83 078
Balance sheet approach				
Non-current financial assets			5 439	
<i>in related parties</i>			5 439	
<i>in other entities</i>			0	
Current financial assets			1 462	
<i>in related parties</i>			1 450	
<i>in other entities</i>			12	
Current financial liabilities				4 921
<i>to related parties</i>				181
<i>to other entities</i>				4 740
Non-current financial liabilities				78 157
<i>to related parties</i>				305
<i>to other entities</i>				77 852

Financial assets held for trading

This refers to the acquired shares in cash investment funds. Total held and acquired in 2007 shares disposed in 2007.

Granted loans and proprietary receivables

Granted loans are appraised to according to depreciated costs using the effective interest method. When there are no differences significant for valuation, they are recognised according to nominal value accrued interest using interest rate resultant from contracts.

Financial liabilities

Liabilities are related to investment credit and liabilities due to lease.

B) Interest on Financial Liabilities for 2007

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	over 12 months		
Interest on financial liabilities held for trading	-	-	-	-	-	-
Interest on other current financial liabilities	-	-	57	-	-	57
Interest on non-current financial liabilities	3,704	-	-	-	-	3,704
Total	3,704	-	57	-	-	3,761

C) Interest on Granted Loans and Debt Financial Instruments for 2007

	Executed	Not executed with maturity			Total	Interest
		up to 3 months	3-12 months	over 12 months		
Interest on granted loans	1	-	112	1,126	1,237	1,238
Interest on debts	-	-	-	-	-	-
Total	1	-	112	1,126	1,237	1,238

Note 33
CONTINGENT LIABILITIES

On 31 December 2007, the value of bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 46.46 million PLN.

On 31 December 2007, there were no ComArch S.A. suretyships for the debts of INTERIA.PL S.A. from lease agreements.

ComArch S.A. is the defendant in legal proceedings, in which the potential total amount of third party claims is 0.155 million PLN. In the opinion of the Management Board and based on the opinions of legal advisors, there are no circumstances suggesting the appearance of significant obligations on this account and, as a result, provisions for the amount of potential claims were not recognised in the financial statement.

ComArch S.A. credit lines:

- a) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last 10 years, i.e. until 2015. This credit has a variable interest rate. As at 31 December 2007, the value of the credit to be repaid amounted to 15 million PLN. A promissory note, the mortgage on land and the building insurance policy are security for this credit.
- b) An investment credit from Kredyt Bank S.A. with its registered seat in Warsaw, for the financing of the second construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 80 % of the investment value up to a maximum of 26.82 million PLN. The crediting period may last a maximum of 16 years at a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31 December 2007, the value of the credit to be repaid amounted to 26.56 million PLN.
- c) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85 % of the investment value up to a maximum of 44,000,000 PLN. The crediting period may last a maximum of 16 years at a variable interest rate and should be taken out by 27 June 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31 December 2007, the value of the credit used amounted to 25.77 million PLN.
- d) An investment credit from Bank Pekao S.A. with its registered seat in Warsaw, for the financing of purchase of land in the Special Economic Zone in Krakow. The credit amounts to 15.1 million PLN. The crediting period may last a maximum of 5 years at a variable interest rate. The mortgage on the land is security for this credit. As at 31 December 2007, the value of the credit to be repaid amounted to 15.1 million PLN.

Note 34
REVENUES AND COSTS FROM DISCARDED ACTIVITIES – NOT CONCERN

Note 35
PLANNED INVESTMENT EXPENDITURES

The most important investment plan for the forthcoming year is continuation of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. A value of works to be done in 2008 amounts to 20.66 million PLN and planned investment execution date is 31 August 2008.

Note 36**COMARCH S.A.'s REVENUES FROM SALES OF FINISHED GOODS AND SERVICES TO OTHER ENTITIES OF THE GROUP
(thousands of PLN)**

	2007	2006
UAB ComArch	1,613	1,134
ComArch LLC	1,094	102
ComArch Panama, Inc.	356	266
ComArch, Inc.	5,806	9,659
ComArch Software AG	14,497	9,229
ComArch Middle East FZ-LCC	2,083	2,119
ComArch s.r.o.	1	5
OOO ComArch	701	2,252
CA Services S.A.	7,659	434
INTERIA.PL S.A.	1,585	788
NetBrokers Sp. z o.o.	-	65
MKS Cracovia SSA	2	-
ComArch Management Sp. z o.o.	2	-
ComArch Management Sp. z o.o. SKA	1	-
Total	35,400	26,053

ComArch S.A.'s trade receivables from subsidiaries and associates are:

	31 December 2007	31 December 2006
UAB ComArch	415	198
ComArch LLC	1,262	247
ComArch Panama, Inc.	882	752
ComArch, Inc.	6,316	8,880
ComArch Software AG	7,038	6,854
ComArch Middle East FZ-LCC	1,876	1,722
ComArch s.r.o.	-	-
OOO ComArch	503	1,120
CA Services S.A.	3,821	434
INTERIA.PL S.A.	684	21
NetBrokers Sp. z o.o.	-	3
MKS Cracovia SSA	5	-
ComArch Management Sp. z o.o.	3	-
ComArch Management Sp. z o.o. SKA	2	-
Total	22,807	20,231

Note 37**COMARCH S.A.'s PURCHASES FROM OTHER ENTITIES OF THE GROUP (finished goods and services)**

	2007	2006
UAB ComArch	184	-
ComArch LLC	504	470
ComArch Panama, Inc.	73	88
ComArch, Inc.	32	2,915
ComArch Software AG	3,197	-
ComArch Middle East FZ-LCC	-	-
ComArch s.r.o.	5	756
OOO ComArch	-	20
CA Services S.A.	11,636	11,085
INTERIA.PL S.A.	973	961
NetBrokers Sp. z o.o.	-	-
MKS Cracovia SSA	2	4
Total	16,606	16,299

ComArch S.A.'s trade liabilities to subsidiaries and associates are:

	31 December 2007	31 December 2006
UAB ComArch	171	20
ComArch LLC	223	-
ComArch Panama, Inc.	12	37
ComArch, Inc.	33	-
ComArch Software AG	857	1,415
ComArch Middle East FZ-LCC	-	-
ComArch s.r.o.	-	496
OOO ComArch	-	62
CA Services Sp. z. o. o.	3,733	1,712
INTERIA.PL S.A.	349	225
MKS Cracovia	707	687
NetBrokers Sp. z o.o.	-	-
Total	6,085	4,654

Note 39**AN AVERAGE EMPLOYMENT IN COMARCH S.A.**

2007				2006			
Employees:		Full-time employees:		Employees:		Full-time employees:	
- full-time	2114	- directly production employees	809	- full-time	1 676	- directly production employees	653
- co-workers	481	- indirectly production employees and sales	719	- co-workers	392	- indirectly production employees and sales	570
		- management and administrative employees	586			- management and administrative employees	453
Total	2595	Total	2 114	Total	2 068	Total	1 676

Note 40**REMUNERATION OF MANAGING AND SUPERVISING PERSONS (CURRENT PERIOD) IN PLN****ComArch S.A.'s Management Board**

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Janusz Filipiak	6,122,699.00	-	6,122,699.00
3	Rafał Chwast *	1,046,309.00	-	1,046,309.00
4	Piotr Piątosza	769,191.00	-	769,191.00
5	Paweł Prokop	466,286.00	-	466,286.00
6	Paweł Przewięźlikowski **	883,811.00	-	883,811.00
7	Piotr Reichert	501,934.00	-	501,934.00
8	Zbigniew Rymarczyk	700,722.00	-	700,722.00
9	Marcin Warwas	508,269.00	-	508,269.00
	Total	10,999,221.00	-	10,999,221.00

*) Rafał Chwast, Vice-President of ComArch S.A.'s Management Board submitted his resignation on 19 October 2007 as of 31 December 2007.

**) On 6 June 2007, the Management Board of ComArch S.A. received an information on resignation of Mr. Paweł Przewięźlikowski, Vice-President of ComArch S.A.'s Management Board, as of 15 July 2007. Mr. Przewięźlikowski declared a wish to found a private firm.

ComArch S.A.'s Supervisory Board

		Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1	Elżbieta Filipiak	301,015.00	-	301,015.00
2	Maciej Brzeziński	30,000.00	-	30,000.00
3	Wojciech Kucharzyk	30,000.00	-	30,000.00
4	Anna Ławrynowicz	30,000.00	-	30,000.00
5	Tadeusz Syryjczyk	15,250.00	-	15,250.00
6	Krzysztof Zieliński	14,875.00	-	14,875.00
	Total	421,140.00	-	421,140.00

As at 31 December 2007, there are no unpaid loans nor guarantees, nor suretyships to members of the Management or Supervisors Board or their relatives.

Managerial Option Programme for Members of the Management Board and Key Employees of the Company

a) Managerial Option Programme for 2005-2007

On 30 June 2005, the Annual General Meeting of Shareholders passed Resolution no. 51 on the managerial options programme for members of the Management Board and the company's Key Employees (17 persons in total). The objective of the programme was to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and its net profit. The program was executed through offers of newly-issued shares in the company in 2006, 2007 and 2008 to members of the Management Board and Key Employees. The value of the Option was supposed to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2005) and the issue price of shares offered to members of the Management Board and Key Employees. The bases for the calculation of the value of the Option were increases in company capitalisation, calculated as follows:

- For 2006 it was the difference between the average capitalisation of the company in December 2005 and the average capitalisation of the company in December 2004; this was calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2007 it was the difference between the average capitalisation of the company in December 2006 and its average capitalisation in December 2005;
- For 2008 it was the difference between the average capitalisation of the company in December 2007 and its average capitalisation in December 2006, where the average capitalisation was the number of shares multiplied by the average closing price for shares of the company in December of a given year.

The Option was defined in each successive year of the program separately for each entitled individual as set forth in Resolution no. 51 of the AGM. The total value of the option was 9.4 % of the increase in capitalisation in the periods set forth in Clauses a), b) and c) (for options No. 1, No. 2 and No. 3, respectively) at the beginning. After the application of changes to the program (pursuant to the resolution of the AGM passed on 22 June 2006 and according to changes to the list of program participants that took place in the 2006 and 2007) the value of the Option amounted to 7.8 % of the increase in capitalisation.

Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. Beginning with the third quarter of 2005, the company classifies the value of particular Options in its income statement. The company notes that despite the fact that the value of the Option decreases the net profit of the company and of the Group, this operation does not affect the value of cash flows. Moreover, the economic cost of the Option shall be classified in the income statement through its inclusion in the "diluted net profit" of newly issued shares for the participants of the programme. Despite the fact that the IFRS2 standard was officially adopted by the European Union to companies listed on the stock exchange in the preparation of consolidated statements, many experts point out its controversial nature – in their opinion, placing the cost of the Option in the income statement results in the double inclusion of the effect of the Option programme (once by result and second by dilution).

Pursuant to requirements of IFRS2, the valuation of the Option was carried out as at the date of the resolution on the option programme, i.e. as at 30 June 2005. The Monte Carlo simulation technique was used to value the Option. It was combined with the process of discounting non-negative financial flows related to the options calculated on the basis of the MAX () function. Apart from the assumptions resulting from the nature of the Option program described above, the following additional assumptions were adopted for the needs of the valuation:

- 4.6 % risk-free rate (the interest rate on 52-week treasury bills);
- 0 % dividend rate (the dividend rate in the period forecast as at the date of the passage of the programme);
- 17 % anticipated volatility (anticipated volatility based on historical volatility from the last 200 quotations prior to the date of the passage of the program on the basis of the average price of shares from opening and closing prices).

Initially, the determined total value of Options amounted to 6.20 million PLN including:

- a) Option No. 1, i.e. the option due to increases in capitalisation in 2005: 0.044 million PLN;
- b) Option No. 2, i.e. the option due to increases in capitalisation in 2006: 3.05 million PLN;
- c) Option No. 3, i.e. the option due to increases in capitalisation in 2007: 3.1 million PLN.

After changes to the program were applied (pursuant to the resolution of the AGM passed on 22 June 2006 and according to changes to the list of program participants that took place in 2006 and 2007) the value of the Option amounts to 5.79 million PLN.

As at 31 December 2007, the value of the Option for the Management of the Board and Key Employees amounts to:

- a) The value of the option for the Management Board: 84.62 %, i.e. 4.9 million PLN
- b) The value of the option for Key Employees: 15.38 %, i.e. 0.89 million PLN

The value of the Option recognised in the income statement for 12 months ended 31 December 2007 amounted to 1.08 million PLN.

Pursuant to the conditions of the program, the company has determined that:

- a) the average capitalisation of ComArch S.A. as of December 2004 was 476.5 million PLN,
- b) the average capitalisation of ComArch S.A. as of December 2005 was 441.7 million PLN,
- c) the average capitalisation of ComArch S.A. as of December 2006 was 1,539.7 million PLN
- d) the average capitalisation of ComArch S.A. as of December 2007 was 1,410.4 million PLN.

The difference between the average capitalisation in December 2005 and the average capitalisation in December 2004 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees weren't issued in 2006.

Basing on the company's quotations on Warsaw Stock Exchange, the Board of Supervisors agreed an increase in the company's cap of 1,098,010,607.08 PLN as at 31 December 2006. The Board of Supervisors agreed an option's value in the amount of 8.2 % of the increase in cap, i.e. 90,036,869.78. On 12 February 2007, the company's Board of Supervisors passed a resolution concerning execution of managerial option programme and declared that 441,834 series I2 shares will be issued, of nominal value of 1 PLN and issue price of 1 PLN. On 14 March 2007, the Board of Supervisors passed a resolution concerning changes in the resolution dated 12 February 2007, concerning execution of managerial option programme. As a result, 441,826 series I2 shares was issued, of nominal value of 1 PLN and issue price of 1 PLN. A subscription of I2 shares took place between 16 March 2007 and 23 March 2007.

The difference between the average capitalisation in December 2007 and the average capitalisation in December 2006 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees will not be issued in 2008.

b) Managerial Option Programme for 2008-2010

On 30 June 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2009, 2010 and 2011 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2008) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- For 2008 it will be the difference between the average capitalisation of the company in December 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December 2008 and its average capitalisation in December 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December 2009 and its average capitalisation in December 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation.

Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

On 10 December 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %.

Note 41. SIGNIFICANT EVENTS RELATED TO THE PREVIOUS YEARS - none present

Note 42. EVENTS AFTER BALANCE SHEET DATE

1) Introduction of 9,400 Series A Shares to Trading

With the resolution no. 7/2008 dated 4 January 2008, the Management Board of the Warsaw Stock Exchange decided that pursuant to &19, sec. 1 and 2 of the Rules of the Warsaw Stock Exchange 9,400 ordinary bearer series A ComArch S.A. shares of nominal value of 1 PLN each are admitted to trading. Pursuant to &38 sec. 1 of the Rules of the Warsaw Stock Exchange, the Management Board of the Warsaw Stock Exchange decided that the shares mentioned in the point 1 will be introduced to trading on 11 January 2008, providing that on 11 January 2008 they will be assimilated by the National Deposit for Securities with other ComArch S.A. shares already in trading.

2) Change in Rights Attached to Series A Shares

Due to request of a shareholder and pursuant to resolution no. 1/16/2007 of ComArch S.A.'s Management Board passed on 13 August 2007 rights attached to 9,400 series A shares have been changed:

- 1) issuer's shares related to this change:
-9,400 registered preference series A shares
- 2) legal basis of taken action:
-Article 8 section 1 and 3 of ComArch S.A.'s Statute,

- Resolution no. 1/16/2007 of ComArch S.A.'s Management Board passed on 13 August 2007,
- Resolution No. 913/07 of the Management Board of the National Deposit for Securities dated 21 May 2007.
- 3) rights attached to shares before and after conversion
 - before conversion – registered shares preferential for vote so that 5 votes in the General Meeting corresponds with each share,
 - after conversion – ordinary bearer shares with no preferences.
- 4) number of converted registered preference shares: 9,400
- 5) number of votes at the issuer's general meeting after conversion: 14,991,796

3) Increase in BZ WBK AIB Asset Management S.A.'s Share in the Total Number of Votes at General Meeting of ComArch S.A.

a) 2 January 2008

As result of purchases of the shares, which were settled on 2 January 2008 as well as conversion of registered preference shares into ordinary bearer shares, clients of BZ WBK AIB Asset Management S.A. increased their share in total number of votes at ComArch S.A.'s annual general meeting by more than 2 %.

On 2 January 2008, there were 1,833,464 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 23.03 % of the company's share capital. This gave 1,833,464 or 12.23 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, BZ WBK AIB Asset Management S.A. informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is (hereinafter referred to as the "Funds"). With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

b) 18 March 2008

As result of purchases of the shares, which were settled on 18 March 2008, clients of BZ WBK AIB Asset Management S.A. held more by 2 % in total number of votes at ComArch S.A.'s annual general meeting.

On 18 March 2008, there were 2,150,852 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 27.02 % of the company's share capital. This gave 2,150,852 or 14.35 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, BZ WBK AIB Asset Management S.A. informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is (hereinafter referred to as the "Funds"). With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

4) Resolution of the National Deposit for Securities on Assimilation of Series A Shares

The Management Board of the National Deposit for Securities announced that decided to assimilate 9,400 ComArch S.A. shares (marked with the code PLCOMAR00061) with 6,193,396 ComArch S.A. shares (marked with the code PLCOMAR00012). Assimilated shares will be marked with the code PLCOMAR00012. The Management Board of the National Deposit for Securities announced that beginning from 11 January 2008 there will be 6,202,796 ComArch S.A. shares marked with the code PLCOMAR00012.

5) Terms of Periodical Financial Reports

ComArch S.A.'s Management Board has set the following terms of periodical financial reports in 2008:

QUARTERLY REPORTS (consolidated, extended):

- 1) Q4 2007- on 29 February 2008
- 2) Q1 2008- on 15 May 2008
- 3) Q2 2008- on 14 August 2008
- 4) Q3 2008- on 14 November 2008

ANNUAL AND HALF-YEAR REPORTS:

- 1) Consolidated half-year report for the first half-year of 2008- on 29 September 2008
- 2) Annual report for 2007- on 3 April 2008
- 3) Consolidated annual report for 2007- on 8 May 2008

Note 43.

CHANGES IN APPLIED ACCOUNTING PRINCIPLES

In 2007 the company did not make any significant changes in accounting principles in comparison to the previous year.

REPORT
OF COMARCH S.A.'s MANAGEMENT BOARD
REGARDING
THE ACTIVITIES OF ISSUER IN 2007

Krakow, 03 April 2008

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1. General Information about the Company

Name of the company: ComArch Spółka Akcyjna
Address of the company: 31-864 Kraków, Aleja Jana Pawła II 39 A
Telephone: (12) 646 10 00
Fax: (12) 646 11 00
Regon: 350527377
Tax identification number (NIP): 677-00-65-406

1.1 Shareholders Holding at least 5 % of the Total Number of Votes at the General Meeting of ComArch S.A.

ComArch S.A.'s share capital consists of 7,960,596 shares at total nominal value of 7,960,596 PLN. According to the information possessed by ComArch S.A., as at 31 December 2007, shareholders holding at least 5 % of votes at the company's AGM are Elżbieta and Janusz Filipiak and customers of BZ WBK AIB Asset Management S.A.

Shareholders	Number of shares	% of share capital	Number of votes at the company's AGM	% of votes at the company's AGM
Elżbieta and Janusz Filipiak	3,411,383	42.85%	10,367,383	68.98%
Other members of the Management Board*	72,368	0.91%	109,968	0.73%
Customers of BZ WBK AIB Asset Management S.A. **	1,504,869	18.90%	1,504,869	10.01%
<i>Including shares held by BZ WBK TFI S.A.</i>	<i>829,619</i>	<i>10.42%</i>	<i>829,619</i>	<i>5.52%</i>
Other shareholders	2,971,976	37.34%	3,047,176	20.28%
Total	7,960,596	100.00%	15,029,396	100.00%

*) Rafał Chwast, Vice-President of ComArch S.A.'s Management Board submitted his resignation on 19 October 2007 as of 31 December 2007.

**) As a result of purchases settled on 2 January 2008 and 18 March 2008 as well as due to conversion of 9,400 registered preference into ordinary bearer shares carried out in January 2008, as at the date of report's publication and according to information possessed by ComArch S.A., customers of BZ WBK AIB Asset Management S.A. held 2,150,852 that constituted 27.02 % in the company's share capital. They entitled to 2,150,852 votes that constituted 14.35 % in the total number of votes at the annual general meeting of ComArch S.A. (the company announced details in current reports no. 3/2008 and 6/2008).

***) On 2 January 2008, conversion of 9,400 registered preference ComArch S.A. shares into ordinary bearer series A shares was carried out. In consequence, the total number of votes from ComArch S.A. shares decreased from 15,029,396 to 14,991,796.

1.2 ComArch S.A.'s Board of Supervisors and Management Board

A) Members of ComArch S.A.'s Board of Supervisors as at 31 December 2007:

Name and surname	Position
Elżbieta Filipiak	Chairman of the Board of Supervisors
Maciej Brzeziński	Vice-Chairman of the Board of Supervisors
Wojciech Kucharzyk	Member of the Board of Supervisors
Anna Ławrynowicz	Member of the Board of Supervisors
Tadeusz Syryjczyk*	Member of the Board of Supervisors

According to the company's information only Chairman of the Board of Supervisors Mrs. Elżbieta Filipiak holds the company's shares. On 31 December 2007, Mrs. Filipiak held 799,000 shares, which constituted 10.40 % of the company's share capital. They gave 3,995,000 votes at the annual general meeting, that constituted 26.58 % of the total number of votes at ComArch S.A.'s annual general meeting.

*) On 28 June 2007, Tadeusz Syryjczyk was appointed at the Annual General Meeting to the post of a member of the Supervisory Board of ComArch S.A.

B) Members of ComArch S.A.'s Management Board as at 31 December 2007:

Name and surname	Position
Janusz Filipiak	President of the Management Board
Rafał Chwast*	Vice-President of the Management Board
Piotr Piątosza	Vice-President of the Management Board
Paweł Prokop	Vice-President of the Management Board
Piotr Reichert**	Vice-President of the Management Board
Zbigniew Rymarczyk	Vice-President of the Management Board
Marcin Warwas**	Vice-President of the Management Board

As at 31 December 2007, Janusz and Elżbieta Filipiak held 3,411,383 shares of ComArch S.A., Rafał Chwast held 5,552 shares, Piotr Piątosza held 10,776 shares, Paweł Prokop held 34,268 shares, Zbigniew Rymarczyk held 21,772 shares. Piotr Reichert and Marcin Warwas held no ComArch S.A. shares.

*) Rafał Chwast, Vice-President of ComArch S.A.'s Management Board submitted his resignation on 19 October 2007 as of 31 December 2007.

**) On 28 June 2007, Piotr Reichert and Marcin Warwas were appointed at the Annual General Meeting to the posts of Vice-Presidents of the Management Board of ComArch S.A.

Jowita Gmytryk, Katarzyna Maurer, Tomasz Matysik, Tomasz Nakonieczny and Dariusz Duralek are the company's proxies.

B) Principles for Appointing and Dismissing

According to the Statute of the company, the Management Board of the company consists of 2 to 8 persons appointed and dismissed by the Supervisory Board. Members of the Management Board are appointed for the common term of office of three years. The Supervisory Board defines salaries for the Management Board as well as suspends in activities, on important reasons, particular or all members of the Management Board and delegates members of the Supervisory Board for temporary execution of the activities of members of the Management Board.

C) Rights

-The Management Board may appoint proxies.

- President of the Management Board single-handedly or two members of the Management Board acting jointly or one member of the Management Board acting jointly with a proxy are authorised for making statements on behalf of the company and representing the company in Court and off Court.

- In agreements between the company and members of the Management Board and in disputes with them, the company is represented by the Supervisory Board or by a proxy appointed with a resolution of the General Meeting. The Supervisory Board may authorise, by way of a resolution, one or more members of the Supervisory Board to perform such legal actions.

- The Management Board defines internal organisation of the company.

- The right to make decisions on issuing or buying out shares is granted to the Management Board on the basis of an authorisation by the General Meeting of Shareholders.

D) Agreements between the Issuer and the Managing Persons, which Plan for Compensation in Case of Resignation or Discharge from the Occupied Post

None present.

E) Value of Remuneration, Awards or Benefits Separately for Each of the Managing and Supervising Persons in the Dominant Unit

ComArch S.A.'s Board of Supervisors

	Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1 Elżbieta Filipiak	301,015,00	-	301,015.00
2 Maciej Brzeziński	30,000.00	-	30,000.00
3 Anna Ławrynowicz	30,000.00	-	30,000.00
4 Wojciech Kucharzyk	30,000.00	-	30,000.00
5 Tadeusz Syryjczyk	15,250.00	-	15,250.00
6 Krzysztof Zieliński	14,875.00	-	14,875.00
Board of Supervisors (total)	421,140.00	-	421,140.00

ComArch S.A.'s Management Board

	Paid by ComArch S.A.	Paid by subsidiaries and associates	Total
1 Janusz Filipiak	6,122,699,	-	6,122,699
2 Rafał Chwast	1,046,309	-	1,046,309
3 Piotr Piątosa	769,191	-	769,191
4 Paweł Prokop	466,286	-	466,286
5 Paweł Przewięźlikowski*	883,811	-	883,811
6 Piotr Reichert	501,934	-	501,934
7 Zbigniew Rymarczyk	700,722	-	700,722
8 Marcin Warwas	508,269	-	508,269
Management Board (total)	10,999,221	-	10,999,221

*) On 6 June 2007, the Management Board of ComArch S.A. received an information on resignation of Mr. Paweł Przewięźlikowski, Vice-President of ComArch S.A.'s Management Board.

F) Managerial Option Programme

On 30 June 2005, the Annual General Meeting of Shareholders passed Resolution no. 51 on the managerial options programme for members of the Management Board and the company's Key Employees. The theoretical option's value per particular member of the Management Board in 2007 is included in the table below:

Name and surname	Theoretical option's value (in thousands of PLN)
Janusz Filipiak	690
Rafał Chwast	55
Piotr Piątosa	28
Paweł Prokop	55
Piotr Reichert	0
Zbigniew Rymarczyk	55
Marcin Warwas	28
TOTAL	911

More details are presented in point 5.4.7 A

2. Basic Economics and Financial Values

2.1 Selected Financial Data

	2007	2006	2005	2004
Revenues from sales	530,326	461,808	425,223,	249,831
Operating profit	34,322	41,653	34,565	14,921
Net profit	25,823	42,463	29,088	8,399
Profit per share	3.28	5.74	4.1	1,24
Assets	506,314	427,236	328,188	252,283
Book value	264,948	238,691	157,774	128,642
Book value per share	33.28	31.75	22.68	18.77

Over 2007, revenue from sales were 530.3 million PLN (an increase of 68.5 million PLN, i.e. 14.8 % compared to 2006). Operating profit reached 34.3 million PLN and decreased by 7.3 million PLN compared to operating profit in 2006. In consequence, EBIT margin was 6.5 % in 2007 and was lower than margin in 2006 (9.0 %). The decrease in ComArch S.A.'s operating profit results from dynamic development of other companies of the Comarch Group and increase in their profits. Considering consolidated data, operating profit of the Group maintained at the comparable level to operating profit in 2006.

2.2 Employment

As at 31 December 2007 in ComArch S.A. there were 2,634 employees compared to 2,355 persons as at 31 December 2006.

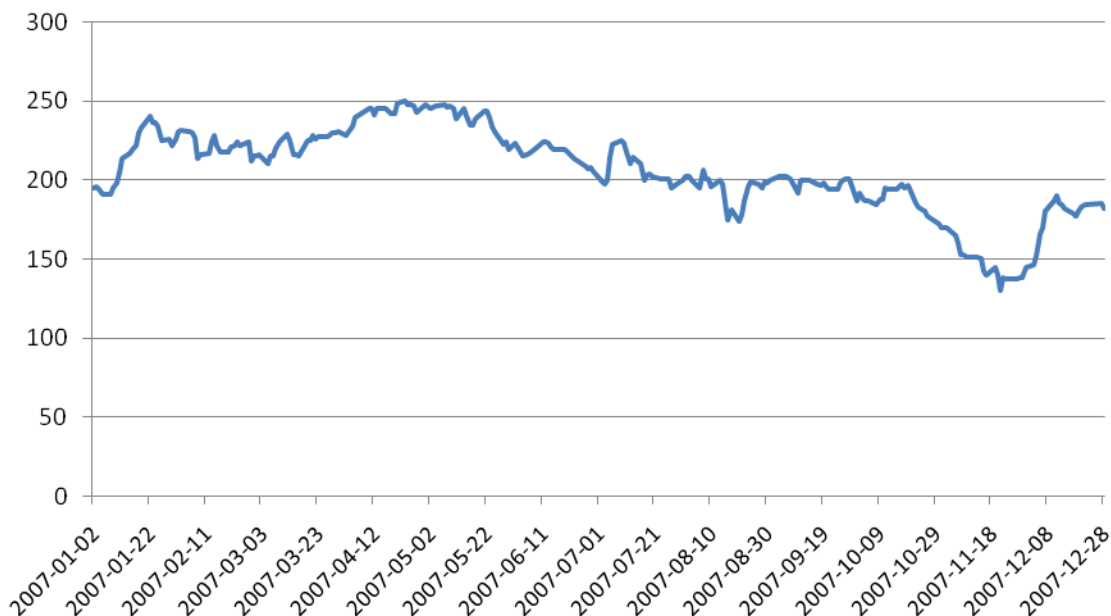
Average employment ComArch S.A. in 2007 is presented in tables below:

Number of employees:	2007	2006
- full-time	2,114	1,676
- co-workers	481	392
Total	2,595	2,068

Full-time employees:	2007	2006
- directly production employees	809	653
- indirectly production employees and sales	719	570
- management and administrative employees	586	453
Total	2,114	1,676

2.3 ComArch S.A. Stock Price Performance

ComArch S.A. Stock Price Performance 2007



Period	The highest	The lowest
I quarter of 2007	240.0	191.0
II quarter of 2007	250.1	205.5
III quarter of 2007	224.6	174.1
IV quarter of 2007	197.0	130.0

On 31 December 2007, closing rate of ComArch S.A. shares at Warsaw Stock Exchange reached 182 PLN. That is a decrease of 4.7 % compared to the last closing rate of ComArch S.A. shares in 2006 that was 191 PLN.

3. Financial Analysis

	2007	%	2006	%	2007/2006	%
I. Non-current assets	228,145	45.1 %	184,564	43.2 %	43,581	23.6 %
1. Intangible assets	3,146	0.6 %	3,521	0.8 %	-375	-10.7 %
2. Property, plant and equipment	185,385	36.6 %	142,195	33.3 %	43,190	30.4 %
3. Long-term investment	35,983	7.1 %	36,293	8.5 %	-310	-0.9 %
4. Non-current prepayments	3,631	0.8 %	2,555	0.6 %	1,076	42.1 %
II. Current assets	278,169	54.9 %	242,672	56.8 %	35,497	14.6 %
1. Inventories	32,423	6.4 %	19,498	4.6 %	12,925	66.3 %
2. Current receivables	169,342	33.4 %	145,104	34.0 %	24,238	16.7 %
3. Short-term investment	51,657	10.2 %	51,525	12.1 %	132	0.3 %
4. Current prepayments	24,747	4.9 %	26,545	6.1 %	-1,798	-6.8 %
Total assets	506,314	100.0 %	427,236	100.0 %	79,078	18.5 %

As at the end of 2007, the value of the company's assets increased by 18.5 % compared to 2006 from level of 427.2 million PLN to 506.3 million PLN. Non-current assets grew by 23.6 % and current assets by 14.6 %. The increase of 43.6 million PLN in non-current increase is mostly result of investment in real estates in the Special Economic Zone in Krakow. The share of particular items of non-current assets in the total structure of assets has remained at the similar level. Current asset increased by 35.5 million PLN mainly due to an increase of 24.2 million PLN in current receivables that is a consequence of high sales in 2007 as well as high level of trade receivables as at

31 December 2007. Significant increase in value of inventory as at 31 December 2007 (of 66.3 % up to 32.4 million PLN) is a consequence of deliveries of computer hardware realised by the company and was temporary. The share of other items of current assets in the total structure of assets has remained at the similar level.

	2007	%	2006	%	2007/2006	%
I. Equity	264,948	52.3 %	238,691	55.9 %	26,257	11.0 %
1. Share capital	7,960	1.6 %	7,519	1.8 %	441	5.9 %
2. Capital from merger settlement	0	0.0 %	-7,334	-1.7 %	7,334	-100.0 %
3. Supplementary capital	230,244	45.5 %	172,097	40.3 %	58,147	33.8 %
4. Revaluation reserve	0	0.0 %	6	0.0 %	-6	-100.0 %
5. Other reserve capitals	745	0.1 %	21,948	5.1 %	-21,203	-96.6 %
6. Previous years' profit (loss)	176	0.0 %	1,992	0.5 %	-1,816	-91.2 %
7. Net profit (loss)	25,823	5.1 %	42,463	9.9 %	-16,640	-39.2 %
II. Liabilities and provisions for liabilities	241,366	47.7 %	188,545	44.1 %	52,821	28.0 %
1. Provisions for liabilities	3,252	0.6 %	878	0.2 %	2,374	270.4 %
2. Non-current liabilities	78,157	15.4 %	51,904	12.1 %	26,253	50.6 %
3. Current liabilities	109,697	21.7 %	95,151	22.3 %	14,546	15.3 %
4. Accruals	50,260	10.0 %	40,612	9.5 %	9,648	23.8 %
Total equity and liabilities	506,314	100.0 %	427,236	100.0 %	79,078	18.5 %

In 2007 equity increased by 11.0 %, mostly as a result of net profit that was generated in 2007. Due to execution of the managerial option programme for the members of the Management Board and key employees, carried out in the first half of 2007, 441,826 company's shares were issued. As a consequence, the share capital increased by 5.9 %. The share of equity in total equity and liabilities structure has remained at the comparable level as over the previous year. Liabilities and provisions for liabilities constituted 47.7 % in total equity and liabilities compared to 44.1 % in the previous year. Despite the increase of 52.8 million PLN, their structure has not changed compared to those in 2006. An increase of 26.3 million PLN (50.6 %) in non-current liabilities is related to ComArch S.A. long-term bank credits that finance investment in the Special Economic Zone. An increase of 14.5 million PLN (15.3 %) in current liabilities is a result of a seasonal increase in trade liabilities. An increase of 9.6 million PLN (23.8 %) in accruals is related to settlement of subsidies received in 2007.

	2007	%	2006	%	2007/2006	%
I. Net revenues form sales of products, finished goods and materials	530,326	100.0 %	461,808	100.0 %	68,518	14.8 %
II. Cost of products, finished goods and materials sold	400,332	75.5 %	342,322	74.1 %	58,010	16.9 %
III. Gross profit (loss) from sales (I-II)	129,994	24.5 %	119,486	25.9 %	10,508	8.8 %
IV. Costs of sales	41,000	7.7 %	38,295	8.3 %	2,705	7.1 %
V. Administrative costs	32,846	6.2 %	29,616	6.4 %	3,230	10.9 %
VI. Profit (loss) on sales (III-IV-V)	56,148	10.6 %	51,575	11.2 %	4,573	8.9 %
VII. Other operating revenues	599	0.1 %	418	0.1 %	181	43.3 %
VIII. Other operating costs	22,425	4.2 %	10,340	2.2 %	12,085	116.9 %
IX. Profit (loss) on operating activities (VI+VII-VIII)	34,322	6.5 %	41,653	9.0 %	-7,331	-17.6 %
X. Financial revenues	2,239	0.4 %	9,512	2.1 %	-7,273	-76.5 %
XI. Finance costs	9,039	1.7 %	4,949	1.1 %	4,090	82.6 %
XII. Profit (loss) on business activities (IX+X-XI)	27,522	5.2 %	46,216	10.0 %	-18,694	-40.4 %
XIII. Gross profit (loss) (XII)	27,522	5.2 %	46,216	10.0 %	-18,694	-40.4 %
XIV. Income tax	1,699	0.3 %	3,753	0.8 %	-2,054	-54.7 %
XV. Net profit (loss) (XIII-XIV)	25,823	4.9 %	42,463	9.2 %	-16,640	-39.2 %

In 2007, revenues from sales increased by 68.6 million PLN, i.e. 14.8 % compared over the previous year. Operating profit amounted to 34.4 million PLN and decreased by 17.6 % compared to 2006; net profit in 2007 decreased by 39.2 % compared to the previous year's profit. As a consequence, EBIT margin decreased from 9.0 % to 6.5 % and net margin decreased from 9.2 % to 4.9%. Decreases in net profit and operating profits in 2007 result from dynamic development of other companies of the Comarch Group, as well as their profits. When considering consolidated numbers, profits achieved by the Group have remained at the level comparable to the previous year.

Liquidity analysis:	2007	2006	2005
Current ratio	1.74	1.79	1.66
Quick ratio	1.38	1.45	1.21
Cash to current liabilities ratio	0.32	0.38	0.38

The company maintained very good financial liquidity. In the Management Board's opinion, the company has no problems with meeting the contracted financial liabilities on-time. Temporarily free funds are invested by the company in safe financial instruments like bank deposits and shares in financial investment funds.

Turnover analysis:	2007	2006	2005
Current assets turnover ratio	1.91	1.90	2.25
Receivables turnover ratio (days)	115	113	80
Inventories turnover ratio (days)	25	17	24
Liabilities turnover ratio (days)	143	129	122
Liabilities turnover excluding liabilities due to bonds and non-current credits ratio (days)	83	83	70

Turnover ratios indicate the effective use of the company's funds. In 2007, the receivables turnover ratio increased compared to the previous year. This is the consequence of a high level of trade receivables as at 31 December 2007 that is an effect of the high amount of sales during fourth quarter of 2007. Furthermore, liabilities turnover ratio increased as a consequence of increase in non-current indebtedness due to long-term credits financing investment in the Special Economic Zone. Other turnover ratios have remained at a similar level.

Debt analysis:	2006	2005	2004
Debt ratio	47.7%	44.1 %	51.9 %
Debt ratio due to bonds and non-current credits	15.4%	12.2 %	17.32 %
Debt/equity ratio	91.1%	79.0 %	108.0 %

In 2007, debt ratios got worse slightly due to an increase in non-current indebtedness due to long-term credits financing investment in the Special Economic Zone. 52.3 % of the company's funds comes from internal financing and 47.7 % comes from outside financing.

Profitability analysis:	2007	2006	2005
Margin on sales	24.5%	25.9 %	21.6 %
EBIT margin	6.5%	9.0 %	8.1 %
Gross margin	5.2%	10.0 %	7.1 %
Net margin	4.9%	9.2 %	6.8 %
Return on assets (ROA)	5.1%	9.9 %	9.7 %
Return on equity (ROE)	10.8%	21.6 %	22.6 %

Decrease in EBIT margin in 2007 is mostly a consequence of investment in human resources carried out in 2007 and in the previous years as well as continuous pressure on increase in remuneration in IT sector. As at 31 December 2007, the company had 2,634 employees, i.e. 279 more people than at the end of the previous year. The company increases deliberately costs of acquiring the best IT specialist from employment market investing in creation of Comarch competitive edge in the future. When comparing net profit in 2007 with 2006 it should be noted that in the first quarter of 2006 INTERIA.PL S.A. shares were sold.

4. Financial Risk

The company is exposed to the following main types of financial risk:

4.1 Credit Risk

The company establishes the financial credibility of potential clients before signing contracts for the supply of IT systems and adjusts the conditions of each contract to the potential risk depending on its assessment of the financial standing of the client. Concentration of credit risk is limited due to diversification of the Group's sales to a significant number of customers in different branch of economy, in different world's regions.

4.2 Risk of Change in Interest Rates

The company is exposed to the risk of changes in interest rates related to long-term investment credits to finance the construction of new production buildings in the Special Economic Zone in Krakow. These are credits at variable interest rates based on the WIBOR index. The company has not been hedging this interest rate risk; however it monitors market situation in this scope. The influence of interest rate changes on the amount of interest on credit paid is partly compensated for by a change in the amount of interest received on cash and cash equivalents.

4.3 Risk of Fluctuation in the Exchange Rates

The company is exposed to foreign exchange risk in relation to export sales and sales denominated in foreign currencies, especially in relation to foreign exchange of EURO/PLN and USD/PLN. At the same time, part of the company's costs is also expressed in or related to exchange rates for foreign currencies. In individual cases, the company hedges future payments with forward contracts and currency options.

The balance sheet value of assets and financial liabilities of the Group denominated in foreign currencies is related to receivables and liabilities due to deliveries and services as well as cash as at the balance sheet date.

4.4 Financial Liquidity Risk

The Group has a liquidity risk management system to manage its short, medium and long-term funds. The fundamental financial liquidity risk arises because the majority of costs incurred by the Group are fixed, while revenue from sales, as is typical for a services company, fluctuates. The Group manages liquidity risk by holding the appropriate amount of working capital, by holding reserve credit lines in the current account, by constantly monitoring the forecasted and actual cash flows and by analyzing the maturity profiles of financial assets and liabilities.

5. The Most Important Events in 2007

Contracts the most Significant for Issuers' Activities

5.1.1 Contract with TeleYemen

In June 2007 a contract was signed between ComArch S.A. and TeleYemen (Yemen International Telecommunications) with its registered seat in Yemen. The scope of the agreement are sales of licences and implementation of Comarch BSS billing platform. The value of this agreement amounts to 2,100,800.00 USD. TeleYemen is the largest operator that renders services of international telephone connections and CDMA mobile telephony in Yemen. Beside the projects that are managed in Yemen and United Arab Emirates, the signed contract, is another step in strengthening of Comarch's position in the orient, the region of great demand on advanced services and IT systems.

5.1.2 Signing a Contract for Execution of the First Stage of e-PUAP - Electronic Platform of Public Administration Services

On 2 July 2007, ComArch S.A.'s Management Board received a contract between ComArch S.A. and Ministry of Interior Affairs and Administration on implementation of ePUAP (Electronic Platform of Public Administration Services) IT system. Gross value of the signed contract amounts to circa 13.77 million PLN. Completion date of this project was established on 31 May 2008.

ePUAP is the main project related to the Information Technology Plan for Poland in 2007-2010. ePUAP shall be a common infrastructure which allows any public administration unit to provide electronic access to public services for the citizens, entrepreneurs and other public administration units. In the future, the launched platform will enable defining of another processes that serve citizens and enterprises as well as create access to the particular public

administration domain systems (both central and city-governmental). It will also enable development of public e-services. The designed system is one of the so-called e-Government projects that will enable realisation of central and regional public services which need the access to so-called base registers.

5.1.3 Agreement on Sales of INTERIA.PL SA Shares to "BAUER MEDIA INVEST" GmbH

On 3 December 2007, ComArch S.A., "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna (Ltd' Joint Stock Partnership) and „COMARCH CORPORATE FINANCE” Closed Investment Fund concluded a contract with BAUER MEDIA INVEST” GmbH with its registered seat in Hamburg, Burchardstrasse 11. In consequence of this agreement ComArch S.A. declared:

a) bringing 2,267,814 registered preferential shares and 270,555 ordinary bearer INTERIA.PL SA shares to cover an increase in share capital of 'COMARCH MANAGEMENT Ltd' Joint Stock Partnership. The shares constitute 36.08 % of share capital of INTERIA.PL S.A. and entitle to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A.

b) to ensure sales by 'COMARCH MANAGEMENT Ltd' Joint Stock Partnership the above-mentioned INTERIA.PL SA shares to „BAUER MEDIA INVEST” GmbH by entering into a call of a buyer for INTERIA.PL SA shares for 80.00 PLN for each registered preferential share and 66.62 PLN for each ordinary bearer share. The company announce details in current report no. 52/2007.

5.1.4 Agreement with the Ministry of National Education

On 30 April 2007, an agreement between Comarch and the Ministry of National Education was signed. This contract is for the delivery, installation and network connection of 961 computer labs in primary schools, junior high schools, post-junior high schools and post-secondary schools located in the area of the second Region that includes the provinces: Małopolskie and Podkarpackie. The net value of this agreement amounts to 41,577,276 PLN. The contract will be carried out during a 70 day period beginning from the date of the contract signing, warranty service will be provided during a 36 month period beginning from the delivery date. The company announced details in current report no. 11/2007.

5.1.5 Contracts with Ogólnopolska Fundacja Edukacji Komputerowej (OFEK)

On 30 April 2007, a contract with OFEK was signed with a net value of 33,031,809.29 PLN and on 9 May 2007 with net value of 16,398,680.50 PLN. As a result, the total value of contracts signed between Comarch and OFEK during the last 12 months exceeds 10 % of Comarch's equity and in total fulfil the significant agreement criterion. The contract with the highest value is the above-mentioned agreement dated 30 April 2007. Within the framework of this agreement, OFEK will deliver hardware, build the network, install computer labs and connect them to the existing network as well as integrate all elements. The net contract value is 33,031,809.29 PLN. The contract will be executed during a 67 day period of time beginning from the date of signing the contract, warranty service will be provided for a minimal period of 36 months beginning from the delivery date. The total value of contracts signed with OFEK during the last 12 months is circa 64 million PLN. The company announced details in current report no. 12/2007.

5.1.6 Contract with Ministry of Finance

On 31 May 2007 a contract between ComArch S.A. and Ministry of Finance with its registered seat in Warsaw, at ul. Świętokrzyska 12 was signed. This is contract for hardware and software delivery and services rendering for Poltax system. The gross value of this agreement amounts to 27,596,797.72 PLN. Hardware and software delivery and services rendering related to delivery will be executed during 3 months, and within the framework of dedicated support services rendering, the scope of the agreement will be executed during 3 years from the date of delivery and execution of associated services. The company announced details in current report no. 17/2007.

5.1.7 Annex to an Agreement on Multipurpose Credit

On 6 April 2007, an Annex no. 2 to an Agreement on multipurpose and multicurrency credit line dated 3 June 2005 (the Company announced details in current report no. 19/2005) between ComArch S.A. and Bank BPB S.A. with its registered seat in Krakow was signed. It increases credit limit by 14 million PLN up to 38 million PLN. It means that within credit limit the company may use a maximum amount of 38 million PLN.

5.1.8 Annex to the Credit Agreement with Fortis Bank Polska S.A.

On 10 December 2007, an annex to the credit agreement with Fortis Bank Polska S.A. was signed. It is related to financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The company announced details of the agreement on 9 June 2006 in current report no. 33/2006. The annex increases credit's amount by 14 million PLN up to 44 million PLN and it exceeds crediting period from 16 to 18 years, till 29 July 2024. The company announced details in current report no. 53/2007.

5.2 Investment

W 2007, the company realised the second and the third stage of investment in Special Economic Zone in Krakow that consist in construction of buildings designed for works related to production of IT systems.

The subject of the second stage of investment was a construction of the production and office building, at fourteen thousand square metres of the total space, including technical infrastructure. Value of the contract with the general contractor was 29.6 million PLN and investment was completed on time, and the building was delivered in February 2007.

The subject of the third investment stage is a construction of the production and office building, at 11.5 thousand square metres of the total space, including technical infrastructure. Planned total investment value amounts to circa 51.765 million PLN. As at 31 December 2007, value of incurred expenses is 31.103 million PLN. The planned completion date of investment is on 31 August 2008.

5.3 Resolutions of the AGM and the Board of Supervisors

A) 'Corporate Governance Principles 2005'

Pursuant to the rule number 2 of the 'Corporate Governance Principles 2005', in current report no. 24/2007, ComArch S.A.'s Management Board announced of ComArch S.A.'s Board of Supervisors resolutions no. 9/6/2007 dated 15 June 2007 and 10/06/2007 dated 20 June 2007, in which projects of the resolutions at the AGM, to be held on 28 June 2008, are given positive opinion.

In current report no. 25/2007, the Management Board of ComArch S.A. announced 2006 activities' report of ComArch S.A.'s Board of Supervisors including assessment of the company's situation in 2006 according to the rule number 18 of the 'Corporate Governance Principles 2005'.

B) The Annual General Meeting on 28 June 2007

On 1 June 2007, pursuant to art. 395 § 1 and art. 399 § 1 of the Commercial Companies Code and pursuant to § 14 of the company's Statute, the Management Board of ComArch S.A. convened the Annual General Shareholders Meeting of ComArch S.A., to be held at 09:00 o'clock on 28 June 2006, at Aleja Jana Pawła II 39A in Krakow, Poland. Agenda of the meeting was presented in the current report no. 19/2007. Projects of resolutions to be presented on AGM were published on 20 June 2007 and their modification - on 27 June 2007. Their content was published in the current reports no. 23/2007 and 26/2007.

On 28 June 2007, the AGM passed the resolutions related to:

- election of Rafał Chwast to the post of the Chairman of the Annual General Meeting;
- removing from the agenda of the meeting the point regarding the election of the Returns Committee and the point regarding to the changes in managerial option programme for members of the Management Board and Key Employees of the company that was passed at AGM on 30 June 2005;
- passing the agenda of the meeting;
- approving the company's financial statement for the fiscal year 1.01.2006 - 31.12.2006;
- approving the report of the Management Board regarding the activities of the company in 2006;
- approving the activity report of the company's Board of Supervisors for the fiscal year 1.01.2006 - 31.12.2006 and audit of the company's financial statement and audit of the report of the Management Board regarding company's activities in 2006;
- approving the financial statement of the Capital Group for the fiscal year 1.01.2006 - 31.12.2006;
- approving the report of the Management Board of ComArch S.A. regarding the activities of the Capital Group in 2006;
- approving the report of the company's Supervisors Board of the audit of the consolidated financial statement of the Capital Group and of the report of the Management Board regarding the activities of the Capital Group in 2006;
- distribution of the company's net profit for the fiscal year 1.01.2006 - 31.12.2006;
- acknowledging the fulfilment of duties by the members of the Management Board and the Supervisory Board in the fiscal year 1.01.2006 - 31.12.2006;

- transfer of the net profit for the period 1.01.2004 - 31.08.2004 into supplementary capital (net profit of ComArch Kraków S.A. and CDN - ComArch S.A., consolidated with the company on 31 August 2004);
- covering of negative equity that arose as a result of consolidation of the company with ComArch Kraków S.A. and CDN - ComArch S.A. carried out on 31.08.2004;
- transfer of reserve capital to supplementary capital;
- election of the Board of Supervisors:
- Mrs. Elżbieta Filipiak to the post of the Chairman of the Board of Supervisors,
 - Mr. Maciej Brzeziński to the post of Vice-Chairman of the Board of Supervisors,
 - Mrs. Anna Ławrynowicz to the post of member of the Board of Supervisors,
 - Mr. Wojciech Kucharzyk to the post of member of the Board of Supervisors,
 - Mr. Tadeusz Syryjczyk to the post of member of the Board of Supervisors.

Mrs. Elżbieta Filipiak, Mr. Maciej Brzeziński, Mrs. Anna Ławrynowicz and Mr. Wojciech Kucharzyk were appointed for the next three years, and Mr. Tadeusz Syryjczyk is new member of the Board of Supervisors. Information about appointed members of the Board of Supervisors was published in the current report no. 31/2007.

- election of the Management Board:

- Mr. Janusz Filipiak to the post of the President of the Management Board,
 - Mr. Rafał Chwast to the post of the Vice-President of the Management Board,
 - Mr. Paweł Prokop to the post of the Vice-President of the Management Board,
 - Mr. Piotr Piątosza to the post of the Vice-President of the Management Board,
 - Mr. Zbigniew Rymarczyk to the post of the Vice-President of the Management Board,
 - Mr. Marcin Warwas to the post of the Vice-President of the Management Board,
 - Mr. Piotr Reichert to the post of the Vice-President of the Management Board.

Mr. Janusz Filipiak, Mr. Rafał Chwast, Mr. Paweł Prokop, Mr. Piotr Piątosza and Zbigniew Rymarczyk were appointed for the next three years, and Mr. Marcin Warwas and Mr. Piotr Reichert are new members of the Management Board. Information about appointed members of the Board of Supervisors was published in the current report no. 31/2007;

- changes in the company's Statute

- passing a new managerial option programme for members of the board and key employees to be executed in 2008-2010.

The full content of the resolutions was published on 28 June 2007 in the current report no. 28/2007. On 12 July 2007, changes in the company's Statute were registered by District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register. The company announced details in current report no. 38/2007.

According to the list of shareholders participating the Annual General Shareholders Meeting of ComArch S.A. on 28 June 2007, Elżbieta Filipiak and Janusz Filipiak as well as Arka BZ WBK Balanced Open Investment Fund, Arka BZ WBK Stable Growth Open Investment Fund and Arka BZ WBK Shares Open Investment Fund held at least 5 % of the total number of votes represented at this Meeting:

1. Janusz Filipiak-846,000 registered preference shares which gave 4,230,000 votes at the AGM, which constituted 37.87 % of the all votes at this AGM and which constituted 28.14 % of the total number of votes;
2. Elżbieta Filipiak-799,000 registered preference shares which gave 3,995,000 votes at the AGM, which constituted 35.76 % of the all votes at this AGM and which constituted 26.58 % of the total number of votes;
3. Married couple of Elżbieta and Janusz Filipiak-94,000 registered preference shares which gave 470,000 votes at the AGM, which constituted 4.21 % of the all votes at this AGM and which constituted 3.13 % of the total number of votes; as well as 1,695,495 ordinary bearer shares which gave 1,695,495 votes at the AGM, which constituted 15.18 % of the all votes at this AGM and which constituted 11.28 % of the total number of votes.
4. Arka BZ WBK Balanced Open Investment Fund, Arka BZ WBK Stable Growth Open Investment Fund and Arka BZ WBK Shares Open Investment Fund - 740,000 ordinary bearer shares which gave 740,000 votes at the AGM, which constituted 6.62 % of the all votes at this AGM and which constituted 4.92 % of the total number of votes.

The total number of votes from all emitted ComArch S.A. shares is 15,029,396. Shareholders participating the Annual General Shareholders Meeting of ComArch S.A. on 28 June 2007 held shares giving 11,170,595 votes.

5.4 Transactions on ComArch S.A. Shares

5.4.1 Subscription for Series I2 Shares

Subscription for series I2 shares began on 16 March 2007, and was completed on 23 March 2007. The shares were allocated on 26 March 2007. 441,826 shares were taken up by subscription. Subscriptions were made on 441,826 shares and 441,826 shares were allocated. An acquisition price of I2 shares was 1.00 PLN per every share. 13 persons subscribed for I2 shares and shares were allocated to 13 persons. The company did not enter into agreement on subissue. A value of subscription, i.e. number of offered shares multiplied by issue price was 441,826 PLN. Total issue costs amounted to 16,331.90 PLN, including:

- costs of an offering: 14,150.00 PLN,

- civil law activities tax: 2,181.90 PLN.

Issue costs will be settled into finance costs. An average cost of subscription for series I2 shares per one share amounted to 0.04 PLN.

5.4.2 Registration by the District Court for Kraków-Śródmieście of an Increase in Share Capital and Changes in Statute

On 20 April 2007, the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register registered an increase in ComArch S.A.'s share capital to the amount of 7,960,596 PLN. After this increase company's share capital is divided into 7,960,596 shares. It corresponds to 15,029,396 votes at the company's AGM. The relevant change in statute was registered on 20 April 2007 by the District Court for Kraków-Śródmieście, XI Economic Division of the National Court Register. The company announced details in current reports no. 9/2007 and 10/2007.

5.4.3 Registration and Introduction to Trading of Series I2 Shares

On 28 May 2007, the Management Board of the Warsaw Stock Exchange decided to introduce to trading 441,826 series I2 ordinary bearer ComArch S.A. shares of nominal value of 1 PLN. Due to that fact the Management Board of the National Deposit for Securities registered the above-mentioned shares on 31 May 2007. After this registration the total number of ComArch S.A.'s securities is 6,193,396. The company announced details in current reports no. 13/2007, 15/2007 and 16/2007.

5.4.4 Transactions of Disposal/Purchase of Issuer's Shares by BZ WBK AIB Asset Management S.A. and BZ WBK AIB TFI S.A. (Investment Funds)

a) 17 May 2007

As result of disposal of the shares, which was settled on 17 May 2007, clients of BZ WBK AIB Asset Management S.A. decreased by over 2 % their participation in total number of votes at ComArch S.A.'s annual general meeting. They held over 10 % of total number of votes at ComArch S.A.'s annual general meeting up to the present.

On 17 May 2007, there were 1,513,179 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 19.01 % of the Company's share capital. This gave 1,513,179 or 10.07 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, BZ WBK AIB Asset Management S.A. informed that BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is. With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

b) 30 May 2007

As a result of disposal of the shares, which was settled on 30 May 2007, clients of BZ WBK AIB Asset Management S.A. hold less than 10 % in total number of votes at ComArch S.A.'s annual general meeting.

On 30 May 2007, there were 1,461,243 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 18.36 % of the Company's share capital. This gave 1,461,243 or 9.72 % of the total votes at ComArch S.A.'s annual general meeting.

c) 16 July 2007

BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A., on behalf of Arka BZ WBK Shares Open Investment Fund, Arka BZ WBK Stable Growth Open Investment Fund, Arka BZ WBK Balanced Open Investment Fund as well as Lukas Open Investment Fund (hereinafter referred to as the "Funds"), informed that, as a result of disposal of the shares, which was settled on 16 July 2007, the above-mentioned Funds hold less than 5 % in total number of votes at ComArch S.A.'s annual general meeting.

On 16 July 2007, there were 746,533 ComArch S.A. shares in the securities accounts of Funds, which consisted 9.38 % of the equity. This gave 746,533 or 4.97 % of the total votes at ComArch S.A.'s annual general meeting.

d) 13 December 2007

As a result of purchases of the shares, which were settled on 13 December 2007, customers of BZ WBK AIB Asset Management Spółka Akcyjna with its registered seat in Poznan held more than 10 % of votes at the annual general meeting of ComArch S.A. On 13 December 2007, there were 1,504,869 ComArch S.A. shares in the managed

securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 18.90 % of the company's share capital. This gave 1,504,869 or 10.01 % of the total votes at ComArch S.A.'s annual general meeting. Within the next 12 months, both an increase and decrease in share in ComArch S.A.'s share capital are possible. Potential decisions on purchase or disposal of shares will rely on company's situation, assessment of this situation and market conditions. Value of assets managed by BZ WBK Asset Management S.A. will have also influence on purchase or disposal decision making.

At the same time, BZ WBK AIB Asset Management S.A. informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna (investment funds) authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is (hereinafter referred to as the "Funds"). With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

e) 13 December 2007

As a result of purchases of the shares, which were settled on 13 December 2007, Arka BZ WBK Share Open Investment Fund, Arka BZ WBK Stable Growth Open Investment Fund, Arka BZ WBK Balanced Open Investment Fund as well as Lukas Open Investment Fund (hereinafter referred to as the "Funds") held more than 5 % in total number of votes at ComArch S.A.'s annual general meeting.

On 13 December 2007, there were 829,619 ComArch S.A. shares in the securities accounts of Funds, which consisted 10.42 % of the equity. This gave 829,619 votes or 5.52 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, Towarzystwo informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds. With relation to authorisation mentioned above, BZ WBK AIB Asset Management S.A. has also the purchase information duty.

5.4.5 Other Disposal/Purchase of the Company's Shares

On 11 January, one of ComArch S.A.'s managing persons sold 150 ordinary bearer shares of ComArch S.A. for 201 PLN each.

On 17 January 2007, one of ComArch S.A.'s supervising person sold 10,000 (in words: ten thousands) ordinary bearer ComArch S.A. shares for 222 PLN each, i.e. 2,220,000 PLN. The above-mentioned transaction was concluded on regulated market-Warsaw Stock Exchange.

On 15 June 2007, married couple of a supervising person and a managing person sold 65,000 ordinary bearer ComArch S.A. shares for 219 PLN each. Information was prepared on 15 June 2007 in Krakow.

On 25 June 2007 and 26 June 2007, one of ComArch S.A.'s managing persons sold 22,566 ordinary bearer shares of ComArch S.A. for average price of 209,14 PLN each. Information was prepared on 27 June 2007 in Krakow.

Between 28 June 2007 and 5 July 2007, a person who has access to confidential information about ComArch S.A. sold 36,590 ordinary bearer shares of ComArch S.A. for average price of 201.927651 PLN each. Information was prepared on 5 July 2007 in Krakow.

Between 13 June 2007 and 6 July 2007, a person who has access to confidential information about ComArch S.A. sold 10,776 ordinary bearer shares of ComArch S.A. for average price of 213.57 PLN each. Information was prepared on 9 July 2007 in Krakow.

Between 25 June 2007 and 13 July 2007, a person who has access to confidential information about ComArch S.A. sold 950 ordinary bearer shares of ComArch S.A. for average price of 214.48 PLN each. Information was prepared on 23 July 2007 in Krakow.

On 10 July 2007, married couple of a supervising person and a managing person sold 22,420 ordinary bearer shares of ComArch S.A. at average price of 223.66 PLN every share. Information was prepared on 13 July 2007 in Krakow.

On 9 July 2007 and 10 July 2007, a member of ComArch S.A.'s Management Board sold 5,966 ordinary bearer shares of ComArch S.A. at average price of 223.88 PLN every share. Information was prepared on 16 July 2007 in Krakow.

Between 4 June 2007 and 4 August 2007 a person who has access to confidential information about ComArch S.A. sold 5,001 ordinary bearer shares of ComArch S.A. for average price of 215.26 PLN each. Information was prepared on 20 August 2007 in Krakow.

Between 21 August 2007 and 23 August 2007 a member of ComArch S.A.'s Management Board sold 5,758 ordinary bearer shares of ComArch S.A. at average price of 180.24 PLN every share. Information was prepared on 28 August 2007 in Krakow.

On 22 August 2007 a member of ComArch S.A.'s Management Board sold 9,850 ordinary bearer shares of ComArch S.A. at average price of 180.00 PLN every share. Information was prepared on 24 August 2007 in Krakow.

On 29 August 2007 a member of ComArch S.A.'s Management Board sold 10,776 ordinary bearer shares of ComArch S.A. at average price of 190.50 PLN every share. Information was prepared on 31 August 2007 in Krakow.

The above-mentioned transactions were concluded on regulated market-Warsaw Stock Exchange.

5.4.6 Resolution of the National Deposit for Securities on Registration of ComArch S.A. Shares

The Management Board of the National Deposit for Securities, with the resolution no. 367/07 dated 21 December 2007 on registration of 9,400 ordinary bearer ComArch S.A. shares with the code PLCOMAR00061. On 2 January 2008, they will be transformed from 9,400 registered preference shares marked with the code PLCOMAR00020.

The Management Board of the National Deposit for Securities announced that beginning from 2 January 2008:

- a) There will be 1,757,800 ComArch S.A. shares marked with the code PLCOMAR00020;
- b) There will be 9,400 ComArch S.A. shares marked with the code PLCOMAR00061.

5.4.7 Managerial Option Programme

a) Managerial Option Programme for 2005-2007

On 30 June 2005, the Annual General Meeting of Shareholders passed Resolution no. 51 on the managerial options programme for members of the Management Board and the company's Key Employees (17 persons in total). The objective of the programme was to additionally motivate members of the Management Board and Key Employees by options on ComArch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and its net profit. The program was executed through offers of newly-issued shares in the company in 2006, 2007 and 2008 to members of the Management Board and Key Employees. The value of the Option was at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2005) and the issue price of shares offered to members of the Management Board and Key Employees. The bases for the calculation of the value of the Option were increases in company capitalisation, calculated as follows:

- For 2006 it was the difference between the average capitalisation of the company in December 2005 and the average capitalisation of the company in December 2004; this was calculated using the average closing price of ComArch shares in December 2004 as 69.53 PLN;
- For 2007 it was the difference between the average capitalisation of the company in December 2006 and its average capitalisation in December 2005;
- For 2008 it was the difference between the average capitalisation of the company in December 2007 and its average capitalisation in December 2006, where the average capitalisation was the number of shares multiplied by the average closing price for shares of the company in December of a given year.

The Option was defined in each successive year of the program separately for each entitled individual as set forth in Resolution no. 51 of the AGM. The total value of the option was 9.4 % of the increase in capitalisation in the periods set forth in Clauses a), b) and c) (for options No. 1, No. 2 and No. 3, respectively) at the beginning. As at 31 December 2007 and after the application of changes to the program (pursuant to the resolution of the AGM passed on 22 June 2006 and according to changes to the list of program participants that took place in the third quarter of 2006) the value of the Option amounted to 7.8 % of the increase in capitalisation.

Pursuant to the Act on Accounting dated 29 September 1994, managerial option programme is not presented in income statement. This option is presented as cost in income statement in the consolidated financial statement according to IFRS.

The difference between the average capitalisation in December 2005 and the average capitalisation in December 2004 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees were not issued in 2006.

Basing on the company's quotations on Warsaw Stock Exchange, the Board of Supervisors agreed an increase in the Company's cap of 1,098,010,607.08 PLN as at 31 December 2006. The Board of Supervisors agreed an option's value in the amount of 8.2 % of the increase in cap, i.e. 90,036,869.78. On 12 February 2007, the company's Board of Supervisors passed a resolution concerning execution of managerial option programme and declared that 441,834 series I2 shares will be issued, of nominal value of 1 PLN and issue price of 1 PLN. On 14 March 2007, the company's Board of Supervisors passed a resolution changing a resolution no. 1/2/2007 dated 12 February 2007 on execution of managerial option programme. In relation to the decision of the Board of Supervisors that fractional parts of the shares' numbers are eliminated, 441,826 series I2 ordinary bearer shares will be issued, of nominal value of 1 PLN and issue price of 1 PLN. These fractional parts of the shares' numbers result from applying the assumptions that are established in a resolution no. 51 of the Ordinary General Meeting dated 30 June 2005 concerning passing the managerial option programme for members of the Board and key employees.

The difference between the average capitalisation in December 2007 and the average capitalisation in December 2006 is negative, which means that the basic condition of the programme has not been met. As a result, shares for members of the Management Board and Key Employees will not be issued in 2008.

b) Managerial Option Programme for 2008-2010

On 30 June 2007, the Annual General Meeting of Shareholders passed Resolution no. 16 on the managerial options programme for company's Key Employees for 2008-2010. The objective of the programme is to additionally motivate members of the Management Board and Key Employees by options on Comarch shares (hereinafter referred to as the "Option") dependent on increases in the value of the company and increase in its capitalisation. The program will be executed through offers of newly-issued shares in the company in 2009, 2010 and 2011 to Key Employees. The value of the Option is to be at all times equivalent to the difference between the average closing price of the company's shares as of December of each year of the execution of the programme (beginning with 2008) and the issue price of shares offered to Key Employees. The basis for the calculation of the value of the Option shall be increases in company capitalisation, calculated as follows:

- For 2008 it will be the difference between the average capitalisation of the company in December 2007 and the average capitalisation of the company in December 2008; this will be calculated using the average closing price of Comarch shares in December 2004 as 69.53 PLN;
- For 2009 it will be the difference between the average capitalisation of the company in December 2008 and its average capitalisation in December 2009;
- For 2010 it will be the difference between the average capitalisation of the company in December 2009 and its average capitalisation in December 2010.

In the fourth quarter of the year that precedes the year of the Programme execution, the Supervisory Board of the company shall establish a list of Key Employees and single option factors. List of Key Employees and single option factors shall be established independently for each subsequent year. The total value of the all single option factors for each Key Employee in the given year shall amount to 3 % (in words: three percent) of increase in the company's capitalisation. Pursuant to IFRS2, the company is obliged to calculate the value of the Option and classify it as a cost in the income statement in the Option period, i.e. from its issue date until its expiry date. The company will recognise the value of the particular options beginning from the options' acquiring, i.e. an establishment by the Supervisory Board a list of Key Employees and single option factors for each subsequent year.

On 10 December 2007, with the resolution no. 3/12/2007, the Supervisory Board of ComArch S.A. established a list of Key Employees and single option factors for 2008. The total value of the all single option factors for each Key Employee in 2008 shall amount to 3 %.

Pursuant to the Act on Accounting dated 29 September 1994, managerial option programme is not presented in income statement. This option is presented as cost in income statement in the consolidated financial statement according to IFRS.

AFTER THE BALANCE SHEET DATE

5.4.8 Introduction of 9,400 Series A Shares to Trading

With the resolution no. 7/2008 dated 4 January 2008, the Management Board of the Warsaw Stock Exchange decided that pursuant to §19, sec. 1 and 2 of the Rules of the Warsaw Stock Exchange 9,400 ordinary bearer series A ComArch S.A. shares of nominal value of 1 PLN each are admitted to trading. Pursuant to §38 sec. 1 of the Rules of the Warsaw Stock Exchange, the Management Board of the Warsaw Stock Exchange decided that the shares mentioned in the point 1 will be introduced to trading on 11 January 2008, providing that on 11 January 2008 they will be assimilated by the National Deposit for Securities with other ComArch S.A. shares already in trading.

5.4.9 Change in Rights Attached to Series A Shares

Due to request of a shareholder and pursuant to resolution no. 1/16/2007 of ComArch S.A.'s Management Board passed on 13 August 2007 rights attached to 9,400 series A shares have been changed:

1) issuer's shares related to this change:

-9,400 registered preference series A shares

2) legal basis of taken action:

-Article 8 section 1 and 3 of ComArch S.A.'s Statute,

-Resolution no. 1/16/2007 of ComArch S.A.'s Management Board passed on 13 August 2007,

-Resolution No. 913/07 of the Management Board of the National Deposit for Securities dated 21 May 2007.

3) rights attached to shares before and after conversion

-before conversion – registered shares preferential for vote so that 5 votes in the General Meeting corresponds with each share,

-after conversion – ordinary bearer shares with no preferences.

4) number of converted registered preference shares: 9,400

5) number of votes at the issuer's general meeting after conversion: 14,991,796

5.4.10 Increase in BZ WBK AIB Asset Management S.A.'s Share in the Total Number of Votes at General Meeting of ComArch S.A.

a) 2 January 2008

As result of purchases of the shares, which were settled on 2 January 2008 as well as conversion of registered preference shares into ordinary bearer shares, clients of BZ WBK AIB Asset Management S.A. increased their share in total number of votes at ComArch S.A.'s annual general meeting by more than 2 %.

On 2 January 2008, there were 1,833,464 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 23.03 % of the company's share capital. This gave 1,833,464 or 12.23 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, BZ WBK AIB Asset Management S.A. informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is (hereinafter referred to as the "Funds"). With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

b) 18 March 2008

As result of purchases of the shares, which were settled on 18 March 2008, clients of BZ WBK AIB Asset Management S.A. increased their share in total number of votes at ComArch S.A.'s annual general meeting by more than 2 %.

On 18 March 2008, there were 2,150,852 ComArch S.A. shares in the managed securities accounts of BZ WBK AIB Asset Management S.A. clients, which constituted 27.02 % of the company's share capital. This gave 2,150,852 or 14.35 % of the total votes at ComArch S.A.'s annual general meeting.

At the same time, BZ WBK AIB Asset Management S.A. informed that pursuant to art. 46, sec. 1, pt 1) of the Act on investment funds dated 27 May 2004 (Journal of Laws No. 146, pos. 1546, and subsequent changes), BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych Spółka Akcyjna authorised BZ WBK AIB Asset Management S.A. to manage investment portfolios of investment funds, whose body Towarzystwo is (hereinafter referred to as the "Funds"). With relation to authorisation mentioned above, this notice ought to take into account ComArch S.A. shares, which are held by funds.

5.4.11 Resolution of the National Deposit for Securities on Assimilation of Series A Shares

The Management Board of the National Deposit for Securities announced that decided to assimilate 9,400 ComArch S.A. shares (marked with the code PLCOMAR00061) with 6,193,396 ComArch S.A. shares (marked with the code PLCOMAR00012). Assimilated shares will be marked with the code PLCOMAR00012. The Management Board of the National Deposit for Securities announced that beginning from 11 January 2008 there will be 6,202,796 ComArch S.A. shares marked with the code PLCOMAR00012.

5.5 Transactions on Shares of Subsidiaries and Associates of ComArch S.A.

5.5.1 Ownership Transfer of INTERIA.PL S.A. Shares

On 3 December 2007, an agreement on INTERIA.PL S.A. ownership transfer between ComArch S.A. with its registered seat in Krakow and ComArch Management Spółka z ograniczoną odpowiedzialnością Spółka Komandytowo-Akcyjna with its registered seat in Krakow („SKA”) was concluded. In consequence of this agreement ComArch S.A. transferred INTERIA.PL S.A. ownership to SKA. These were 2,267,814 registered preferential shares and 270,555 ordinary bearer shares. They in total constituted 36.08 % of share capital of INTERIA.PL S.A. and entitled to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A. As at 31 December 2007, ComArch S.A. held no INTERIA.PL S.A. shares. In January 2008, a transaction of sales of INTERIA.PL S.A. shares by "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna to "BAUER MEDIA INVEST" GmbH was settled. It was a consequence of an agreement concluded between ComArch S.A. and "BAUER MEDIA INVEST" GmbH on 3 December 2007.

5.6 Other

In current report no. 8/2008 ComArch S.A. announced list of current and periodical reports that were published in 2007. Their originals are located at Jana Pawła II 39A, in the company's seat in Krakow. They are also available at <http://www.comarch.pl/en/Invest+in+Comarch/Financial/>

6. Products and Services Offered by Comarch in 2007

Comarch is a producer of innovative IT systems for key sectors of economy: telecommunications, finances, public administration, large companies and the sector of small and medium-sized companies. A wide range of the Comarch offer includes ERP-class and financial and accounting systems, CRM systems and loyalty software, sales support and electronic document exchange systems, knowledge management, Business Intelligence, security and protection of data and many other solutions. Apart from providing innovative IT solutions to its customers, Comarch is focused on professional customer service and on providing consulting, advisory and integration services as a uniform package, with which our customers can take full advantage of the possibilities offered by modern IT systems.

PRODUCTS

6.1. Solutions for the Telecommunications Sector

6.1.1 Retail Business (Comarch BSS/CRM Suite)

Comarch BSS/CRM Suite is an innovative, modular billing platform supporting all areas related to settlements and customer services, as well as broadly understood suppliers and recipients of telecommunications services. Its task is to execute business objectives of the operator and preparing him for introduction of new-generation services.

A comprehensive set of modules allows management of business in all telecommunications markets: stationary telephone networks, mobile telephone networks, Internet services, cable TV or contents providers.

Comarch BSS Suite features flexible, scalable and open architecture which supports the complete billing process. The system, based on the latest technologies, is a very effective and reliable one, which can be integrated with other systems. Comarch BSS Suite received certificates of performance on Sun and HP platforms in international testing centres in the United Kingdom, Switzerland and Germany. With it, operators can handle the most difficult challenges, such as inter-operator billing, implementation of new-generation services or convergent billing.

This platform consists of the following products:

- **Comarch Billing System** is an advanced technological tool to support operators in their billing processes, and is Comarch's complete and comprehensive answer for the vital processes telecommunications providers engage in. It is a high-output, scalable system able to process almost unlimited data volumes. Its excellent, user-friendly interface provides a comfortable and intuitive service. Thanks to the 3G event-based billing system, whose format is configurable for IP, VoIP, GPRS and UMTS services and which offers extensive tariff and rebate options, the system is able to offer next generation services.
- **Billing System for Convergent Services Solution** enables telecommunications solutions providers to properly implement new 2G, 3G and IP services solutions, including the conventional telephone, GSM, ISDN, intelligent networks, and cable and interactive television. The system enables operators to conduct thorough

testing before going live. This comprehensive solution rests on a number of Comarch products with the billing system at their heart.

- **Comarch Customer Relationship Management** means effective communication with customers, increased customer satisfaction and better customer retention. The system deploys an imposing, ergonomic Inductive User Interface (IUI) to deliver a friendly work environment with intuitive task selection options for more productive work. Thanks to the IUI's 'one task – one screen' approach users rapidly become familiar with the system. The system has creators for more complex tasks, context links, a help function and a user-friendly interface, which is similar to that of an Internet browser.
- **Comarch Customer Loyalty Management** is an advanced set of business applications with wide functionality for straightforward and complex loyalty programs. The system stands out for its flexibility, ergonomic user interface and ease of operation. Its scalable architecture means the program can grow in step with the company.
- **Comarch Service Creation & Control** is a platform for telecommunications operators and other service providers who cannot satisfy their customers without high-speed access to leading edge services. The solution encompasses the entire product preparation process. This begins with defining the details of the service to be offered and the sales channels to access it. The process continues with activation and billing and extends to controlling, monitoring and reporting.
- **Comarch Product Catalog (CPC)** is a central product depository for telecommunications service providers. Information from the product catalogue can be used by any OSS/BSS system working with the products or services. This includes billing systems, CRM and services provisioning. Comarch Product Catalogue makes it easy to define, store and manage the end product. Comarch Product Catalogue functions as a central product and offers base for all the operator's systems. Instead of defining and managing products and offers in a number of different systems using complex data transmission processes, the operator can use Comarch Product Catalogue as the central tool for defining, managing and modifying its products and offers.
- **Comarch Self Care** provides all categories of telecommunications subscribers with reliable, 24/7 access to user accounts and to precise information. This comprehensive system enables subscribers and partners to view and analyze financial documents and account information. In addition, Self Care makes it easy for subscribers to activate and deactivate services and send comments to the operator. This is not all. Self Care acts as a marketing medium for the operator because it can carry advertisements and promotional material. Self Care uses the most modern technology and is flexible and scalable: no matter how many subscribers, how complex the services are or how much data are sent the system can integrate with the operator's organisational culture. Comarch Self Care includes the following applications: Customer SelfCare, Business Care, Partner SelfCare and Dealer Care.

6.1.2 Wholesale Business (Comarch BSS Suite)

Comarch BSS suite has a flexible, scalable and open architecture, which supports the entire billing process. It is based on leading-edge technology, can be integrated with other systems, and is highly reliable, productive and efficient. Comarch BSS Suite enables operators to solve the most challenging problems, such as inter-operator billing, implementing new generation services or convergent billing.

This platform consists of the following products:

- **Comarch InterPartner Billing** is an innovative system that enables operators to quickly introduce new business models, penetrate new markets, strengthen their competitive position and take advantage of the potential revenue stream from partnerships and alliances. Comarch InterPartner Billing is capable of identifying, measuring, rating, processing and settling millions of events per day. The system allows operators to maintain high standards of cooperation with their business partners. It offers functionality for managing inter-operator and multi-party billing with revenue sharing settlement and also provides full billing information. The charging schemas are fully rule based and enable a wide range of commissions to be defined. These range from simple volume based arrangements to the more refined rule trees used to provide tailored solutions to operators.
- **Comarch Partner Relationship Management** offers an Internet interface for managing partner data gathered in the billing system. The system has two parts: a partner data view module and a partner relationship management module. The system deploys Comarch Business Process Management to manage

partner operations such as order management, task management and complaints. Comarch Partner Relationship Management is closely integrated with Comarch InterPartner Billing.

- **Comarch Least Cost Routing** automatically locates the optimal paths for telecommunications connections. It achieves this with reference to criteria such as price, connection quality, network capacity and connectivity delay. The module can conduct large numbers of analyses simultaneously and compare the results later. Comarch Least Cost Routing is an integral part of Comarch InterPartner Billing – the billing and inter-operator settlement system.

6.1.3 Operational Support Systems (Comarch OSS Suite)

Comarch OSS Suite is a comprehensive network and telecommunication services management platform providing operators with greater reliability and quality for their services and infrastructure. The platform is in line with NGOSS (New Generation Operations Systems and Software) principles and consists of modules that can be tailored to the needs of individual operators to increase return on investment (ROI) and savings on operating costs. The platform supports all OSS areas. The suite uses the most modern technology (J2EE, Corba and RMI) with a communications bus resting on XML and SOAP. This provides excellent integration with other IT systems, such as BSS, OSS and CRM, and high volume throughput between the individual systems. With the exceptional Comarch OSS Suite companies get the most from their network infrastructure.

This platform consists of the following products:

- **Comarch Network & Service Inventory** is one of the key modules in Comarch OSS. It gathers data on the operator's network resources and services to innovatively exploit their full potential and increase network productivity. The system provides detailed information on the network's physical and logical resources, which can be searched using a wide range of criteria. It also enables full visualisation of the telecommunications network and its infrastructure. Comarch Network & Service Inventory has two main modules:
 - **Comarch Service Inventory Management** is responsible for modeling and storing the resources for the customer-facing services. Comarch Network & Service Inventory also supports functionality such as auto-discovery and reconciliation (scanning the operator's network for new, damaged or reserve devices, for example). These update information stored in the inventory data base as changes take place in the operator's network.
 - **Comarch Network Inventory Management** provides a representation of the current state of an operator's infrastructure. Its components supply detailed information on the network's physical resources and mean that these can be searched across a broad range of criteria.
- **Comarch Network & Service Assurance** is the second key module in the Comarch OSS Suite. It is responsible for the security of the network and of the services that depend on the network devices. Comarch Network & Service Assurance has three main modules:
 - **Comarch Service Level Management** is dedicated to managing SLAs (service level agreements). Each SLA specifies an individual set of services tailored to the customer's requirements. It also defines cost reductions where the service provider fails to maintain the contracted service parameters and conditions of service.
 - **Comarch Fault Management** effectively monitors for problems and faults across the entire telecommunications network. It continuously surveys all network elements and enables visualisation, tracking and reception for the alarms.
 - **Comarch Network Performance Management** ensures, at no extra cost, optimum configuration and rapid and reliable performance for the network. It can be integrated with the existing management environment – again at no extra cost.
- **Comarch Workforce Management** manages the operator's technical teams. Its aim is to select the best team available for the commission in question, which may consist of one or several tasks.

6.1.4 Comarch Value Added Services (VAS)

Comarch Value Added Services (VAS) The basic services offered by operators include telephone conversations, video conversations, Internet access and SMS. When these are supplemented by value added services, such as online data processing, online data base storage and retrieval, e-mail and voice mail there is a significant rise in demand for the standard services. Value added services can be provided by the operators or by third parties.

Comarch Value Added Services for telecommunications operators include the following products:

- **Comarch Next-Generation TV (NGTV)** this is a complete IPTV solution based on supplying interactive video services to televisions, home cinemas, mobile phones and computers
- **Service Creation&Control** gives telecommunications operators and other service providers the high speed access to leading-edge services that is essential for their customer offers
- **Comarch MobiLoc** is a unique solution enabling continuous communication with mobile users and providing continuous monitoring of their location.

The excellence of Comarch solutions for the telecommunications sector rests on easy-to-integrate systems and the substantial business experience of Comarch consultants. The solutions can be implemented in a number of different configurations, which include third party products.

Comarch solutions are designed to meet the requirements of individual customers.

- ISP and WISP Business solutions
- VoIP Business solutions
- Fixed Business solutions
- Cable TV Business solutions
- Mobile Business solutions
- MVNO Business solutions

Comarch also provides the following **professional telecommunications services**:

- **Consulting** begins with an integration and business process needs analysis. Then, a solution is recommended and functional specifications produced. Finally, a plan is drawn up for implementing the integration platform at your company
- **Training** provides specialist product and IT training and consultation for beginners and above with a wide range of subject areas covered
- **Support** delivers Comarch's expert knowledge of the technology being employed and its system support tools and skills
- **Implementation** Comarch has many years of experience with integrated IT projects both in Poland and throughout the world. We know how to implement coherent, connected systems combining the right equipment and program tools with technical expertise, innovation and know how across a broad spectrum of technologies and services.

6.2. Solutions for the Finance and Banking Sector

6.2.1 Internet Banking and Financial Services

Comarch Internet Retail Banking provides 24/7 access to services offered by the bank to retail customers and „micro“ companies over the Internet, WAP, SMS and other distribution channels. Due to excellent integration with various central systems, it is a versatile, complete, efficient and safe supplement of the IT bank environment. The Comarch Internet Banking Platform offers solutions for providing financial services through self-service channels, meeting high requirements of banks, brokerages, associations of investment funds and other financial institutions. It is also an integration platform, combining services and products offered by a financial institution or by an entire financial group into one solution.

Comarch Internet Corporate Banking is an innovative IT banking system specialised in services for corporate customers. It was created from the scratch and implemented for the first time in 2003 with all needs of medium-sized and large companies in mind. It is optimised for mass processing of payments, allocation of roles in a company, support of communication between the customer and the advisor appointed by the bank, as well as the highest security level available.

Comarch Internet Investments, as an independent system or a functional supplement for Comarch Internet Banking, ensures access to investment financial services through the Internet and other electronic channels of distribution (e.g. WAP, SMS and call centre) for customers of brokerages, trustees, Investment Fund Associations, Open Pension funds and other institutions operating in the capital market. This system, developed continuously since 1998, offers the widest functionality available in the market in the scope of access to the brokerage account, TFI registers and specialised investment products.

Comarch CustomerCare gives corporate and retail customers 24/7 access via Internet, WAP, SMS and other channels to the financial institution's services. The system is tried and tested and has proved itself in the Internet delivery of all the financial and information services for financial institutions. The financial services are not only accessible via standard www browsers, but also over electronic channels such as WAP, SMS e-mail, IVR, Call Center and interactive kiosks. Comarch Customer Care is under continuous development to meet the functional, legal and security requirements that regulate insurance company operations and set the standards for electronic transactions.

6.2.2 CRM and Sales Management

CRM Analytical is a new generation tool for the real time processing of high data volumes from companies' internal systems and of data originating in external systems.

Comarch Content Management System (CMS) is dedicated to managing portal content and structure. It offers a set of tools that remotely update and manage www services. Comarch CMS gives users a great deal of freedom with full control over the content presented and a high security level. The customer does not need to install any extra software to work with the system as all the essential operations can be executed in Internet browsers.

Comarch Contact Center is the strategic contact point integrating all channels of communication with the customer: the telephone (direct conversations, voice mail, SMS), facsimile, e-mail and Internet. This solution raises a company's competitiveness by building strong customer relations, making communications more effective and collecting and managing customer information. Comarch Contact Center is a modern, modular platform which is easily expanded. It supports all communication methods including automatic IVR and customer care agents. The solution is based on Comarch's own application integrated and supported by the advanced mechanisms used in Avaya Call Center.

Claim Management is a complete claims management solution and is one of the modules that make up the Comarch customer relations platform (CRM). It is based on the proven service-profit chain used by the most successful companies. The service profit chain connects internal and external service quality, including claims management, with financial results. Thanks to this solution companies can compare expenditure on maintaining quality of service with expected financial results.

Comarch Trade Finance supports the business processes connected with letters of credit, collections and guarantees. Comarch Trade Finance works as a component in other IT solutions used in banks, such as the core system, the general ledger and the data warehouse, and must be integrated with these systems.

Comarch CRM Sales Management is a new generation integrated front end application. It provides comprehensive customer relations support across the entire product range from the moment of winning a new customer. This includes programs for cross selling and up-selling as well as support for everyday customer retention and maintenance. The system offers functionality for customer care agents in the form of the Sales Application, while for the middle and back office staff responsible for managing the sales process it offers the Department Director and the Central applications.

Comarch Commission & Incentive is a commission system designed for institutions which use extended networks of agents, brokers and intermediaries in their businesses. The system enables integration of all data related to sales networks, commission policy for all distribution channels and settlements with sales network units in one place. Additionally, collecting all sales data in one system allows better control over sales and optimising incentive systems.

Comarch CRM Campaign Management is a system supporting the entire cycle of marketing campaign management: from planning to tests, execution and modification to tests of performance. The system allows reaching the target group of customers of a precisely defined profile, at a proper time, with appropriate information, and through an appropriate communication channel. The possibility of integration of mass Above The Line (ATL) campaigns and direct Below The Line (BTL) campaigns is a unique solution, allowing achievement of the synergy effect between the two types of activities and winning savings on costs of reaching the customer.

Comarch Loyalty Management is an advanced set of business applications for standard and advanced loyalty programs. The system is distinguished by its ease of operation, its flexibility, and its ergonomic user interface. Its scalable architecture ensures that the loyalty program can be expanded in step with the company's growth.

Comarch Debt Management is a system facilitating notice and vindication processes. It enables centralised management of all processes and vindication cases with attention paid to the specific nature of the process and products, in the context of which it is used. All contacts with the debtor and other entities in the case are registered and the system reminds users about deadlines of tasks to be performed, such as telephone notice calls or replying to correspondence.

6.2.3 Credit Processes

Comarch Credit Process Management is an application suite supporting service of credit processes in all clients segments: corporate clients, medium and small enterprises and retail clients. The modular design of this system enables selection of an optimum set of functionalities and support for the most important processes related to management of any credit products for any customer segment: product design, simulations, preparing an application, support for the decision-making process, preparing an agreement, activation of funds, hedging management, monitoring of active agreements, settlements of transactions, management of the sales network and calculation of commission, as well as vindication from unreliable customers.

The corporate version of the **Comarch Credit Process Management** system is its extension with additional tools, specific for this segment of customers, such as the rating engine, the index analysis module or the extended module of hedges management. As with CRM solutions, emphasis has been put on flexibility of the decision-making mechanism in designing the system supporting the crediting process for large companies, and the proposals generated automatically do not restrict the process management policy in the degree characteristic for the retail segment.

Comarch Scoring Engine is a system platform helping credit analysts find the best way to assess credit applications and credit risk and to analyze credit portfolios. Comarch Scoring Engine can be rapidly implemented and put to work as it integrates easily with existing systems and provides great flexibility in the scoring definitions used.

Comarch BIK Connector can function as an integral part of any credit processing system. It is offered as one of the modules in the comprehensive Comarch Credit Process Management solution.

6.2.4 Capital Markets and Capital Management

Comarch Asset Management is addressed to asset management companies, trust banks, investment, pension or insurance funds and other institutions that conduct investment activities and manage portfolios.

Comarch Custody is an application designed for banks dealing with trading in securities. The system allows registering and quantitative as well as financial settlements of transactions with securities in NDS S.A. and foreign deposit and settlement chambers.

Comarch Risk Management is a management system for risks related to investment and credit portfolios. It automates risk control processes aimed at limitation (restriction) of the impact of fluctuation of risk factors on the elements of commercial operations. It also enables identification of the possibility of using the observed fluctuations in investments.

6.2.5 Factoring

Comarch Factoring is a complex solution servicing debt financing transactions, allowing for both electronic and paper invoices. This solution features high flexibility in modelling of the client service process. It enables the introduction of data related to the factorer, debtor and the definition of a financing program.

6.2.6 Insurance Processes

Comarch Insurance – Complex solutions supporting the basic business processes of insurance companies, dedicated to both property insurance companies and life insurance companies.

Comarch NonLife Insurance is a production system supporting all the processes of general insurance companies. Implementations can include all modules and product lines. As it is modular, the system can be implemented in specific operational areas or for particular products. A further option exists to tailor selected modules to the company's existing system architecture.

Comarch Life Insurance is a comprehensive IT solution designed and produced for insurance companies to react flexibly and rapidly to the needs of the insurance market. The system is capable of supporting the entire operations of a life insurance company and there is some scope for it to be matched to existing architecture.

Comarch Insurance Net is a front office package of tools and solutions for insurance product distribution and support. It provides functionality for agents, employees, partners and individual customers.

Comarch Reinsurance is an IT solution for reinsurance companies and insurance company departments involved in reinsurance. It was designed and produced as a tool to support reinsurance and additional insurance contracts. It does this by handling modeling and record keeping for proportional, non-proportional, compulsory and facultative reinsurance contracts.

Comarch Insurance Scoring is an IT system based on a flexible and definable rules engine, which can be deployed across a variety of assessments in the underwriting process. Comarch Insurance Scoring was originally aimed only at the banking market, where it provided automated application assessments in risk assessment departments. The growing need to automate processes at insurance companies prompted a decision to direct the product to the insurance market as well.

Insurance Sales Platform makes sales processes more efficient, improves company-customer relations and so delivers higher customer portfolio quality. The platform provides a list of services and applications from which the best solutions for the customer can be chosen.

6.2.7 Data Security Solutions

Comarch CentralLog is a comprehensive solution for managing security data generated by the company's IT infrastructure. It includes tools for the centralisation, analysis and storage of the security audit information produced by various systems and applications. This includes those exclusively devoted to security and those that are independent, such as data bases.

Comarch MobileID is a new authentication and authorisation method based on cell phones, which combines features never before seen together in a single solution. It is reliable and secure, easy to use, inexpensive and technically advanced. The system functions as a stand-alone product and can also be integrated with Comarch Security Access Manager DRACO.

Comarch MobilePKI is a solution that supports authentication and authorisation using mobile technology. It enables full use of Public Key Infrastructure (PKI) on cell phones using SIM cards.

Comarch SecureAdmin is a user activity monitoring system which operates transparently at the level of the network layer (passive and active analysis). These features mean that implementing Comarch SecureAdmin does not require the modification or reconfiguration of existing applications or systems and its presence is not visible to users.

Comarch SOPEL (Electronic Signature Support System) provides complete implementation of secure qualified electronic signature verification equipment and secure electronic signature submission software that is in compliance with the Law on Electronic Signatures.

Comarch SafeDesktop is Comarch's security solution for end-user workstations in IT systems. Comarch SafeDesktop makes it possible to obtain diverse functionality using microprocessor cards and USB tokens in heterogeneous environments, including the MS Windows 98SE/Me/2000/XP/2003 platform and Linux.

Comarch SmartCard is a java based cryptographic microprocessor card for the secure storage of sensitive information such as cryptographic keys and passwords. They are chiefly used in PKI (Public Key Architecture) systems and more and more often in banking, where very high security standards, for example for customer transactions, are required. The card's security rests on asymmetrical cryptography. Also, the private key used to sign for the transaction never leaves the microprocessor card: it is generated there and there is no way that it can be copied. Finally, only the card's owner knows the PIN number.

Comarch Token is a solution whose hardware is based on USB tokens. It combines cryptographic smart card and card reader features in one device. The programming, including the software inside the token, is produced by Comarch.

Comarch SmartCard Workshop manages the life cycles of smart cards and cryptographic tokens. As well as possessing the basic workflow process and smart card system status report functions, it also enables full integration of the electronic and graphic card personalisation process.

Comarch CertificateAuthority is Comarch proprietary software for full implementation of PKI systems (Public Key Infrastructure). This involves issuing certificates for secure e-mail, web servers, communication channels, and user authentication and authorisation. Comarch CertificateAuthority supports the entire certificate life cycle from application through to expiry or annulment.

Comarch Security Content Management is a comprehensive solution for Internet service providers. The system builds and boosts competitive advantage by expanding the range of services that can be offered. These include a range of security options and content and connections monitoring.

6.3. Solutions for Businesses

Comarch CRM Campaign Management is a system supporting the entire cycle of marketing campaign management: from planning to tests, execution and modification to tests of performance. The system allows reaching the target group of customers of a precisely defined profile, at a proper time, with appropriate information, and through an appropriate communication channel.

Comarch CRM Sales Management ensures complex management of relations with customers from the acquisition action to activation of the sales programmes (cross- and up-selling), building loyalty programmes, to termination the co-operation. The system includes functionalities for both salespeople who provide direct customer services (the Salesman Application) as well as back-office employees, responsible for management of the sales process (the Central Application: preparing information for salespeople, preparing the pricing policy, building sales plans, monitoring sales and analysing reports with results, etc.).

Comarch Loyalty Management is an advanced set of business applications with broad functionalities, designed for both simple and advanced loyalty programmes. The system features flexibility, an ergonomical user interface and ease of operation. Scalable architecture guarantees customising the loyalty program development to the pace of company's growth.

Comarch Document Management System is a system supporting management of document and information flow in the company. The system is aimed at improving efficiency of the company especially in the scope of work organisation and access to information and documents.

Comarch Content Management System is a system for management of portal content and structure. It offers a set of tools enabling remote website updating and management.

Comarch Business Intelligence is a modern IT solution based on the data warehouse technology. Its basic role is to provide well-organised and easy-to-understand information supporting the decision-making process at various levels of company management. Comarch Business Intelligence enables selection and application of different analysis areas, depending on user's needs, e.g. sales, finances, controlling and others.

ECOD is a complex solution of the EDI (Electronic Document Interchange) type and sales support. In the scope of sales channel management Comarch offers ECOD systems: Agent, Operator, Archive, Distribution, Data Share, Factoring, Delivery, DMS, Organiser, and Loyalty.

Comarch Security Management allows creation, development and management of the security policy for all networks and devices used in any location and architecture. Apart from this solution, Comarch has a broad range of products, including authentication and authorisation, public key infrastructure, as well as management of security and content.

Comarch Altum is an ERP system aimed at small and medium sized companies in the trade and services sector operating locally or within a distributed network. It is well adapted for operations on foreign markets because it meets the legal requirements and has the necessary interface ergonomics. ALTUM is particularly strong in its integrated workflow and business intelligence elements.

CDN system is a complete line of ERP systems for all types of businesses.

- The CDN Egeria Integrated Management System is a modern Polish system of the ERP II class, supporting company management features. The system offers a balanced functionality, including all essential areas of business activity. It is a universal tool guaranteeing stable development of any company, flexible enough to satisfy diverse needs.

- **CDN XL** is a multi-module, fully integrated IT system of the ERP class, dedicated for medium size and large trade, manufacturing and service companies.
- **CDN OPT!MA** is a program for management, handling sales, accounting, HR and salary departments. The program supports business management and it is a perfect working tool for an accounting office. The unique feature is the possibility of leasing the program over the Internet via the ASP - CDN Online platform.
- **CDN Klasyka** is a coherent and complete offer for small and medium-size trade, service and manufacturing companies. It consists of +10 programs supporting management and accounting, all working in the DOS environment.
- **CDN Online** CDN Online is the online version of CDN OPT!MA in its managed service model. This involves the rental, storage and continuous updating of applications for a fixed monthly subscription fee.
- **CDN e-Sklep** is an Internet sales support solution. It possesses a wide range of functionality to effectively promote your offer on the Internet, provide a fuller description of the goods in your shop window and provide faster customer order turnaround.

6.4. Solutions for Public Administration

Comarch specialises in designing, implementing and integrating modern IT systems for public administration, developing comprehensive turnkey solutions and creating network hardware infrastructure. In view of the changes taking place in Polish public administration, Comarch has developed a series of e-government solutions. They are designed for roles specific to public sector institutions. Comarch solutions are designed and developed according to the latest international standards and are implemented by the best specialists.

Managing the Organisation – ERP Systems

CDN Egeria - Improving Management Efficiency

It is an integrated IT system for improving management efficiency which offers extensive decision making support to public sector institutions. The system has a modular design with rich configurability and can be tailored to the individual needs of every customer. It has five fundamental operational areas: Finance and Accounting, including planning and budgeting, Personnel Management, Logistics, Customer Relations Management and Decision Making.

Comarch Education – Support for Management in Education

This is an integrated system for education departments and the educational institutions they are responsible for. It gathers data on students' educational progress and history, creates spreadsheets, manages finance, personnel and payroll and uses the Internet as the communications mode for all those involved in the educational process. The system forms part of Comarch's local government offer and adopting it along with other Comarch products will allow users to meet the goals set by the Polish government for IT use in education. The integrated Comarch Education system is a complete solution supporting educational institution management at all levels in both teaching and administration.

Comarch Documents&Workflow Management – Group Work and Document Management

These tools enable better planning and organisation for document flows and their associated tasks. They are also effective in storing case files and other documents. The offer also includes a group work environment with a high volume e-mail server, a group calendar, and online communication and discussion groups. Alongside e-government, Comarch Documents&Workflow Management forms a comprehensive platform for electronic document support. Implementing the system makes offices more effective: work is better organised and data and document access improved. The tools are in compliance with the prevailing laws and standards.

Comarch Business Intelligence – Reporting and Data Analysis

Comarch Business intelligence is software that provides decision making support through data analysis. Local government gathers a great deal of data which can and should be analyzed. This can contribute to generating reports and to building the intelligent, IT-capable office. This solution performs especially well for customers managing high data volumes with a number of systems and dispersed locations and for those who require a wide range of data presentation options.

SERVICES

The strategic area of Comarch activity consists in taking advantage of the experience and knowledge of company's employees by providing a full range of IT services: from consulting, to implementation of individual solutions, to outsourcing. The services provided by Comarch form an important and effective way of applying competence of the employees of the company. Execution of numerous programming and integration projects allowed the company to gather unique experience and create a unique team of people. This experience is proven with numerous certificates

and authorisations of leading suppliers of IT solutions. The broad range of Comarch IT services is provided in a highly competent and reliable way. The most important services provided by Comarch include:

- Business Process Management
- Integration of IT Systems and implementation projects
- Turnkey projects
- IT Outsourcing (Outsourcing Infrastructures and Body Leasing)
- IT Services
- Data Security and Protection
- Consulting and Training

7. Position of the Group in the IT market and Information about Markets and Sources of Supply

Due to the type of IT systems offered by the Company, medium-size and large companies (who are the largest clients of advanced IT solutions all over the world) constitute the main group of clients. Majority of company's products are addressed to specific groups of customers (e.g. the ORLANDO system for banks, funds; the TYTAN system for telecommunication operators), while IT services are of universal nature and are offered to all groups of customers. Sale in the Group is highly diversified, with no dependency on one major client. In 2007, the share of none of the customer exceeded 10 % of the sale in ComArch S.A.'s sales.

Due to the specific nature of the industry, in which Comarch manages its operations, international concerns, which are producers of computer systems and programmers tools, Polish branches and representatives of such concerns, as well as Polish distributing companies and subcontractors for systems, have to be considered sources of supply. In 2007, no supplier provided products and merchandise at the value exceeding 10% of ComArch S.A. proceeds on sale.

8. Sales Structure

8.1 Revenues from Sales- Geographical Structure (in thousands of PLN)

	2007	%	2006	%	2005	%
Domestic	453,176	85.5 %	390,578	84.6 %	371,096	87.3 %
Export	77,150	14.5 %	71,230	15.4 %	54,127	12.7 %
Revenues from sales	530,326	100.0 %	461,808	100,0 %	425,223	100.0 %

In 2007, revenues from the company's sales increased by 14.8 %. Domestic sales increased by 16.0 % compared to the previous year and export sales increased by 8.3 %. At the same time, share of export sales in total sales has remained at the same level.

8.2 Revenues from Sales – Market Structure (in thousands of PLN)

	2007	%	2006	%
Telecommunication, Media, IT	86,195	16.3 %	114,355	24.8 %
Finance and Banking	123,263	23.2 %	114,676	24.8 %
Trade and Services	59,993	11.3 %	58,471	12.7 %
Industry & Utilities	82,704	15.6 %	51,045	11.1 %
Public Sector	126,031	23.8 %	80,448	17.4 %
Small and Medium Enterprises	49,374	9.3 %	40,581	8.8 %
Others	2,766	0.5 %	2,232	0.4 %
Revenues from sales	530,326	100.0%	461,808	100.0%

Analysis of sales market structure indicates balanced level of particular groups of customers in total sales of the company. Sales to telecommunication, media and IT sector decreased by 24.6 % compared to 2006; whereas sales to public sector (56.7 %).

8.3 Revenues from Sales – Products Structure (in thousands of PLN)

	2007	%	2006	%
Services	257,824	48.6%	232,762	50.4%
Proprietary Software	69,938	13.2%	65,887	14.3%
Third party Software	73,822	13.9%	69,624	15.1%
Hardware	122,003	23.0%	90,014	19.5%
Others	6,739	1.3%	3,521	0.7%
Revenues from sales	530,326	100.0%	461,808	100.0%

Sales of services constitute the greatest and a permanently growing part of the company's revenues. In 2007, these sales increased by 25.1 million PLN, i.e. 10.8 % compared to 2006. Other items of revenues has remained at the comparable level, solely revenue from sale of hardware grew more than other sale (32 million PLN, i.e. 35.5 %).

9. Production Capacity of the Group

Most of production by Comarch consists in production of computer software on the basis of customer orders and in production of company's own, versatile software products. The basic factor limiting the production capacity is human resources. The company flexibly manages teams of employees through continuous optimising of filling of posts in current commercial projects (for which contracts are signed) and internal projects (developing new products and updating the existing ones, not directly connected to contractual requirements).

As the company makes active investments in new products and technologies, and it strives to provide appropriately wide range of competencies for all its employees, there are no resources that are unused.

10. Factors Essential for Development of the Capital Group

10.1 Internal Factors

- a) increase in export sales,
- b) position and reputation of the company affecting the nature of clients acquired;
- c) commercial operations of ComArch S.A. in the special economic zone in Krakow;
- d) significant share of standard (repetitive) products offered for sale, which means:
 - lower costs, especially variable costs related to a single contract,
 - the possibility of significant increase in profitability of a single contract with simultaneous reduction in charges for clients (license fees),
 - broader and more diversified circle of clients, which means a broader scale of activities;
- e) attractive training policy and attractive work conditions offered for employees of the Group;
- f) increasing awareness of the Comarch brand among prospective clients by promotion managed through MKS Cracovia SSA;
- g) necessity of continuous investment in human resources to maintain the company's competitive edge in future years.

10.2 External Factors

- a) enhanced requirements from clients for IT systems. There is an increase in demand for large, complex IT systems dedicated for specific users. This gives advantage to large IT companies such as Comarch, which offer a number of different technologies and products and which are able to provide technologically advanced solutions;
- b) development of Internet banking and more frequent usage of the Internet as a new distribution channel for financial products;
- c) change in business models in many branches as well as change in business strategies of many companies related to technological progress and fast economical growth over the world within last years, which increases demand for new IT systems;
- d) an access of Polish companies to resources from structural funds related to Polish membership in European Union that will be dedicated in part to develop IT systems and finance research and development works;
- e) Growing competition, causing decrease in achieved margins; competition between IT companies;
- f) pressure on increase in remuneration in IT sector.

11. Perspectives of Development in the Company

Growth of the IT market in Poland, as well as maintaining the pace of economic development in this country and all over the world, should positively affect development of Comarch and, likewise, financial results achieved by the company. Consistently executed strategy of positioning in the market as a technological and product company brings results in the form of the client base growing annually; most of these being international companies. After Poland's integration with the European Union, more and more international companies operate in Poland, thus broadening the circle of prospective clients for IT systems. At the same time, activity of Comarch in international markets should additionally increase sales volume and enhance the image of Comarch among international corporations, thus strengthening the competitive position of Comarch in Poland.

Execution of ComArch S.A. strategy largely depends on macroeconomic conditions, beyond the company, especially on the level of IT investments in medium-size and large companies in Poland and abroad and on the fact that competition in the IT sector becomes more and more fierce. At the same time, effective management of operational risks is the necessary condition for execution of the strategy. The most important operational risks connected with the operations of the company are:

- a) risks related to R&D work (developing proprietary software products);
- b) risks related to assessment of time requirements for long-term contracts;
- c) risks related to failure to observe contract terms and conditions and contractors taking advantage of the provided performance guarantees;
- d) risk of foreign legal and political environment related to execution of export contracts;
- e) risk of decreased possibility (difficulty) of controlling and monitoring financial standing of foreign contractors.

12. Investment Plans

Globalisation of world economy, as well as liberalisation of trade, result in disappearance of barriers for companies and their products. The IT market becomes an open and global market where prices and quality of available products are continuously compared against each other. Along with increase in the presence of foreign capital in Poland, even IT companies conducting operations solely in the Polish market must offer competitive products from the point of view of the global market. Comarch, since the very beginning of its operations, has had reputation of a technological company developing and successfully selling products competitive internationally.

Therefore, the main strategic objectives of the company are still development of new competitive products to enable further development of Comarch and, as a result, increasing its value. Maintaining dynamics of sales requires expenditures for development of products as well as their proper promotion and marketing. This applies to both modifications of already existing products and technologies as well as developing new products.

The present policy of Comarch assumes running research and development work related to implementation of new products and standardisation of products from the very beginning of their preparation for the client. Thus, even in cases when a product was developed for the needs of a particular client, a part or whole of software / code may be then used for preparation of a standard product. This results in higher profitability of particular contracts and expansion of the client base. Expenses for research and development works exceeded 16 % of revenue. Comarch allocated there internal funds as well as acquired actively European funds. Within next years, with Comarch Group innovative investment projects will be carried out and they will enable further company's expansion in new areas of activities and new markets. They will be financed with money funds from sales of INTERIA.PL. S.A. sales.

Comarch does not restrict its interest to the territory of Poland alone. With products featuring international competitive edge, Comarch will consistently aim at increase in international sales. The sales will be executed directly to the final client (through ComArch S.A. or another company from the Comarch Group) or through partner companies.

The most investment plan for the next year is continuation of the third investment stage in the Special Economic Zone in Krakow (construction of the production and office building, at 11.4 thousand square metres of the total space, including technical infrastructure). Value of works planned to be carried out in 2008 amounts to 20.662 million PLN. Planned completion date of the investment is on 31 August 2008.

13. Capital Affiliations

On 31 December 2007, the following entities formed the Comarch Group (in parentheses, the share of votes held by ComArch S.A.):

- ComArch Spółka Akcyjna with its registered seat in Krakow,
- ComArch, Inc. with its registered seat in Miami (100.00 %),

- ComArch Panama, Inc. with its registered seat in Panama (100.00 % subsidiary of ComArch, Inc.),
- ComArch Software AG with its registered seat in Dresden (100.00 %),
- ComArch Software S.A.R.L. with its registered seat in Lille (100.00 % subsidiary of ComArch Software AG),
- ComArch Middle East FZ-LCC with its registered seat in Dubai (100.00 %),
- ComArch LLC with its registered seat in Kiev (100.00 %),
- ComArch s.r.o. with its registered seat in Bratislava, Slovakia (100.00 %),
- OOO ComArch with its registered seat in Moscow (100.00 %),
- UAB ComArch with its registered seat in Vilnius, Lithuania (100.00 %),
- CA Services S.A. with its registered seat in Krakow (99.90 %),
- ComArch Management Spółka z o. o. (limited liability company) with its registered seat in Krakow (100.00 %),
- ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty (closed investment fund) (100.00 %),
- ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna (limited partnership and joint-stock company) with its registered seat in Krakow (100.00 % held by ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty),
- MKS Cracovia SSA with its registered seat in Krakow (49.15 %).

The dominant unit's associate is:

- INTERIA.PL S.A. with its registered seat in Krakow (48.48 %),

ComArch, Inc.

It sells Comarch software and services in US market. The company's share capital is 40,000 USD. ComArch S.A. holds 100 % of interest in the company's share capital and 100 % shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated 29 September 1994, ComArch, Inc. is ComArch S.A.'s subsidiary.

ComArch Panama, Inc.

The company's share capital is 360,000 USD and is divided into 360,000 shares of nominal value of 1 USD each. The company sells and produces IT systems in Central and Southern America market. Pursuant to the Act on Accounting dated 29 September 1994, ComArch Panama, Inc. is ComArch S.A.'s subsidiary (second degree).

ComArch Software AG

The company's share capital is 58,380.00 EURO. It consists of 11,676 registered shares of nominal value of 5 EURO each. ComArch S.A. holds 100 % of interest in the company's share capital and 100 % shares in votes at the AGM of the company. Pursuant to the Act on Accounting dated 29 September 1994, ComArch Software AG is ComArch S.A.'s subsidiary.

ComArch Software S.A.R.L.

On 14 September 2007 limited liability company was registered under the company name of ComArch Software S.A.R.L. with its registered seat in Lille, in France. Issuer's subsidiary, ComArch Software AG holds 100 % of ComArch Software S.A.R.L. shares, that constitute 100 % of the share capital and 100 % of votes at the meeting of shareholders. The share capital of ComArch Software S.A.R.L. amounts to 150,000 Euro and consists of 1,500 shares of nominal value of 100 Euro each. ComArch Software AG purchased the above-mentioned shares with internal means for the total price of 150,000 Euro. The shares were considered as significant due to the fact that ComArch Software AG exceeded 20 % in the share capital of ComArch Software S.A.R.L. The subject matter of activities of ComArch Software S.A.R.L. is creation and implementation of IT systems. Pursuant to the Act on Accounting dated 29 September 1994, ComArch Software S.A.R.L. is ComArch S.A.'s subsidiary (second degree).

ComArch Middle-East FZ-LCC

The company's share capital is 200,000 AED and is divided into 200 shares of 1,000 AED each (1 AED is worth circa 0.6129 PLN). ComArch S.A. purchased all the shares for cash at nominal value. The company sales Comarch products in the Near East and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated 29 September 1994, ComArch Middle-East FZ-LCC is ComArch S.A.'s subsidiary.

ComArch LLC

The company's share capital is 20,500 UAH (1 UAH is worth circa 0.4537 PLN). The registered company is a one-person limited liability company. It sales Comarch products in Ukraine and partially support IT systems delivered to clients. Pursuant to the Act on Accounting dated 29 September 1994, ComArch Sp. z o.o. is ComArch S.A.'s subsidiary.

ComArch s.r.o.

The company's share capital is 4,500,000 SKK (1 SKK is worth circa 0.1082 PLN). ComArch s.r.o. produces software on order for the Comarch Group. Pursuant to the Act on Accounting dated 29 September 1994, ComArch s.r.o. is ComArch S.A.'s subsidiary. It is planned to limit operations of the company.

OOO ComArch

OOO ComArch is a subsidiary of ComArch S.A. The company's share capital is worth 1.2 million RUB and is divided into 1 share of nominal value of 1,200,000 RUB (1 RUB is worth circa 0.0957 PLN). The company's share capital was paid in total in cash. The company sells Comarch products in Russia and partially supports IT systems delivered to clients. Pursuant to the Act on Accounting dated 29 September 1994, OOO ComArch is ComArch S.A.'s subsidiary.

UAB „ComArch”

UAB „ComArch” is a limited liability company that is subsidiary of ComArch S.A. The company's share capital was covered with cash and is 70,000 LTL (1 LTL is worth circa 1.0218 PLN). The company's share capital is divided into 700 shares of 100 LTL each. The total number of votes resulting from all shares is 700. The company sells and supports IT systems delivered to clients. Pursuant to the Act on Accounting dated 29 September 1994, UAB ComArch is ComArch S.A.'s subsidiary.

CA Services S.A. (Jsc)

The company's share capital is 1,050,000 PLN and is divided into 5,250 shares of nominal value of 200 PLN each that give 5,250 votes. The company operates in telecommunication sector, delivers connections for own needs, other entities of the Group and for contracts executed by Comarch and also provides outsourcing services. Pursuant to the Act on Accounting dated 29 September 1994, CA Services S.A. is ComArch S.A.'s subsidiary.

ComArch Management Spółka z o. o. (Limited Liability Company)

On 19 October 2007, limited liability company was registered under the company name of ComArch Management Spółka z ograniczoną odpowiedzialnością with its registered seat in Krakow. The share capital of ComArch Management Sp. z o.o. amounts to 50,000.00 PLN and consists of 500 shares of nominal value of 100 PLN each. ComArch S.A. purchased the above-mentioned shares with internal means for the total nominal price of 50,000.00 PLN. The purchased shares constitute 100 % of ComArch Management Sp. z o.o.'s share capital and 100 % of votes at the shareholders' meeting of the company. The subject matter of activities of ComArch Management Sp. z o.o. will be activities related to IT.

ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty (Closed Investment Fund)

ComArch S.A. has made an investment in investment certificates of a closed investment fund ComArch Corporate Finance Fundusz Inwestycyjny Zamknięty (hereinafter referred to as the "Fund"). Due to that fact on 24 October 2007 ComArch S.A. purchased four investment certificates of the Fund worth 250,000.00 PLN each. The total value of the purchased investment certificates amounted to 1,000,000.00 PLN. They constitute 100 % of investment certificates issued by the Fund and entitle to 100 % of votes at meeting of the Fund's investors. ComArch S.A. purchased the above-mentioned investment certificates with internal means.

Purpose of the Fund is investment activity in the scope of new technologies and Internet services that are not ComArch S.A.'s basic activities. The first undertaking financed by the Fund will be creating a company that will store electronic health records.

ComArch Management Spółka z o. o. Spółka Komandytowo-Akcyjna (Limited Partnership and Joint-Stock Company)

On 21 November 2007 limited partnership and joint-stock company was registered under the company name of ComArch Management Spółka z ograniczoną odpowiedzialnością Spółka Komandytowo-Akcyjna with its registered seat in Krakow (hereinafter referred to as the "SKA"). The share capital of SKA amounts to 900,000.00 PLN and consists of 900,000 shares of nominal value of 1.00 PLN each. ComArch S.A. purchased the above-mentioned shares with internal means for the total nominal price of 900,000.00 PLN. The purchased shares constitute 100 % of SKA's share capital and 100 % of votes at the shareholders' meeting of the company. The subject matter of activities of SKA are activities related to IT.

On 30 November 2007 ComArch S.A. sold 900,000 shares of ComArch Management Spółka z ograniczoną odpowiedzialnością Spółka Komandytowo-Akcyjna with its registered seat in Krakow to ComArch Corporate Finance Closed Investment Fund with its registered seat in Krakow. The nominal value of each share is 1.00 PLN and they constitute 100 % of share capital and 100 % of votes at ComArch Management Sp. z o.o. SKA shareholders' meeting. In legal point of view, ComArch Corporate Finance Closed Investment Fund is not a related entity of ComArch S.A. Investment certificates issued by the Fund are not owner securities. ComArch Management Sp. z o.o. SKA is a subsidiary of ComArch S.A. by the unique active partner, i.e. ComArch Management Sp. z o.o. that is a subsidiary of ComArch S.A.

INTERIA.PL S.A. (Jsc)

On 3 December 2007, an agreement on INTERIA.PL S.A. ownership transfer between ComArch S.A. with its registered seat in Krakow and SKA was concluded. In consequence of this agreement ComArch S.A. transferred INTERIA.PL S.A. ownership to SKA. These were 2,267,814 registered preferential shares and 270,555 ordinary bearer shares. They in total constituted 36.08 % of share capital of INTERIA.PL S.A. and entitled to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A. In January 2008, a transaction of sales of INTERIA.PL S.A. shares by "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna to "BAUER MEDIA INVEST" GmbH was settled. It was a consequence of an agreement concluded between ComArch S.A. and "BAUER MEDIA INVEST" GmbH on 3 December 2007.

MKS Cracovia SSA

The share capital of MKS Cracovia SSA is 14,557,000 PLN and is divided into 145,570 shares. ComArch S.A. holds 71,550 shares or votes at the AGM of MKS Cracovia SSA that constitute 49.15 % of the company's share capital. According to article 3, point 37 d) of the Act on Accounting and due to the fact that most of members of the Supervisory Board of MKS Cracovia SSA is chosen by ComArch S.A., MKS Cracovia SSA is ComArch S.A.'s subsidiary.

Fidletronik-ComArch (Limited Liability Company)

The company's share capital is 4,000.00 PLN and is divided into 40 equal and undivided shares of 100 PLN each. ComArch S.A. holds 20 shares of total nominal value of 2,000.00 PLN that constitute 50 % of share capital and 50 % of votes at the General Meeting. Pursuant to the Act on Accounting dated 29 September 1994 Fidletronik-ComArch Sp. z o.o. is an associate of ComArch S.A. The company did not start to operate.

14. Branches of ComArch S.A.

As at 31 December 2007, ComArch S.A. had branches in the following cities:

- Bielsko-Biała
- Gdańsk
- Katowice
- Lublin
- Poznań
- Warszawa
- Wrocław
- Kraków
- Szczecin
- Łódź

Activities conducted in branches are related to the basic activities of the company.

15. Transactions with Related Parties

Transactions with related parties, whose value exceeded 500,000 EURO in 2007, are transactions of purchase of goods and services from ComArch Software AG for the amount of 3.22 million PLN and from MKS Cracovia SSA for the amount of 6.093 million PLN; as well as transactions of sale of goods and services for ComArch, Inc. for the amount of 5.501 million PLN, for ComArch Software AG for the amount of 14.39 million PLN and for CA Services S.A. for the amount of 7.646 million PLN. In the case of MKS Cracovia SSA these are mainly transactions of purchasing

advertising services and in other cases mainly transactions within subcontracting IT and tele-IT works under contracts executed by particular companies in the ComArch Group.

16. Credits, Loans, Suretyships, Bank Guarantees

16.1 Bank Guarantees

On 31 December 2007, the value of bank guarantee and letters of credit issued by banks on order from ComArch S.A. in reference to executed agreements and participation in tender proceedings was 46.461 million PLN.

16.2 Suretyships

On 31 December 2007 there were no ComArch S.A.'s suretyships for the debts of INTERIA.PL S.A. from lease agreements.

16.3 Credits

As at 31 December 2007, ComArch S.A. had liabilities due to credits in the amount of 82.479 million PLN.

ComArch S.A. credit lines:

A) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw in amount of 20 million PLN for the financing of the first construction stage of production and office buildings in the Special Economic Zone in Krakow. The crediting period may last 10 years, i.e. until 2015. This credit has a variable interest rate. As at 31 December 2007, the value of the credit to be repaid amounted to 15 million PLN. A promissory note, the mortgage on land and the building insurance policy are security for this credit.

B) An investment credit from Kredyt Bank S.A. with its registered seat in Warsaw, for the financing of the second construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 80 % of investment value up to a maximum of 26.824 million PLN. The crediting period may last a maximum of 16 years at a variable interest rate. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31 December 2007, the value of the credit to be repaid amounted to 26.554 million PLN.

C) An investment credit from Fortis Bank Polska S.A. with its registered seat in Warsaw, for the financing of the third construction stage of production and office buildings in the Special Economic Zone in Krakow. The credit amounts to 85 % of the investment value up to a maximum of 44,000,000 PLN. The crediting period may last a maximum of 16 years at a variable interest rate and should be taken out by 27 June 2008. A promissory note, the mortgage on land and the building insurance policy are security for this credit. As at 31 December 2007, the value of drawn credit amounted to 25.768 million PLN.

D) An investment credit from Bank Pekao S.A. with its registered seat in Warsaw, for the financing of purchase of land in the Special Economic Zone in Krakow. The credit amounts to 15.1 million PLN. The crediting period may last a maximum of 5 years at a variable interest rate. The mortgage on the land is security for this credit. As at 31 December 2007, the value of the credit to be repaid amounted to 15.1 million PLN.

16.4 Loans

As at 31 December 2007, the value of unpaid home loans granted to employees of ComArch S.A. was 0.012 million PLN. Maturity dates for them come in the years 2008-2009.

As at 31 December 2007, the following companies of the Capital Group were indebted towards ComArch S.A. for loans granted: ComArch Software AG (2.006 million PLN), ComArch, Inc. (2.119 million PLN), ComArch LLC (0.097 million PLN), ComArch Panama, Inc. (0.852 million PLN), OOO ComArch (0.365 million PLN) and MKS Cracovia SSA (1.45 million PLN). Maturity dates for their payment come in the years 2008-2009.

17. Commentary on Differences between Financial Results Presented in Annual Report and Results Forecast for the Given Year Published Before

The company has not published the results forecast for 2007.

18. Factors and Events of Unusual Nature that Affect the Achieved Results

18.1 Agreement on Sales of INTERIA.PL SA Shares to "BAUER MEDIA INVEST" GmbH

On 3 December 2007, ComArch S.A., "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna (Ltd' Joint Stock Partnership) and „COMARCH CORPORATE FINANCE” Closed Investment Fund concluded a contract with BAUER MEDIA INVEST” GmbH with its registered seat in Hamburg, Burchardstrasse 11. In consequence of this agreement ComArch S.A. declared:

a) bringing 2,267,814 registered preferential shares and 270,555 ordinary bearer INTERIA.PL SA shares to cover an increase in share capital of 'COMARCH MANAGEMENT Ltd' Joint Stock Partnership. The shares constitute 36.08 % of share capital of INTERIA.PL S.A. and entitle to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A.

b) to ensure sales by 'COMARCH MANAGEMENT Ltd' Joint Stock Partnership the above-mentioned INTERIA.PL SA shares to „BAUER MEDIA INVEST” GmbH by entering into a call of a buyer for INTERIA.PL SA shares for 80.00 PLN for each registered preferential share and 66.62 PLN for each ordinary bearer share. The company announce details in current report no. 52/2007.

On 3 December 2007, an agreement on INTERIA.PL S.A. ownership transfer between ComArch S.A. with its registered seat in Krakow and ComArch Management Spółka z ograniczoną odpowiedzialnością Spółka Komandytowo-Akcyjna with its registered seat in Krakow („SKA”) was concluded. In consequence of this agreement ComArch S.A. transferred INTERIA.PL S.A. ownership to SKA. These were 2,267,814 registered preferential shares and 270,555 ordinary bearer shares. They in total constituted 36.08 % of share capital of INTERIA.PL S.A. and entitled to 48.48 % of votes at the annual general meeting of INTERIA.PL S.A. As at 31 December 2007, a ComArch S.A. held no INTERIA.PL S.A. shares. In January 2008, a transaction of sales of INTERIA.PL S.A. shares by "COMARCH MANAGEMENT Spółka z ograniczoną odpowiedzialnością" Spółka Komandytowo-Akcyjna to "BAUER MEDIA INVEST" GmbH was settled. It was a consequence of an agreement concluded between ComArch S.A. and "BAUER MEDIA INVEST" GmbH on 3 December 2007.

Due to the above-mentioned transaction, ComArch S.A. turned to the Minister of Finance for an opinion about tax interpretation that would specify whether contribution of INTERIA.PL S.A. related to covering shares in the increased share capital of private company ComArch Management sp. z o.o. spółka komandytowo-akcyjna (Ltd' Joint Stock Partnership) results in recognition of tax income in ComArch S.A. In ComArch S.A.'s opinion, in this case tax income doesn't appears because the apport was contributed to private company. Pursuant to the received interpretation, despite the contrary opinion, ComArch S.A. determined income in the nominal amount of shares in the Ltd' Joint Stock Partnership that will be issued in return for the contributed apport as well as declared and paid the appropriate income tax.

19. Changes in Methods of Company Management and Its Capital Group Management

None present.

20. Loans Granted to Members of the Management Board and Members of the Supervisory Board

As at 31 December 2007, there are no unpaid loans as well as there are no guarantees nor suretyships granted by ComArch S.A. to members of the Management Board and members of the Supervisory Board and their relatives.

21. Data Referring to the Agreement Signed with the Entity Entitled to Audit Financial Statements

21.1 Resolution of the Supervisory Board of ComArch S.A.

On 19 June 2006, the Supervisory Board of ComArch S.A selected Deloitte Audyt Sp. z o. o. to audit and to review the financial statements and the consolidated financial statements of ComArch S.A. Deloitte Audyt Sp. z o. o. having its registered seat in Warsaw at ul. Piękna 18, is registered at number 73 in the list of entities entitled to audit financial statements. Deloitte Audyt Sp. z o. o. didn't offer its services to ComArch S.A. in the past. ComArch S.A.'s Board of Supervisors selected auditor pursuant to article 19, section 2, point e) of the

company's Statute and pursuant to the operative regulations and professional standards. Agreement with Deloitte Audyt Sp. z o. o. was concluded on 17 July 2006 for two-year period and applies to:

- a) review of the consolidated financial statement of ComArch S.A. for first 6 months of 2006;
- b) review of the consolidated financial statement of ComArch S.A. for first 6 months of 2007;
- c) audit of the annual financial statement of ComArch S.A. and the annual consolidated financial statement of the company for 2006;
- d) audit of the annual financial statement of ComArch S.A. and the annual consolidated financial statement of the company for 2007.

21.2 Total Remuneration

In 2007, the total net remuneration resulting from the agreement with the entity entitled for auditing financial statements, due on account of auditing and reviewing the financial statement, was 185,000 PLN. The above mentioned amount covers contractual remuneration, which is due for half-year review and auditing the annual statement and auditing the consolidated statement for 2007. The remuneration for review of half-year statement was paid in 2007; the remaining part of the remuneration will be paid in 2008.

In 2006, the total net remuneration resulting from the agreement with the entity entitled for auditing financial statements, due on account auditing and review of financial statements was 185,000 PLN. The remuneration for review of half-year statement was paid in 2006; the remaining part of the remuneration was paid in 2007.

22. Systems that Control Employees Shares Programmes

None present

23. Declaration Regarding the Acceptance of the Corporate Governance Principles

Pursuant to the rule no. 48 of the "Best Practices in Public Companies", the Management Board of ComArch S.A. presented declaration of the Management Board regarding the acceptance of the corporate governance principles in the company as attachment to the annual statement published on 4 April 2007.

Krakow, 03 April 2008

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Marcin Warwas Vice-President of the Management Board

The Management Board's statement regarding the independent auditor

The Management Board of ComArch S.A. states that the entity entitled to audit the annual financial statement for the year 2007 was selected compliant with the law and that the entity and expert auditors who audited this statement perform under conditions to provide an unbiased and independent opinion, compliant with the national law.

Krakow, 3 April 2008

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Marcin Warwas Vice-President of the Management Board

The Management Board's statement regarding the reliability of the financial statement

The Management Board of ComArch S.A. states that to the best of our knowledge, the annual financial statement for the year 2007 and comparable data are prepared compliant with binding accounting principles and present the true, fair and clear financial standing of the issuer and its financial results. Furthermore, the annual report regarding the issuer's activities truly describes the development image and achievements as well as the issuer's situation including basic threats and risk.

Krakow, 3 April 2008

Janusz Filipiak President of the Management Board	Piotr Piątosza Vice-President of the Management Board	Paweł Prokop Vice-President of the Management Board
Piotr Reichert Vice-President of the Management Board	Zbigniew Rymarczyk Vice-President of the Management Board	Marcin Warwas Vice-President of the Management Board

REPORT REGARDING THE ACCEPTANCE OF CORPORATE GOVERNANCE PRINCIPLES IN COMARCH S.A. IN 2007

Pursuant to the § 29 sec. 5 of the Regulations of the Warsaw Stock Exchange S.A., Management Board of ComArch S.A. presents report regarding the acceptance of corporate governance principles in ComArch S.A. in 2007 according to „Corporate Governance Principles 2005” described by Committee on Best Practices:

a) Recommendations for corporate governance principles not implemented by the issuer along with an explanation of the circumstances and reasons surrounding the decision not to implement a particular principle. The company’s intentions on how to proceed in order to eliminate the possible consequences of not implementing the principle in question. The steps the company intends to take in order to reduce the risk associated with not implementing the principle for the future.

In 2007 the company did not accept the following rules:

Rule no. 14

„A resolution not to consider an issue on the agenda may be adopted only if it is supported by sound reasons. Any motion in this respect should be accompanied by a detailed justification. A decision to remove an item from the agenda or not to consider an issue put on the agenda at a shareholder’s request requires a general meeting resolution, once all the shareholders present who put the issue on the agenda have given their consent, supported by 75% of the votes present at the meeting.”

According to ComArch S.A.’s Statute, there is no obligation to require a general meeting resolution passed with majority of 75% of votes in the General Meeting to remove an item from the agenda of the AGM. Company doesn’t exclude adopting of relevant change in the Statute and in the Regulation of the AGM in the future.

Rule no. 20

a) At least half the members of the supervisory board should be independent members, subject to point (d) below. Independent members of the supervisory board should not have relations with the company and its shareholders or employees which could significantly affect the independent member’s ability to make impartial decisions.

b) Detailed independence criteria should be laid down in the company’s statutes 2.

c) Without the consent of the majority of independent supervisory board members, no resolutions should be adopted on the following issues:

- Performances of any kind by the company and any entities associated with the company in favour of management board members;

- Consent to the execution by the company or a subsidiary of a key agreement with an entity associated with the company, a member of the supervisory board or management board, or with their associated entities; and

- Appointment of an auditor to audit the company’s financial statements.

d) In companies where one shareholder holds a block of shares carrying over 50% of all voting rights, the supervisory board should consist of at least two independent members, including an independent chairman of the audit committee, should such a committee be set up.

In the company’s opinion, this rule is against the principle of majority rule (rule number two), and it bars significantly majority shareholders’ rights. Additionally, its

implementation (the part about the minimum number of independent members) in the form of appropriate changes in the Company's Statute may lead to serious legal problems, in the situation of losing independent status by any one of members of the Supervisory Board (lack of certainty whether such a Board of Supervisors continues to act in compliance with the Company's Statute and whether its resolutions are binding).

Rule no. 28

The supervisory board should operate in accordance with its by-laws, which should be publicly available. The by-laws should stipulate that at least two committees should be set up:

- Audit, and
- Remuneration.

The committee should consist of at least two independent members and at least one person possessing the relevant qualifications and experience in accounting and finance. The committee's tasks should be specified in the board by-laws. The committees should present reports on their activities to the supervisory board every year. The company should then make these reports available to its shareholders.

The company has the Regulation of the Supervisory Board, pursuant to which it operates, whose content is available in the company website.

Due to the position of the company's shareholders in reference to Rule 20, the Regulation has no provisions on independent members of the Supervisory Board.

On 1 January 2008 the new principles for corporate governance, 'Best practices for Companies Listed on the Warsaw Stock Exchange' took effect. They take the form of an annexe to Resolution No. 12/1170/2007 of the exchange's Executive Board of 4 July 2007. ComArch S.A. declared that it would implement the new principles as soon as they took effect.

b) description of operating principles for general meetings and their essential rights and shareholders' rights as well as modality

The company's general meetings operate in accordance with the Polish Commercial Companies Code, the company's Statute and with the rules set out in the Rules for the Annual General Meeting of the company (hereinafter referred to as the "Rules for the AGM"). The detailed operations of the general meetings were presented in the above-mentioned documents. The most important rules included in the Rules for the AGM are:

1. Annual General Shareholders' Meetings may be ordinary or extraordinary.
2. An Extraordinary General Meeting of the Management Board shall be called no later than the end of June each year.
3. General meetings shall be called in accordance with the Polish Commercial Companies Code, the company's Statute and with the Rules.
4. Meetings shall take place at the company's headquarters.
5. At least two members of the company's Management Board and at least two members of its Supervisory Board should take part in the Annual General Shareholders' Meeting.
6. If the subject of debate is to concern the financial affairs of the company an auditor shall be present.

7. Holders of registered shares recorded in the company's share register at least one week before the Annual General Shareholders' Meeting and holders of bearer shares are entitled to participate in the Annual General Shareholders' Meeting. Holders of bearer shares participate on condition that they submit deposit certificates to the company's headquarters at least one week before the Annual General Shareholders' Meeting, and do not reclaim them before that Meeting ends. These certificates must bear their owners' names and be issued by companies operating securities accounts in compliance with the regulations on the public trading of securities.
8. Shareholders who are physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote themselves or via a proxy.
9. Shareholders who are not physical persons may take part in the Annual General Shareholders' Meeting as well as exercise their right to vote via a person empowered to submit a declaration of intent in their name, or via a proxy.
10. Representatives of the media may attend the Annual General Shareholders' Meeting as observers.
11. The chairman of the Annual General Shareholders' Meeting conducts debates, takes decisions in matters of the agenda and procedure, and is authorized to interpret the present rules.
12. The duties of the chairman of the Annual General Shareholders' Meeting include:
 - a) Ensuring that debates are conducted in accordance with the agenda and procedure as stipulated,
 - b) Directing the debate: deciding who shall speak and in what order,
 - c) Receiving proposed and draft resolutions and opening them to debate and,
 - d) Organizing and conducting the voting.
13. The Annual General Shareholders' Meeting shall choose a three-person returns committee from the candidates notified by the chairman. The returns committee shall ensure that each vote is correctly conducted, supervise the practical aspects of the vote and check, confirm and declare the results. Where the Annual General Shareholders' Meeting is attended by a small number of shareholders a returns committee shall not be selected unless a shareholder or proxy submits a request for a returns committee to be selected. Where a returns committee is not selected its functions shall be performed by the chairman of the Annual General Shareholders' Meeting.
14. The Annual General Shareholders' Meeting shall take decisions in the form of resolutions adopted by open voting except:
 - a) Voting on an issue of selecting or deselecting members of bodies of the company, or liquidators,
 - b) Motions to prosecute members of bodies of the company or liquidators,
 - c) In personal matters,
 - d) At the request of at least one shareholder,
 - e) In other circumstances stipulated in the regulations currently binding.
15. Shareholders shall notify the chairman of the Annual General Shareholders' Meeting of their candidates for membership of the Supervisory Board in writing or verbally.
16. Proposals for Supervisory Board candidates should be supported in detail with particular emphasis placed on the candidate's education, qualifications and professional experience.

17. Before a resolution is adopted on the composition of the Supervisory Board the Annual General Shareholders' Meeting shall vote on a resolution to determine the number of members the Supervisory Board is to have.

c) membership and rules of operations of the company's managing and supervising persons as well as their committees

The Supervisory Board shall undertake constant supervision of all areas of the company's operations. The Supervisory Board shall operate according to the regulations of the Polish Commercial Companies Code, the company's Statute, the Corporate Governance Principles in force at the company and the Rules for the Supervisory Board dated 30 June 2003 approved at the Annual General Shareholders' Meeting. The detailed operations of the Supervisory Board were presented in the above-mentioned documents.

Members of the ComArch S.A.'s Supervisory Board in 2007:

Name and Surname	Position
Elżbieta Filipiak	Chairman Supervisory Board
Krzysztof Zieliński	Vice-Chairman and Member of the Supervisory Board (till AGM on 28 June 2007)
Maciej Brzeziński	Member of the Supervisory Board (till AGM on 28 June 2007) Vice-Chairman of the Supervisory Board (from AGM on 28 June 2007)
Wojciech Kucharzyk	Member of the Supervisory Board
Anna Ławrynowicz	Member of the Supervisory Board
Tadeusz Syryjczyk	Member of the Supervisory Board (till AGM on 28 June 2007)

The most important rules included in the Rules for the Supervisory Board are:

1. The Supervisory Board shall contain three to seven people chosen by the Annual General Shareholders' Meeting. The Meeting shall, by a resolution, specify the number of members of the Supervisory Board before voting commences to select candidates for that Board.
2. Supervisory Board members shall be appointed for a common term of office lasting three years.
3. Members of the Supervisory Board shall perform their rights and duties directly and in person. Any member of the Supervisory Board may be dismissed before their term of office has been completed. Members of the Supervisory Board may be re-elected.
4. By means of a secret ballot the Supervisory Board shall select from among its members a chairman, a vice-chairman and, where necessary, a secretary.
5. The chairman of the Supervisory Board:
 - a) convenes meetings of the Supervisory Board,
 - b) conducts meetings of the Supervisory Board,
 - c) opens debates at the Annual General Shareholders' Meeting.
6. When the chairman is absent his place shall be taken by the vice-chairman of the Supervisory Board.

7. The Supervisory Board may select supervisory committees from amongst its members for specific sectors of the company's operations. In particular, this shall concern an auditing committee.
8. These committees may sit separately and may vote on resolutions. These may concern the findings of inspections and audits concerning the way the company operates.
9. Meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board. The Management Board or another member of the Supervisory Board may demand that the chairman convene a meeting of the Supervisory Board. This demand should be accompanied by a proposed agenda. The chairman of the Supervisory Board shall convene a meeting within two weeks of receiving the demand. If the meeting is not convened in accordance with the procedure stipulated above, the petitioner may himself call the meeting.
10. The agenda of meetings of the Supervisory Board shall be stipulated by the convener and, along with any relevant materials, be sent to members of the Supervisory Board three (3) days before the planned date of the meeting unless circumstances arise to justify shortening this period.
11. The agenda of meetings of the Supervisory Board may only be changed or supplemented.
12. Meetings of the Supervisory Board should be convened at least four times in each financial year.
13. Resolutions of the Supervisory Board shall be adopted by a majority of the votes present. Where there is a tie the chairman shall have the deciding vote.
14. A resolution of the Supervisory Board shall be valid where all its members have been invited and where more than half the members of the Supervisory Board, including the chairman or vice-chairman of the Supervisory Board, are present.
14. Provided all members of the Supervisory Board express their written agreement to this, resolutions of the Supervisory Board may be adopted by written ballot without a meeting being convened.
15. Meetings of the Supervisory Board may also be conducted using resources for remote communication, such as the telephone, facsimile machines, electronic mail and teleconferencing, by using the Internet in another manner and by the use of other telecommunications resources.
16. Members of the Supervisory Board may take part in voting on resolutions of the Supervisory Board by voting in writing via another member of the Supervisory Board.
17. The mode of voting on resolutions by the Supervisory Board specified in paragraph 7 sections 4) and 6) is not acceptable in the matters set out in art. 388 paragraph 4 of the Polish Commercial Companies Code. These are:
 - a) The selection of the chairman and vice-chairman of the Supervisory Board,
 - b) The appointment and dismissal of a member of the Management Board,
 - c) The suspension of a member of the Management Board.
18. Members of the Management Board may take part in meetings of the Supervisory Board. The Management Board shall be informed of all dates and agendas of meetings of the Supervisory Board.
19. The Supervisory Board may invite members of the Management Board to take part in a meeting.
20. At each of its meetings the Supervisory Board shall be informed by the company of the current individual and consolidated financial results of the company and of

significant matters concerning the company's operations. Where this is justified by the company's situation, this shall include the risk associated with operations and ways to manage this risk.

21. Members of the Management Board shall not take part in those sections of meetings of the Supervisory Board which concern the dismissal, scope of responsibility, or pay and conditions of Management Board members.
22. Meetings of the Supervisory Board shall be minuted. The minutes should include the agenda for debate, the name and surname of all the Supervisory Board members present and the results of the votes on resolutions.
22. The Supervisory Board conducts the overall supervision of the company's operations.
23. The specific competences of the Supervisory Board are as follows:
 - a) Assessing the company's annual financial statement and the consolidated financial statement of the Comarch capital group;
 - b) Assessing the Management Board's reports on the company's operations and on the Comarch capital group and, in addition, assessing the Management Board's conclusions on distributing profits and covering losses;
 - c) Submitting a written report containing the information required by points a) and b) of the present section;
 - d) Scrutinizing the work of the Management Board in effecting resolutions adopted at the Annual General Shareholders' Meeting;
 - e) Selecting statutory auditors for the financial statements of the company and of the Comarch capital group. The Supervisory Board may adopt a resolution to apply stricter criteria for the statutory auditor's independence than are demanded by the legal regulations;
 - f) Appointing and dismissing members of the Management Board, stipulating the compensation attracted by performing the function of member of the Management Board, suspending – for substantial reasons – individual members, or all members, of the Management Board, designating members of the Supervisory Board to temporarily perform the functions of members of the Management Board, or suspending the Management Board itself;
 - g) Giving consent to increase share capital within the context of authorized capital;
 - h) Giving consent to acquire and dispose of real estate or shares in real estate;
 - i) Giving consent to conclude an agreement with an issue underwriter in accordance with the provisions set out in art. 433 paragraph 3 of the Polish Commercial Companies Code;
 - j) Exercising, in respect of members of the Management Board and on behalf of the company, rights and privileges arising from an employment relationship;
 - k) Approving the company's growth strategy;
 - l) Expressing its opinion on draft resolutions for the Annual General Shareholders' Meeting sent to it by the Management Board and shareholders.
24. Once every year the Supervisory Board must adopt a resolution in the matter of its assessment of the company's situation. This document shall be passed on to the Annual General Shareholders' Meeting.
25. To aid it in performing its function, the Supervisory Board has the right to see all the company's documents and may demand reports and explanations from the Executive Board and from company employees. The Supervisory Board may also conduct a review of the state of the company's assets.

25. The Supervisory Board operates as a collective body but may, however, delegate its individual members to particular supervisory activities.
26. Members of the Supervisory Board should hold the interests of the company as their highest priority.
27. Members of the Supervisory Board shall be bound to inform other members of the Supervisory Board of any conflict of interest arising and, following this, not take place in the debate concerning the matter that is subject to a conflict of interest. Where it is uncertain whether a conflict of interest has arisen, the Supervisory Board shall vote on a resolution to resolve this uncertainty.
28. Members of the Supervisory Board shall keep secret all information they acquire in the course of their duties concerning the company's activities and the activities of companies within the Comarch capital group.
29. Within fourteen days of their selection a member of the Supervisory Board shall make a written submission of any personal, actual or organizational involvements with a shareholder holding five per cent or more of the votes at the Annual General Shareholders' Meeting. The Management Board shall inform the Supervisory Board in writing at that board's next meeting of any case where any entity acquires five per cent or more of the votes at the Annual General Shareholders' Meeting. Where information of this nature is passed to them, the members of the Supervisory Board shall submit – within fourteen days of the sitting of the Supervisory Board at which they were informed – written information concerning any conflict of interest arising. Should the involvements referred to in the present section change, members of the Supervisory Board are obliged – without summoning the company to meet – to provide details of these changes within fourteen days. In accordance with rule no. 10 of the Corporate Governance Principles this information may be disclosed to third parties at their request at the company's headquarters. The Supervisory Board may define the meaning of personal, actual and organizational involvements by resolutions of the Supervisory Board.
30. Members of the Supervisory Board delegated to long-term, individual supervisory duties may not, unless the company gives permission, involve themselves in competing business interests or participate in the business of a competitor company as a partner or associate, or as a member of a body of a joint-stock company. Further, they may not participate in the business of a competitor company in a different legal personality as a member of a company body. Additionally, members of the Supervisory Board are forbidden to participate in a competitor capital group where they hold ten per cent or more of the shares or participation rights, or where they enjoy the right to appoint at least one member of the Management Board.
31. Permission for members of the Supervisory Board delegated to long-term, individual supervisory duties to pursue competing commercial interests shall be granted according to a decision of the Supervisory Board.
32. Duties and Responsibilities of members of the Supervisory Board
 - a) Members of the Supervisory Board shall inform the company when they acquire or dispose of shares in the company or when they acquire or dispose of shares in a company that is its parent or subsidiary where this exceeds EURO 5000 in one year. They shall also inform the company of transactions with these companies that are significant to their material situation. Members of the

- Supervisory Board shall submit this information within seven days of the date of transaction.
- b) Members of the Supervisory Board delegated to long-term supervisory tasks shall submit a monthly, written report detailing their activities to the Supervisory Board.
 - c) Members of the Supervisory Board should not resign their positions in mid-term where this would make it impossible for the Supervisory Board to function or where, especially, this would delay the adoption of vital resolutions.
 - d) Members of the Supervisory Board shall receive compensation according to terms stipulated by the Annual General Shareholders' Meeting.
 - e) Two members of the Supervisory Board shall participate in the debates at the Annual General Shareholders' Meeting. Members of the Supervisory Board shall themselves select these delegates to represent the Board at the Annual General Shareholders' Meeting.
 - f) Members of the Supervisory Board should make all efforts to participate in Supervisory Board meetings.
 - g) Members delegated to long-term, individual supervisory tasks have the right to participate in meetings of the Management Board.
33. The compensation for members of the Supervisory Board delegated to long-term, individual supervisory tasks shall be stipulated by the Supervisory Board.
34. The company shall cover the costs of the Supervisory Board's operation.
35. The Supervisory Board shall use the company's office space, equipment and material.
36. The company's Management Board shall provide the Supervisory Board with administrative and technical support.

The Management Board leads the affairs of the company and operates according to the provisions of the Polish Commercial Companies Code, the company's Statute, resolutions of the Supervisory Board, resolutions of the Annual General Shareholders' Meeting, the Rules for the Management Board dated 30 June 2003 and to the generally binding legal regulations. The detailed operations of the Management Board were presented in the above-mentioned documents.

Members of ComArch S.A.'s Management Board in 2007:

Name and Surname	Position
Janusz Filipiak	President of the Management Board
Rafał Chwast	Vice- President of the Management Board (till 31 December 2007)
Piotr Piątosza	Vice-President of the Management Board
Paweł Prokop	Vice-President of the Management Board
Paweł Przewięźlikowski	Vice-President of the Management Board (till AGM on 28 June 2007)
Piotr Reichert	Vice-President of the Management Board (from AGM on 28 June 2007)
Zbigniew Rymarczyk	Vice-President of the Management Board
Marcin Warwas	Vice-President of the Management Board (from AGM on 28 June 2007)

The most important rules included in the Rules for the Management Board are:

1. The Management Board performs its functions jointly and takes resolutions at meetings of the Management Board and in the manner stipulated below.
2. Meetings of the Management Board shall be held at least once every month. Meetings of the Management Board shall be held on the company's premises at Al. Jana Pawła 39A in Kraków.
3. A meeting of the Management Board shall be called by the President of the Management Board or, in his absence, a member of the Management Board acting as the President of the Management Board
4. Where all members of the Management Board are present at a meeting of the Management Board, a meeting of the Management Board may be called informally
5. The President of the Management Board or, in his absence, the person acting as President of the Management Board, may call a meeting of the Management Board at the request of any member of that Board and with the agenda specified by the member making the request. Meetings of the Management Board called in this way shall, however, not be restricted exclusively to this agenda and may consider other items placed on the agenda.
6. Meetings of the Management Board shall be chaired by the President of the Management Board, a person acting as the President of the Management Board or a person nominated by the President of the Management Board.
7. The Management Board shall take decisions in the form of resolutions adopted by open vote.

8. The chairman shall order a secret vote where even one member of the Management Board taking part in the meeting requests this.
9. Resolutions shall be adopted by an absolute majority of votes.
10. A resolution adopted at a meeting of the Management Board is valid only where at least three members of the Management Board, including the President of the Management Board or the person acting as the President of the Management Board, are present.
11. The Management Board may adopt a resolution outside meetings of the Management Board in the following ways:
 - a) By written vote – in this case each member of the Management Board votes in writing and gives this to the President of the Management Board or to the person acting as President of the Management Board;
 - b) By written vote – each member of the Management Board signs the contents of the resolution and gives this to the President of the Management Board or to the person acting as the President of the Management Board;
 - c) Voting by facsimile or Internet.
 - d) Votes cast in the manner set forth in section 1 of the present paragraph shall be recorded in the book of resolutions and appended to the minutes of the meeting of the Management Board.
 - e) Where adopted in the manner set out in point 3), of the present paragraph a resolution shall require the votes of all members of the Management Board to be valid.
12. Non-members of the Management Board may be invited to attend its meetings.
13. All meetings of the Management Board require that minutes be taken. These should include at least:
 - a) The date and place of the meeting.
 - b) The agenda of the meeting.
 - c) The names and surnames of the members of the Management Board present at the meeting.
 - d) The names and surnames of people invited to the meeting of the Management Board and present at the meeting.
 - e) The exact content of resolutions.
 - f) The number of votes cast for and against resolutions including the number of abstentions.
 - g) The subjects discussed.
 - h) A written record of dissenting opinions expressed.
 - i) The signatures of the members of the Management Board present at the meeting.
14. The minutes of Management Board meetings shall be kept in the Minutes Book. The Minutes Book shall be maintained by the Management Board secretariat.
15. The minutes of Management Board meetings shall be drawn up immediately by the Office of the Management Board.
16. Where there is a direct or indirect conflict between the interests of a member of the Management Board and those of the company, that member shall inform the company's Supervisory Board that this is the case.
17. Two members of the Management Board shall participate in the debates of the Annual General Shareholders' Meeting. Members of the Management Board shall themselves decide on which of their number should represent them at the Annual General Shareholders' Meeting.

d) A description of the basic features of the internal control and risk management systems the company uses and how these relate to the process of preparing the financial statements.

The company's Executive Board is responsible for the company's accounting in accordance with the Law on Accounting of 29 September (Journal of Laws No. 121, item 591 with amendments). The company's Executive Board is also responsible for the company's accounting in accordance with the Order of the Minister of Finance of 18 October 2005. This order concerns the scope of information to be shown in financial statements and consolidated financial statements as required for issue prospectuses from issuers with headquarters on the territory of the Republic of Poland who are therefore subject to Polish accounting principles (Journal of Laws No. 209, item 1743). The company's Executive Board is further responsible for the company's accounting in accordance with the Order of the Minister of Finance of 19 October 2005 on current and periodical information to be submitted by issuers of securities (Journal of Laws No. 209, item 1744).

When preparing financial statements and consolidated financial statements internal control and risk management at ComArch S.A. are effected in accordance with the company's internal procedures for drawing up and approving financial statements. In accordance with the Law on Accounting of 29 September 1994, the company maintains documents describing the accounting principles it has adopted. These include, but are not limited to, information on the methods for valuing assets, for valuing equity and liabilities, for determining the financial result, for maintaining the accounting ledgers and for the protection and security of data and sets of data. The accounting for all economic events is computerized and uses a system called EGERIA. This system is protected against unauthorized access by passwords and access limitations set according to the function a person performs or the post a person occupies.

Regulations applied in the report:

- 1. The Polish Commercial Companies Code (Journal of Laws 00.94.1037 and subsequent changes)*
- 2. The Statute of ComArch S.A.*
- 3. The Rules for the Management Board of ComArch S.A.*
- 4. The Rules for the Supervisory Board of ComArch S.A.*
- 5. The Rules for the Annual General Shareholders' Meeting of ComArch S.A.*
- 6. Declaration of the Management Board of ComArch S.A. regarding applying the Corporate Governance Principles dated 4 April 2007*

Documents specified in 2-6 are available at:

<http://www.comarch.pl/en/Invest+in+Comarch/Corporate+Governance/>