REPORT OF THE CAPITAL GROUP SIMPLE S.A.
FOR 3rd QUARTER 2013

Warsaw, November 14, 2013

SELECTED FINANCIAL DATA OF THE CAPITAL GROUP SIMPLE
For 9 months period ended on September 30, 2013

SELECTED FINANCIAL DATA OF THE CAPITAL GROUP SIMPLE

	30.09.2013 PLN '000	30.09.2013 000' EUR	30.09.2012 PLN '000	30.09.2012 000' EUR
Revenues from sales	22 924	5 428	20 358	4 853
Profit from operating activities	1 428	338	937	223
Gross profit for the reporting period	1 273	301	788	188
Net profit for the reporting period	**730**	**173**	**703**	**168**

	30.09.2013 PLN '000	30.09.2013 000' EUR	31.12.2012 PLN '000	31.12.2012 000' EUR
Non-current assets	11 214	2 660	10 475	2 562
Current assets	14 331	3 399	18 359	4 491
Equity	16 793	3 983	18 122	4 433
Liabilities and provisions for liabilities	8 752	2 076	10 712	2 620

	30.09.2013 PLN '000	30.09.2013 000' EUR	30.09.2012 PLN '000	30.09.2012 000' EUR
Cash from operating activities	(822)	(195)	(607)	(145)
Cash from investing activities	(883)	(209)	(898)	(214)
Cash from financial activities	(2 206)	(522)	(2 283)	(544)
Cash at the end of the period	**881**	**209**	**1 809**	**431**

The selected financial data presented in the financial statement for 9-month period ended on September 30, 2013 and the comparative period, are translated into EUR in the following manner:

Items of assets and liabilities at the end of the reporting period and comparative period were translated using the average exchange rate published at the last day of the end of the period by the National Bank of Poland. This exchange rate was:

- Exchange rate applicable as of September 30, 2013 EUR 1= PLN 4.2163
- Exchange rate applicable as of December 31, 2012 EUR 1= PLN 4.0882

Items of the statement of comprehensive income and statement of cash flows were translated at the exchange rate constituting the arithmetic mean of the average exchange rates published by the National Bank of Poland at the end of each month. This exchange rate was:

- from January 1, 2013 to September 30, 2013 EUR 1= PLN 4.2231
- from January 1, 2012 to September 30, 2012 EUR 1= PLN 4.17948

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF THE CAPITAL GROUP SIMPLE FOR Q3 2013

Warsaw, November 14, 2013

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT OF THE CAPITAL GROUP SIMPLE FOR Q3 2013

This interim condensed consolidated financial statement was accepted and approved to be published by the Management Board on November 14, 2013.

Management Board:

Przemysław Gnitecki	President of the Management Board
Michał Siedlecki	Vice President of the Management Board
Rafał Wnorowski	Vice President of the Management Board

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q3 (current year), from 01.07.2013 to 30.09.2013	Q3 (current year), from 01.01.2013 to 30.09.2013	Q3 (previous year, from 01.07.2012 to 30.09.2012	Q3 (previous year) from 01.01.2012 to 30.09.2012
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sales	**7 564**	**22 924**	**6 822**	**20 358**
Cost of sales	**(4 788)**	**(14 977)**	**(3 740)**	**(12 018)**
Gross profit (loss)	**2 776**	**7 947**	**3 082**	**8 340**
Distribution expenses	(1 271)	(3 831)	(1 279)	(3 982)
Administration expenses	(809)	(3 316)	(1 159)	(3 804)
Gross profit (loss) from sales	**696**	**800**	**644**	**554**
Other operating revenues	202	735	160	428
Other operating costs	(39)	(107)	(22)	(45)
Operating profit (loss)	**859**	**1 428**	**782**	**937**
Finance income	5	40	52	76
Finance cost	(68)	(195)	(75)	(225)
Gross profit	**796**	**1 273**	**759**	**788**
Income tax (current and deferred tax burdens)	(82)	(543)	(11)	(85)
Net profit (loss) for the reporting period	**714**	**730**	**748**	**703**
Attributable to:				
Shareholders of the parent entity	714	730	737	707
NCI	0	0	11	(4)
Other comprehensive income	0	0	0	0
Results of measurement of financial assets available for sale	0	0	0	0
Total comprehensive income	**714**	**730**	**748**	**703**
Attributable to:				
Shareholders of the parent entity	714	730	737	707
NCI	0	0	11	(4)
Earnings per share				
Basic	0.16	0.17	0.17	0.16
Diluted	0.16	0.17	0.17	0.16

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.09.2013 000' PLN	30.06.2013 000' PLN	31.12.2012 000' PLN	30.09.2012 000' PLN
Non-current assets	**11 214**	**10 884**	**10 475**	**10 002**
Intangible assets	1 867	2 078	2 498	2 707
Property, plant and equipment	4 080	3 859	3 605	3 749
Goodwill	1 859	1 859	1 859	1 488
Long- term receivables	145	146	145	94
Investments in related entities	63	63	63	63
Long-term accrued and deferred assets	3 200	2 879	2 305	1 901
Current assets	**14 331**	**16 030**	**18 359**	**12 490**
Inventories	358	476	270	276
Trade receivables	12 628	13 110	12 507	9 669
Other receivables	199	952	330	293
Short-term investments	881	1 240	4 792	1 859
Short-term accrued and deferred assets	265	252	460	393
TOTAL ASSETS	**25 545**	**26 914**	**28 834**	**22 492**
Equity	**16 793**	**16 079**	**18 122**	**15 557**
Share capital	4 380	4 380	4 380	4 380
Share premium	1 548	1 548	1 548	1 548
Retained earnings	10 135	10 135	8 851	8 858
Profit/loss from the current period	730	16	3 343	707
Equity of the shareholders of the parent entity	**16 793**	**16 079**	**18 122**	**15 493**
Equity attributable to NCI	**0**	**0**	**0**	**64**
Long-term liabilities and provisions	**3 816**	**3 681**	**3 174**	**3 095**
Provision due to the deferred income tax	521	522	162	10
Provision for retirement	54	54	54	49
Provision for unused leaves	205	205	205	201
Long-term borrowings	1 961	1 978	2 021	2 040
Financial lease liabilities	1 075	922	732	795
Short-term liabilities and provisions	**4 936**	**7 154**	**7 538**	**3 840**
Short-term bank credits	596	273	66	69
Financial lease liabilities	483	409	359	417
Trade liabilities	1 753	2 109	1 701	1 019
Budget liabilities	1 177	1 280	3 084	932
Other liabilities	31	2 078	491	27
Provisions for liabilities	0	0	630	0
Deferred revenue	896	1 005	1 207	1376
TOTAL LIABILITIES	**8 752**	**10 835**	**10 712**	**6 935**
TOTAL LIABILITIES AND EQUITY	**25 545**	**26 914**	**28 834**	**22 492**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Other reserve capitals	Share premium	Profit distribution, dividend payment	Retained earnings	Total equity
	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN
January 1, 2013	**4 380**	**0**	**1 548**	**3 327**	**8 867**	**18 122**
Total comprehensive income	0	0	0	0	730	730
Dividend	0	0	0	(2 059)	0	(2 059)
Profit distribution	0	0	0	(1 268)	1 268	0
Issuance of shares	0	0	0	0	0	0
September 30, 2013	**4 380**	**0**	**1 548**	**0**	**10 865**	**16 793**

January 1, 2012	**2 001**	**0**	**0**	**2 618**	**7 240**	**11 859**
Total comprehensive income	0	0	0	0	3 343	3 343
Dividend	0	0	0	(1 007)	0	(1 007)
Profit distribution	0	0	0	(1 611)	1 611	0
Issuance of shares	2 379	0	1 548	0	0	3 927
December 31,2012	**4 380**	**0**	**1 548**	**0**	**12 194**	**18 122**

January 1, 2012	**2 001**	**0**	**0**	**2 618**	**7 240**	**11 859**
Total comprehensive income	0	0	0	0	707	707
Dividend	0	0	0	(1 000)	0	(1 000)
Profit distribution	0			(1 618)	1 618	0
Issuance of shares	2 379		1 548	0	0	3 927
September 30, 2012	**4 380**	**0**	**1 548**	**0**	**9 565**	**15 493**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH-FLOWS

	30.09.2013 PLN '000	30.09.2012 PLN '000
Net profit (loss)	**730**	**707**
Profit (loss) of NCI	0	(4)
Amortization and depreciation	1 100	1 167
Interest paid	154	189
Gain (loss) on investment activity	(80)	8
Movements in provisions	(271)	(536)
Movement in inventories	(87)	73
Movement in receivables	236	162
Movement in short-term liabilities	(2 541)	(1 922)
Movements in accruals	(63)	(451)
Net cash-flow from operating activities	**(822)**	**(607)**
Net cash-flows from investing activities		
Proceeds on sale of non-current assets	193	24
Investments proceeds	0	155
Payments to acquire non-current assets	(1 076)	(636)
Investments payments	0	(441)
Net cash from investing activities	**(883)**	**(898)**
cash flows from financing activities		
Proceeds from issue	0	3 927
Received borrowings	525	0
Dividend payment	(2 059)	(989)
Repayment of borrowings	(56)	(125)
Payments for financial lease liabilities	(462)	(341)
Interest	(154)	(189)
Net cash from financing activity	**(2 206)**	**2 283**
Net increase/ (decrease) in cash and cash equivalents	(3 911)	778
Cash and cash equivalents at the beginning of the period	4 792	1 031
Cash and cash equivalents at the end of the period	**881**	**1 809**

ADDITIONAL INFORMATION AND EXPLANATION

I. GENERAL INFORMATION ON THE GROUP

The Capital Group Simple (Simple Group) is a capital group, in which the parent entity is SIMPLE S.A. ("Parent Entity", "Company", "Issuer") with the registered office in Warsaw, at the address: ul. Bronisława Czecha 49/51. The Group acts as Spółka Akcyjna, established as a result of transformation of the Company SIMPLE z ograniczoną odpowiedzialnościa under the notary deed prepared by the Public Notary Anna Chłestowska on June 6, 1997 (Rep. A-3549/97). The Company was registered in the National Court Register by the District Court for the capital city Warsaw, 13th Commercial Division, under KRS number 0000065743. The Company received the statistical number REGON 012642634. The duration of the Group is unlimited. The basic scope of the Group's activity pursuant to the Classification of Polish Business Activity (PKD) is the activity in the field of software. The Company's activity belongs to IT.

SIMPLE is a recognized sign of wide family of IT solutions supporting the management of the following areas: finance, goods management, personnel, construction process, production, supply chain or relationships with clients. From more than 24 years we have been providing the specialized services of integration of IT solutions and business consulting.

SIMPLE S.A. is a WSE company specialized in design and implementation of IT solutions of ERP, BI class, CMR systems and BPM systems. The dynamic growth of the Company and continuously increasing number of Clients allowed SIMPLE to become one of leaders in the IT sector.

The Company proposes solutions, which were created on the basis of the knowledge of employed experts and which increase the rank of business processes and meets the specific requirements of the enterprises of the particular branches, assuring the possible success in the more and more competitive environment.

SIMPLE.ERP is the Integrated IT System providing the consistent and comprehensive service of economic process in the full scope of activity. It includes the processes taking place in:

- Enterprises with diversified profiles of activity (production, construction, services, trade);
- High schools;
- Medical units;
- Research institutes;
- Governmental units.

Making efforts to provide the innovative solution we have cooperated with the biggest companies in IT sector such as: IBM, Cisco or Microsoft; obtaining the high and highest partnership levels and preferences. The efficiency and innovativeness of the offered solutions are proved by the fact that our company placed in the top suppliers of the most stable and the longest investment protection period in Poland. We continuously improve our products and services. We create our offer thinking about the business needs and branch profiles of our Clients. Our rich portfolio of innovative IT systems, comprehensively supporting management, arisen on the base of 24 years' experience and the number of more than 23 thousand users was enriched by the competences related to the optimum selection of IT infrastructure and services at the professional level.

The modern market has a high requirements. Changing economic factors cause that only the high efficiency of all business processes and activities may ensure the possible functioning and development. The application of IT technologies, supporting the management processes, affects significantly the efficiency of the company and the implementation of the integrated IT management system brings the significant and measurable benefits contributing to achieve the market success.

II. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE PARENT COMPANY

As of September 30, 2013 and as of the date of this report i.e. November 14, 2013 the composition of the Supervisory Board of the Parent Entity was as follows:

Supervisory Board	Management Board
Adam Wojacki[1)]	Przemysław Gnitecki[1)]
Anna Hejka[2)]	Rafał Wnorowski[2)]
Andrzej Bogucki[3)]	Michał Siedlecki[3)]
Paweł Zdunek[4)]	
Tomasz Zdunek[5)]	
Zbigniew Strojnowski[6)]	

1)Chairman of the Supervisory Board	1)President of the Management Board
2)Deputy Chairman of the Supervisory Board	2)Vice-President of the Management Board
3)Secretary of the Supervisory Board	3)Vice-President of the Management Board
4) Member of the Supervisory Board	
5) Member of the Supervisory Board	
6) Member of the Supervisory Board	

From the end of the period to the date of this condensed consolidated financial statement there were not any changes in the composition of the Management Board of the Parent Entity.

On January 7, 2013 Mr Arkadiusz Karasiński submitted the resignation from the position of the member of the Supervisory Board of Simple S.A.

On the same date, at the General Meeting, under resolutions No. 5 and 6 Mr Paweł Zdunek was appointed as the member of the Supervisory Board and Mr Tomasz Zdunek was appointed as the member of the Supervisory Board.

On June 19, 2013 Mr Józef Taran was recalled from the position of the Deputy Chairman of the Supervisory Board under the Resolution No. 21 at the Ordinary General Meeting of Shareholders. At the same time, under resolution No. 22 Mrs Anna Hejka was appointed as the member of the Supervisory Board.

On September 24, 2013 at the meeting of the Supervisory Board, Mrs Anna Hejka, who held the position of the Member of the Supervisory Board, was appointed to be a Vice-President of the Supervisory Board of Simple.

III. MAJOR SHAREHOLDERS

Pursuant to the best knowledge of the Management Board of Simple S.A. as of September 30, 2013 and as of the date of this report i.e. November 14, 2013 and also as of August 30, 2013 the structure of shareholders holding at least 5% of the general number of votes at the General Meeting was as follows:

As of November 14, 2013

Shareholder	Number of held shares and votes at GMS	Interest in the share capital and number of votes at GMS
Bogusław Mitura	948 180	21,65%
Cron Sp. z o.o.	1 320 988	30,12%
IDM CAPITAL S.A.	397 966	9,10%

On November 12, 2013 the Company was informed that DM IDMSA reduced its engagement in the shares of Simple S.A. thus the interest in the total number of votes at the General Meeting of Shareholders was reduced below 5%.

As of September 30, 2013

Shareholder	Number of held shares and votes at GMS	Interest in the share capital and number of votes at GMS
Bogusław Mitura	948 180	21,65%
Cron Sp. z o.o.	1 320 988	30,12%
IDMSA	250 590	5,72%
IDM CAPITAL S.A.	397 966	9,10%

As of August 30, 2013

Shareholder	Number of held shares and votes at GMS	Interest in the share capital and number of votes at GMS
Bogusław Mitura	948 180	21,65%
Cron Sp. z o.o.	1 320 988	30,12%
IDMSA	250 590	5,72%

IDM CAPITAL S.A.	228 560	5,22%

IV. SHARES OF THE ISSUER HELD BY THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

Specification of shares or rights to shares held by the members of the management board and supervisory board as of the date of this financial statement, including the indication of the changes in shareholding in the period from the previous annual financial report, separately for each member.

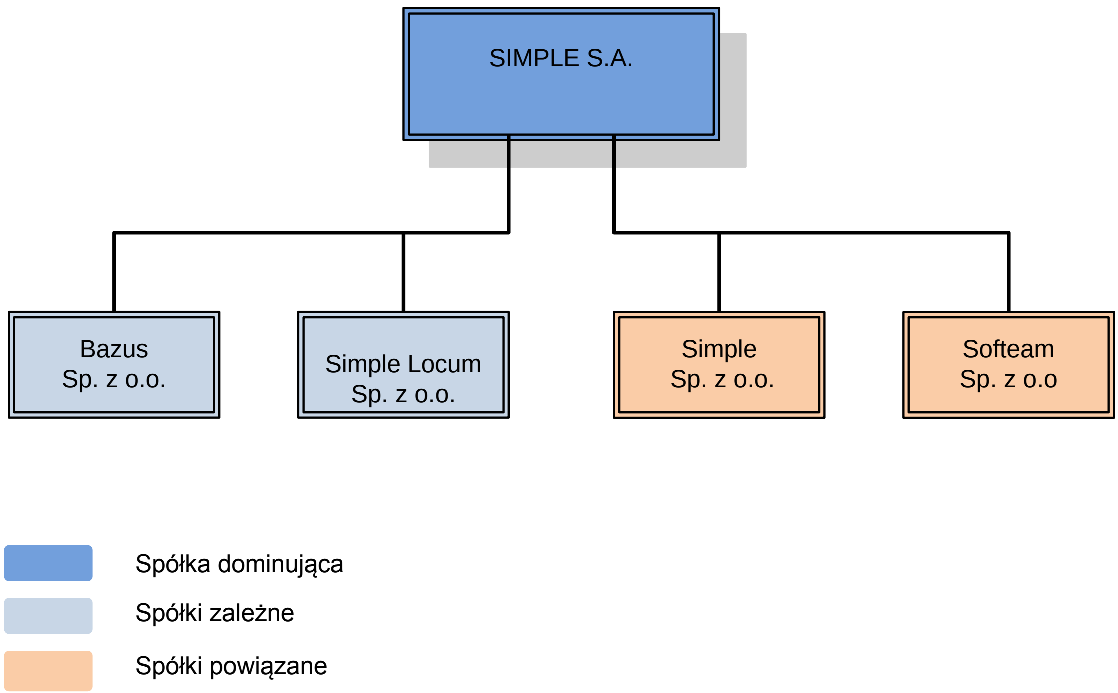
	Number of shares- as of		
Members of MB	**November 14, 2013**	**September 30, 2013**	**August 30, 2013**
Przemysław Gnitecki	0	0	0
Rafał Wnorowski	0	0	0
Michał Siedlecki	160 000	160 000	160 000

	Number of shares- as of		
Members of the Supervisory Board	**November 14, 2013**	**September 30, 2013**	**August 30, 2013**
Adam Wojacki	3 745	0	0
Anna Hejka	0	0	0
Andrzej Bogucki	0	0	0
Paweł Zdunek	0	0	0
Tomasz Zdunek	0	0	0
Zbigniew Strojnowski	163 000	163 000	163 000

The Chairman of the Supervisory Board of Simple S.A., Mr Adam Wojacki informed that acquired 3 745 shares of the Company, on October 17, 2013 acquired 1 676 shares and on October 18, 2013 acquired 2 069.

V. INFORMATION AND STRUCTURE OF THE CAPITAL GROUP

The diagram below presents the structure of the Capital Group Simple with the proportional share in the share capital and votes at the General Meetings of Shareholders/Partners as of September 30, 2013



As of the date of this financial statement the composition of the Group is as follows:

- Simple Locum Sp. z o.o. – 100%
- Bazus Sp. z o.o. – 100%

1. Simple Locum Sp. z o.o. seated in Warsaw address: ul. Bronisława Czecha 49/51. SIMPLE S.A. Company on March 24, 2006 under the notary deed (Rep A No. 1726/06) in the presence of the Public Notary Urszula Statkiewicz-Wysocka established the new limited liability company with the name SIMPLE LOCUM. SIMPLE S.A. has a full control over this Company by acquisition of the shares in exchange for transfer of real estate as the contribution in a form of notary deed (Rep. A No. 1829/06) on 29.03.2006. The basic type of business activity of Simple Locum Sp. z o.o. pursuant to the Classification of Polish Activity (PKD) is rental of real estate at its own account. Simple Locum Sp. z o.o. is the owner of the office building in Warsaw, ul. Bronisława Czecha 49/51. The total building is rented for the needs of SIMPLE Group. The value of acquired shares is PLN 2 669 k. PLN. It holds 100% of votes at the General Meeting of Partners.

2. Bazus Sp. z o.o., seated in Lublin address ul. Wolska 11. The private partnership named HIGHCOM Spółka cywilna acting under the Articles of Association concluded on April 9, 1996, changed by the annexes dated: March 12, 1997, August 30, 1997 and December 31, 2010 between Hubert Daniel Abramiuk and Michał Paweł Abramiuk, was transformed under Art. 571 and subseq. in relation to Art. 551 of the Code of Commercial Companies into the limited liability company under the firm: Bazus Spółka z ograniczoną odpowiedzialnością. The amount of the acquired shares is PLN 2 305 k. PLN. It holds 100% of votes at the General Meeting of Partners.

The consolidation excludes the related entities:

- SOFTEAM SP. Z O .O. – 25,18%
- SIMPLE SP. Z O.O. – 19,51%

1. Softeam Sp. z o.o. seated in Warsaw, address: ul. Łopuszańska 53, registered on June 5, 2001 in the District Court for the capital city of Warsaw in Warsaw, 20th Commercial Division of the National Court Register, under KRS number 0000013271. On 29.06.2005 the name of the company was changed from SIMPLE EXPERNET SP. Z O.O. into present SOFTEAM SP. The amount of the acquired shares pursuant to the cost is PLN 53 k that carries 50.24% of the share capital and 25.18% of votes at the General Meeting of Partners.

2. Simple Sp. z o.o. seated in Dąbrowa Górnicza address: ul. Cieplaka 19, registered on December 24, 2002 in the National Court Register under KRS number 0000108452 in the District Court in Katowice, Commercial Department of the National Court Register. The date of first registration was May 31, 1991 under the number RHB 6610. The value of taken up shares is PLN 9.7 k that constitutes 19.51% of the share capital and the same amount of votes at the General Meeting of Partners.

In these companies SIMPLE S.A. holds less than half of votes together with other investors, is not able to manage the financial and operating policy of these entities under the Articles of Association or agreement, is not entitled to appoint and recall the members of the management board and does not held the majority of votes and the Meetings of the Management Board or Supervisory Board.

VI. CHANGES IN THE ORGANIZATIONAL CHART OF THE ISSUER

In the reporting period from January 1, 2013 to September 30, 2013 there was not any business combination, any acquisition or sales of the entities of the capital group of the issuer, any long-term investments, any division, any restructuring or discontinuance of the activity.

VII. BASIS OF THE CONSOLIDATED FINANCIAL STATEMENT

1. Basis

Pursuant to the Ordinance of the Council of Ministers dated on February 19, 2009 on the current and periodic information provided by the issuers of securities and conditions of considering as equal the information required by the legal provisions of the non-member country (Dz. U. 2009 No. 33 item 259 as amended) the Management Board is obliged to cause the preparation of the annual financial statement reflecting the accurate and reliable property and financial standing of the SIMPLE S.A. Group for the period from January 1, 2013 to September 30, 2013 and the financial result for this period. It contains the real picture of the Group's development, achievements and the description of the basic risks and threats.
This financial statement was prepared with the going concern principle in the foreseeable future, covering the period of time not shorter than one year following the end of the period, in the scope which would not be significantly diminished. As of the date of this report there are not any circumstances threatening the going concern principle.

This financial statement is presented in zlotys (PLN) and all amounts, unless it is stated otherwise, are given in k PLN.

2. Statement of compliance

This financial statement was prepared pursuant to the International Financial Reporting Standards (IFRS). IFRS include the standards and interpretations of the International Accounting Standards Board published in a form of the Regulations of the European Commission.
The Group has adopted IFRS for the first time to prepare the financial statement for years starting after January 1, 2005.

3. Estimations

In the reporting period (9 months) ended on September 30, 2013 there were not any significant changes in the method of estimations.

4. Professional judgment

The preparation of the financial statement according to IFRS requires to make estimations and assumptions, which affect the amounts presented in the financial statement. The accepted assumptions and estimations base on the best knowledge of the Group management about the current activity and events.
The Group performs the contracts for implementation of IT systems. The measurement of contracts requires to determine the future cash flows in order to determine the amount of revenues and costs and to measure the progress of works in the projects. The progress of works is determined as the relation of incurred costs to planned costs. The future cash flows are

not always compliant with the agreements with the clients due to changes in the project performance schedules. As of September 30, 2103 the amount of receivables due to contract measurement amounted to PLN 2 040 k.
The amount of depreciation rates is set basing on the expected period of economic life of the assets of the property, plant and equipment as well as the intangible assets. In the period (9 months) ended on September 30, 2013 there were not any changes in the amortization rates applied by the Group.

5. Changes in the applied accounting principles

The accounting principles applied to this financial statement are compliant with these applied for the annual financial statement for the year ended on December 31, 2012.

6. Error adjustments

In the reporting period there were not any events resulting in the necessity to make any adjustment of the fundamental error.

VIII. ACCOUNTING PRINCIPLES

1. Property, plant and equipment

Non-current assets are recognized pursuant to the purchase price or production cost less the depreciation and impairment allowances. The initial amount of the non-current assets includes its purchase price increased by all costs directly related to the purchase and adjustment of the component to be used. Costs incurred after the date of transferring the non-current assets to use are charged at the profit or loss as of being incurred.

Amortization is calculated using the linear method using the amortization rates following the estimated economic life of the relevant asset as follows:

- Machinery and equipment in the economic life 2-10 years
- Transport means in the economic life 3-5 years
- Computers in the economic life 2-3 years

The relevant items of non-current are removed from the statement of comprehensive income after their disposal or in the event, when none of the economic benefits are expected during the further use. All losses and profits resulting from removal of such asset from the statement of comprehensive income are presented as the difference between the possible proceeds from net sale and the carrying amount of the relevant item and are recognized in the statement of comprehensive income of the period, in which such removal was made.

2. Intangible assets

Intangible assets purchased under the separate transaction are recognized at purchase price. Intangible assets purchased under the business entity acquisition transaction are recognized at fair value as of the date of acquisition. The economic life of the intangible assets is estimated and recognized as limited or unspecified. The intangible assets with the limited economic life are amortized using the straight line method on the basis of their estimated economic life and the costs of amortization are recognized in the statement of comprehensive income pursuer to the place of origin. The intangible assets, which are not used, are a subject of annual verification regarding the possible impairment.

Profits or losses resulting from removal of the intangible assets from the statement of financial position are measured at the difference between proceeds from net sale and the carrying amount of the relevant asset and are recognized in the statement of comprehensive income as of its derecognition.

Intangible assets manufactured at its own account

The Group presents the products, which manufacturing process has not been already finished ("costs of unfinished research and development works") in the separate categories. The intangible assets compound manufactured at its own scope as a result of the development works is recognized then and only then, when the Group is able to prove:

- That it is technically able to finish the intangible asset so that it will be proper to use or sale,
- The intend to finish the component of intangible assets;
- The ability to use or sale the intangible asset;
- The process, in which the intangible asset will probably bring the future economic benefits;

- Availability of the sufficient technical, financial and other means aimed at finishing the development works and the use or sale of the intangible asset;
- The ability to reliably determine the expenses incurred during the development works, which may be classified to this intangible asset.

The production cost of the intangible assets is a sum of expenses incurred to the day, when the first relevant asset meets the recognition criteria. The production cost of the intangible assets at its own includes the expenses, which can be directly classified to the manufacturing process and adjustment of the asset to use for an intended purpose. Such costs include:

- Costs due to the benefits for employees, who were directly engaged in the manufacturing process of this asset;
- All costs, which can be directly classified to the manufacturing process and adjustment of the asset such as legal title registration fees and amortization of patents and licences, which are used at the manufacture of this asset;
- Expenditures for materials and services used or directly used in the manufacturing process of the intangible asset;
- Indirect costs, which can be clearly classified to the manufacturing process: amortization cost of the equipment used in the manufacturing process and costs of the office space, which is occupied by the manufacturing team.

Until the development works are finished, the total costs directly related to these works are present as "Costs of unfinished research and development works". When the development works are finished, the effect of the manufacturing process is shifted to the category ”Sotware and licenses manufactured at its own” and from this moment the Company starts to amortize the software manufactured at its own. The costs of development works meeting the criteria above are recognized at the purchase price less the cumulative amortization and cumulative impairment allowances.

3. Goodwill

Goodwill due to acquisition of the entity is initially recognized at the cost of acquisition constituting the excess of the sum of:

- Provided payment
- Amount of all NCI in the acquired entity
- In the event of business combination performed in stages, the fair value as of the date of acquisition of the share in the equity of the acquired entity, previously hold by the acquiring entity.

The goodwill is presented at the cost of acquisition reduced by all cumulated impairment allowances. The impairment test is performed as of the end of the period. The goodwill is not a subject of amortization.
Impairment allowance is determined by estimation of the recoverable amount of the cash generating unit, to which the goodwill was allocated. If the recoverable amount of CGU is lower than the carrying amount, the impairment allowance is reognized, which is charged against the finance costs.

4. Investments in subsidiaries, affiliates and jointly-controlled

The subsidiaries are such entities, in which the Company holds more than half of votes at the General Meeting of Shareholders or General Meeting of Partners or otherwise is able to manage the financial or operating policy of these entities. To assess the control of the Company over the other entities also the existence and influence of the possible votes, which can be executed at the general meetings of shareholders or general meeting of partners of these entities, are also considered.

The affiliates are such entities, where the Company holds app. 20-50% share in votes at the general meeting of shareholders or on which the Company does not have a significant influence and does not control them, so they are not depended of and a joint-venture.
The assessment of the held investment for impairment .in the related entities should be carried out at each end of the period If such assumption occurs then the Company carries out the impairment test of the investment by comparing the book value of this investment with the higher of two values: market value or usable value.

5. Business combination of entities under joint-control

The business combination of entities under common control is a business combination of entities, in which all combined entities are controlled by the same party both before and after the combination and this control is not of temporary nature.
To settle the effects of the business combination under common control the Company uses the method of combining the shares. In particular, for the business combination of the Company and its subsidiary the applied method assumes that assets and liabilities of the combined entities are measured at the carrying amounts from the consolidated financial statement of the parent company prepares at the date of control. The transaction costs related to the combination are charged against the profit or loss, the mutual balances of receivables and liabilities are eliminated. The statement of comprehensive income presents the results of the combined entities, from the moment of combination.

6. Inventories

The Group has only one group of inventories goods and service parts (spare parts and hardware, which was purchased in order to perform the contracts for maintenance services). The Group draws up the age analysis of goods at each end of the period and makes the revaluation allowances on this basis. The inventories revaluation allowances are recognized in the operating costs.

7. Trade and other receivables

The trade receivables are recognized and presented by the amounts initially invoiced, including the revaluation allowance. The receivables with the long-term payment terms are recognized at the amount of payables.

Receivables revaluation allowance

Write downs of doubt entitlements are estimated when the collecting of the full receivables amount is not possible according to the initial conditions. The non-collectible receivables are charged against the operating costs as of their non-collectability is stated. The Group makes the write downs of entitlements under the general rules in the amounts not lower than:

- 100% in relation to the receivables lodged to the court, unless the Management Board is almost sure that the judgment will be favourable for the Company,
- 100% in relation to the overdue receivables over 12 months (starting from the payment term) including the repayments, agreements etc. occurred after the end of reporting period,

The revaluation of the receivables includes not only events to the end of the period, but also disclosed later, to the date of the financial statement, if these events concern the receivables recognized in the books as of the end of the period. The receivables write downs are charged into the operating costs. The write-offs of the receivables balance from the calculated interest are classified as the finance costs. If the reason of the write down ceases, the total or part of this write down increased the amount of the relevant asset and the proper items of costs are adjusted.

8. Loans and other receivables

They are the financial assets, which are not the derivative instruments with set or settable payments, which are not listed on the active market. They are classified to the current assets, unless their maturity date does not exceed 12 months from the end of the period. The loans are classified to the non-current assets, when their maturity exceeds 12 months from the end of the period.

9. Accrued and deferred assets

The accrued and deferred assets include the expenses incurred to the end of the period, which concern the future periods (accrued and deferred costs) or are connected with the future benefits. In particular the accrued and deferred assets include:

- Paid third party services, to be rendered in the next periods,
- Paid rents,
- Paid insurances, subscriptions
- Costs incurred in connection with the performed contracts, which income will be generated in the future periods,
- Paid property insurances

10. Cash and cash equivalents

Cash and cash equivalents presented in the statement of financial position include the cash in bank and at hand, short-term deposits with the initial maturity period not exceeding three months. The balance of cash and cash equivalents recognized in the statement of cash flows is composed of the aforementioned cash and cash equivalents.

11. Bank credits and loans bearing interests

All the bank credits and loans are presented at the cost of acquisition corresponding to the fair value of received cash reduced by the costs related to obtain the credit of loan.

The difference between the funds received (less the credit or loan granting costs) and the amount to be paid is recognized in the statement of the comprehensive income for the period of credit or loan duration. Profits and losses are recognized in the statement of comprehensive income when the liability is removed from the statement of financial position or the impairment is stated. All service costs for borrowings are recognized trough profit or loss in the periods, to which they refer.

12. Liabilities

Trade liabilities concerning the operating activity are recognized and presented at the amounts compliant with the received invoices and recognized in the reporting periods, to which they refer.

Transactions and items in foreign currencies

Transactions expressed in the other currencies than polish zloty are translated into the polish zloty applying the exchange rate binding on the transaction day. As of the end of the period assets and liabilities expressed in the currencies other than Polish zloty are translated into the Polish zloty applying the average exchange rate binding for this reporting period i.e. average exchange rate published for this currency by the National Bank of Poland. The exchange differences arisen from the translation are presented correspondingly in the item of financial revenues or expenses.

13. Accrued and deferred liabilities

In order to keep the proportionality of revenues and costs the Group makes the accrued and deferred assets and liabilities. They refer to both costs and revenues. Prepaid expenses- are costs deferred to the future reporting period, accrued income- is an amount of liabilities falling in the current reporting period following the benefits performed for the entity.
The accrued and deferred assets and liabilities include in particular the equivalent of recorded proceeds from the union fund.

14. Revenues

The revenues are recognized in such amount in which it is possible that the Group will achieve the economic benefits related to the transaction and when the amounts of revenues may be reliable measured. The Group presents only the revenues from sales of products and services. This presentation reflects the profit of the Group providing the complex IT solutions based on its own solutions. The following criteria are applicable for the recognition of revenues:

Revenues from sales

Revenues are recognized, if the significant risk and benefits following the agreements were transferred to the purchaser and when the amount of revenues can be reliably measured.
The revenues from the sale of own licences and licences provided under the implementation contract are recognized as of being sold.

Interest

Revenues due to interest are recognized consecutively when they accrue, referring to the net carrying amount of the relevant asset. Revenues due to interest are interest from granted loans, bank deposits and other titles.

Dividends

Dividends are recognized, when the rights of shareholders to receive them are established.

15. Other operating costs

The Group records the cost by categories and by amounts. The own cost of sales includes costs directly related to the acquisition of sold goods and production of the sold services. The sale costs include the commercial and marketing costs (including sponsoring). The distribution expenses include costs related to the management of the Company and administration costs.

Interest

Costs due to interest are recognized consecutively when they accrue, referring to the net carrying amount of the relevant asset. Costs from interest are interest from granted loans, bank credits and other titles.

16. Income tax

The deferred income tax is calculated using the method of balance liabilities towards all temporary differences as of the end of period between the tax value of the assets and liabilities and their balance value indicated in the financial statement. The provision for the deferred income tax is created in relation to all taxable temporary differences.
The deferred tax assets are recognized with reference to all deductible temporary differences and unused deferred tax assets and tax losses forwarded to future periods, in such amount, in which it is possible that the taxable income will be achieved and that will allow using the mentioned differences, assets and losses.
The carrying amount of the deferred tax asset is verified as each end of the period and is a subject of reduction or increase correspondingly to the changes of estimations for taxable income sufficient to realize the deferred tax asset partially or as a whole.
The deferred income tax assets and provisions for deferred income tax are measured applying the tax rates, which are applicable in the period, when this asset is realized or provision is released taking as the ground the actual tax rates as of the end of the period.
Revenues and costs and assets are recognized in the amount less VAT, except for:

- VAT paid at the moment of purchase of goods is not recoverable, then the VAT is recognized as a part of asset acquisition costs or a part of cost item and
- Receivables and liabilities are presented including the VAT amount.

The net amount of VAT is recoverable or payable to the tax authorities is recognized in the statement of financial position as a part of receivables or liabilities.

17. Profit per one share

The basic net earnings per share for the each period are calculated by dividing the net earnings from continued activity for the relevant period by the average weighted number of shares in the relevant reporting period.
The diluted net earnings per share for the each period are calculated by dividing the net earnings from continued activity for the relevant period by the total average weighted number of shares in the relevant reporting period and all possible new issues.

18. Lease

The financial lease agreements, which transfer the all risks and benefits of the subject of lease into the Group, are recognized in the statement of financial position as of the date of starting the lease at the current amount of the minimum lease fees. The leasing fees are allocated to the financial costs and reduction of the balance of the liabilities in the manner enabling to achieve the constant interest rate form the liability to be paid. Finance cost is recognized in the statement of comprehensive income. Assets used under financial lease are amortized during the leasing period.

IX. SUMMARY OF THE RESULTS OF THE CAPITAL GROUP SIMPLE

In the three quarters of 2013, SIMPLE S.A. as the parent entity of the Group, continued the basic business activity in the field of production, sale, implementation, service of the systems supporting the management and the suppliers of the hardware, system software and services in this field. Simple also was awarded with the big contracts for dedicated systems, where the budget exceeded PLN 5 M.

The business activity of the Company was managed by the Management Board composed of: Przemysław Gnitecki- President of the Management Board, Przemysław Wnorowski- Vice President of the Management Board, Michał Siedlecki- Vice President of the Management Board.

The sale and profit in Q3 2013 show the maintenance of the positive trends in the positive areas of the Groups business activity. However, as in the previous years, the fourth quarter should be the best for the Company.

In Q3 2013 the Group SIMPLE achieved the revenues from sales amounted to PLN 7 564 k in comparison to the amount of PLN 6 822 k in 2012. The revenues were higher by 10.87 % than in the comparative period of the previous year.

After three quarters of 2013 the revenues from sale of the Group increased and amounted to PLN 22 924 k in comparison to PLN 20 358 k after three quarters of 2012 (increase by 12.60%).

The profit from the operating activity for the Group in Q3 2013 amounted to PLN 859 k and the gross profit amounted to PLN 796 k. In both cases there is an increase by 10% and 5% in comparison to Q3 2012.

After three quarters of 2013 the significant increase was observed in: profit from the operating activity of the Group, which amounted to 1,428 k PLN and gross profit 1,273 k PLN. In both cases the increase occurred in comparison to the comparative period of 2012 accordingly by 52.4% and 61.55%.

The achieved results in Q3 2013 demonstrate the further dynamic development of the Group. The group intends to achieve its goals to the end of the year via significant increases, which are expected in Q4. Both the company SIMPLE and Bazus have a good condition regarding the order portfolio, which increased several times in comparison to the previous year. Only in this year the Group concluded contracts for the total amount exceeding PLN 50 M. In the previous year, this amount did not exceed PLN 11 M. It means that the Company has a good prospectus also for the next year. Owing to developing projects and demand for the resources related to the number of win contracts, it will be reflected in the Group’s results very positively. The confirmation of the above fact is shown by the revenues of the Group, which upon three quarters increased by PLN 2.5 m (12.4%). The Management Board of SIMPLE expects that the revenues and profits dynamic will be better in Q4.

The most important goals of the Management for Q4 2013 will be the following issues:

1. To keep the high sale dynamics, in 2013 SIMPLE concluded agreements for the total amount exceeding PLN 50 M.
2. To keep the contracts performance schedule, concluded by the Company, it will allow the Company to improve results in 2013.
3. To conduct negotiations on possible acquisitions to the end.
4. To continue works on the technical and functional modernization of SIMPLE.ERP system, to include the new system, supplementing and supporting SIMPLE offer, to the present offer.
5. Further improvement of the budgeting system and cost optimization.

X. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENT

Note 1. Geographical structure

The Simple Group conducts its business activity in the field of software and sale of hardware and also renders related services. The only geographical sector is the sale within the country which includes 100% of revenues.

	Q3 (current year), from 01.07.2013 to 30.09.2013	Q3 (current year), from 01.01.2013 to 30.09.2013	Q3 (previous year, from 01.07.2012 to 30.09.2012	Q3 (previous year) from 01.01.2012 to 30.09.2012
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sales				
Domestic	7 564	22 924	6 822	20 358
Distribution expenses				
Domestic	(4 788)	(14 977)	(3 740)	(12 018)
Gross profit from sales				
Domestic	**2 776**	**7 947**	**3 082**	**8 340**

The Group SIMPLE distinguishes the branch sectors in the divisions into the revenues from sale of services and products and goods. The revenues from sale, costs and sale result pursuant to the branch sectors are as follows:

	Q3(current year), from 01.07.2013 to 30.09.2013	Q3 (current year), from 01.01.2013 to 30.09.2013	Q3 (previous year, from 01.07.2012 to 30.09.2012	Q3 (previous year) from 01.01.2012 to 30.09.2012
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sales	**7 564**	**22 924**	**6 822**	**20 358**
Sale of services and products	6 824	20 768	6 111	17 718
Sale of goods	740	2 156	711	2 640
Distribution expenses	**(4 788)**	**(14 977)**	**(3 740)**	**(12 018)**
Distribution costs of products and services	(4 232)	(13 159)	(3 147)	(10 101)
Distribution costs of goods	(556)	(1 818)	(593)	(1 917)
Gross profit from sales	**2 776**	**7 947**	**3 082**	**8 340**
Gross profit on sale of services and products	2 592	7 609	2 964	7 617
Gross profit on sale of goods	184	338	118	723

Note 2 Operating activity costs

The operating costs in the period from January 1, 2013 to September 30, 2013 and in the comparative period were as follows:

	Q3(current year), from 01.07.2013 to 30.09.2013	Q3 (current year), from 01.01.2013 to 30.09.2013	Q3 (previous year, from 01.07.2012 to 30.09.2012	3Q (previous year) from 01.01.2012 to 30.09.2012
	000' PLN	000' PLN	000' PLN	000' PLN
Amortization and depreciation	374	1 100	392	1 167
Materials and energy consumption	167	519	237	732
Outsourced services	2 538	8 027	1 749	5 595
Taxes and fees	45	88	64	167
Remunerations/payrolls	2 782	8 564	2 609	8 023
Social insurances and other benefits	496	1 796	451	1 515
Other costs	(90)	212	83	688
Value of goods and materials sold	556	1 818	593	1 917
Total operating activity costs	**6 868**	**22 124**	**6 178**	**19 804**
including				
Cost of sales	4 788	14 977	3 740	12 018
Distribution expenses	1 271	3 831	1 279	3 982
Administration expenses	809	3 316	1 159	3 804

Note 3 Other comprehensive income

In the period covered by this financial statement from January 1, 2013 to September 30, 2013 other comprehensive income was not recognized.

Note 4. earnings per share

The basic earnings per one share is calculated by dividing the net profit for the reporting period by the average weighted number of issued shares in the fiscal year. The share capital of SIMPLE S.A. is composed of 4 380 298 shares and is divided into 4 380 298 shares with the nominal value PLN 1 each. The average weighted number of shares in the period from January 1, 2013 to September 30, 2013 amounted to 4 380 298 and in the comparative period was 4 380 298.

	For the period 01.01.2013 30.09.2013	For the period 01.01.2012 30.09.2012
	PLN ‘000	PLN ‘000
Earnings per shareholders	730	707
Average number of ordinary shares (in k pcs)	4 380	4 380
Earnings per share (in PLN per one share)	**0,17**	**0,16**

Note 5. Intangible assets

Within 9-month period of time ended on September 30, 2013 the Group acquired intangible assets in the amount of PLN 3 k. In the same period of time the Group did not sell or dispose any intangible assets.
Within 12 month period of time ended on December 31, 2012 the Group acquired intangible assets in the amount of PLN 4 k.In the same period of time the Group did not sell or dispose any intangible assets.
Within 9-month period of time ended on September 30, 2012 the Group did not purchase any intangible assets. In the same period of time the Group did not sell or dispose any intangible assets.

Note 6. Property, plant and equipment

Within 9 month period of time ended on September 30, 2013 the Group purchased P,P&E amounting to PLN 1 054 k (including PLN 929 k financed by lease). In the same period, the Group sold P,P&E with the book value PLN 474 k.Net amount of revenues from sale of these components amounted to PLN 193 k.
Within 12 month period of time ended on September 31, 2012 the Group purchased P,P&E amounting to PLN 649 k (including PLN 616 k financed by lease). In the same period, the Group sold P,P&E with the book value PLN 465 k. The net revenues from sales of assets in 2012 amounted to PLN 75 k.
Within 9 month period of time ended on September 30, 2012 the Group purchased P,P&E amounting to PLN 607 k (including 852 PLN k financed by lease). In the same period, the Group sold P,P&E with the book value PLN 282 k.The net revenues from sales of assets in period in this period amounted to PLN 24 k.

Note 7. Goodwill

As of September 30, 2013 the goodwill from consolidation was presented in the statement on financial position. It is the measurement of the Company SIMPLE LOCUM Sp. z o.o. for the amount of PLN 19 k and goodwill of the company Bazus Sp. z o.o. in the amount of PLN 1 840 k.The goodwill is not amortized; it will be a subject of the impairment test.

Note 8. Shares and stocks in subsidiaries and other entities

The below table presents the amount of the long-term investments.

	30.09.2013 PLN '000	31.12.2012 PLN '000	30.09.2012 PLN '000
Subsidiaries:	**4974**	**4974**	**4 515**
Simple Locum Sp z o.o (100%)	2 669	2 669	2 669
Bazus Sp. z o.o. (100%)	2 305	2 305	1 846
Affiliates:	**63**	**63**	**63**
Simple Dąbrowa Górnicza	10	10	10
Softem Sp z o.o.	53	53	53
Total investment	**5 037**	**5 037**	**4 578**

SIMPLE S.A. is the parent company of the Simple Group. The capital group includes the following companies:

Subsidiaries:

1. Simple Locum Sp. z o.o. seated in Warsaw address: ul. Bronisława Czecha 49/51. SIMPLE S.A. Company on March 24, 2006 under the notary deed (Rep A No. 1726/06) in the presence of the Public Notary Urszula Statkiewicz-Wysocka established the new limited liability company with the name SIMPLE LOCUM. SIMPLE S.A. has a full control over this Company by acquisition of the shares in exchange for transfer of real estate as the contribution in a form of notary deed (Rep. A No. 1829/06) on 29.03.2006. The amount of the acquired shares is PLN 2 669 k. It holds 100% of votes at the General Meeting.

2. Bazus Sp. z o.o., seated in Lublin address ul. Wolska 11. The private partnership named HIGHCOM Spółka cywilna acting under the Articles of Association concluded on April 9, 1996, changed by the annexes dated: March 12, 1997, August 30, 1997 and December 31, 2010 between Hubert Daniel Abramiuk and Michał Paweł Abramiuk, was transformed under Art. 571 and subseq. in relation to Art. 551 of the Code of Commercial Companies into the limited liability company under the firm: Bazus Spółka z ograniczoną odpowiedzialnością. The amount of the acquired shares is PLN 2 305 k. PLN. It holds 100% of votes at the General Meeting of Partners.

Affiliates:

1. Softeam Sp. z o.o. seated in Warsaw, address: ul. Łopuszańska 53, registered on June 5, 2001 in the District Court for the capital city of Warsaw in Warsaw, 20th Commercial Department of the National Court Register, with the KRS number 0000013271. The amount of the acquired shares pursuant to the purchase price is PLN 53 k that constitutes 50.24% of the share capital. The Company Simple S.A. does not have its representatives in the Management Board of Softeam and it has no influence on the management of the total activity of the Softeam, does not manage its assets and does not represent it in trading. The share capital of the Company is PLN 105.500 k and is divided into 211 shares with the nominal value PLN 500, where Simple S.A. holds 106 shares and the other shareholders 105 shares. At the General Meeting of Shareholders all resolutions are passed by the majority of votes, where Simple S.A. has only one vote more than other shareholders. This company is not a subject of consolidation, because SIMPLE S.A. does not have any control over this Company and any influence on the financial policy of this Company. It is not entitled to appoint and recall the members of the management board or managing authority.

2. Simple Sp. z o.o. seated in Dąbrowa Górnicza at ul. Cieplaka 19, registered on December 24, 2002 in the National Court Register under KRS number 0000108452 in the District Court in Katowice, Business Department of the National Court Register. The amount of the acquired shares pursuant to the cost is PLN 9.7 k. It holds 19.51% of votes at the General Meeting.

Note 9. Current receivables

	30.09.2013 PLN '000	31.12.2012 PLN '000	30.09.2012 PLN '000
Trade receivables	12 873	13 048	10 210
Uncollectible receivables revaluation allowance	(245)	(541)	(541)
Net receivables	**12 628**	**12 507**	**9 669**

Trade receivables do not bear any interest.

	30.09.2013 PLN '000	31.12.2012 PLN '000	30.09.2012 PLN '000
Other receivables			
Deposits paid	3	1	1
Bid bonds paid	20	85	133
Performance bond paid	149	80	81
Granted loans	0	0	3
deductible VAT	0	164	51
CIT-8	0	0	20
Receivables from employees	27	0	4
Total receivables	**199**	**330**	**293**

Note 10. Short-term investments

As of September 30, 2013 the Group does not present the granted loans.

Cash and cash equivalents

	30.09.2013 PLN '000	31.12.2012 PLN '000	30.09.2012 PLN '000
Cash at hand and at bank account	881	4 792	1 809
	881	**4 792**	**1 809**

Cash at bank bears interest pursuant to the variable interest rates, which amount depends on the interest rate of one-day bank deposits. The short-term deposits are established for various periods from one day to two weeks depending on the current need of the Company for cash and bear the interest pursuant to the agreed interest rates for the deposits in the relevant day. The amount of received amounts due to deposits is presented below.

Interest from bank deposits		
month	Interest amount	
	Year 2013	Year 2012
Janaury	7 516.64	0.00
February	7 852.82	0.00
March	8 850.20	0.00
April	4 667.28	0.00
May	1 056.10	0.00
June	487.33	9 092.54
July	180.87	8 623.17
August	0.00	8 737.51
September	0.00	6 459.20

October	0.00	4 750.89
November	0.00	4 017.44
December	0.00	7 068.43
Total	**30 611.24**	**48 749.18**

Note 11. Assets available-for-sale

As of September 30, 2013 the Group does not have any non-current assets held for sale.

Note 12. Share capital and elements of equity

As of September 30, 2013, the share capital amounted to PLN 4 380 298.00. The share capital includes 4 380 298 ordinary shares with the nominal value PLN 1 each.

	30.09.2013 000'PLN	**31.12.2012 PLN '000**	**30.09.2012 PLN '000**
Share capital			
Number of shares	4 380 298	4 380 298	4 380 298
Nominal value per one share	0,001	0,001	0,001
Nominal value of all shares	**4 380**	**4 380**	**4 380**

The share capital (pursuant to the Code of Commercial Companies) was created from share premium, after reduction of the share issue costs and profits from the previous years, which were designated to the supplementary capital under the decision of the General Meeting of Shareholders.

	30.09.2013 PLN '000	**31.12.2012 PLN '000**	**30.09.2012 PLN '000**
Share premium	1 548	1 548	1 548
Profit from the previous years designated to the supplementary capital	10 135	8 851	8 858
Supplementary capital	**11 683**	**10 399**	**10 406**
Equity attributable to NCI	**0**	**0**	**64**

	for the period 01.01.2013 30.09.2013 PLN '000	**for the period 01.01.2012 31.12.2012 PLN '000**	**for the period 01.01.2012 30.09.2012 PLN '000**
Profit for the reporting period	730	3 343	707
Profit for the reporting period	**730**	**3 343**	**707**

Note 13. Deferred tax

As of September 30, 2013 the Group has presented the provision in the amount of 521 k PLN because of the temporary differences between the book and tax value of assets.

	30.09.2013 PLN '000	31.12.2012 000'PLN	30.09.2012 PLN '000
Balance difference of non-current assets	28	14	10
Balance measurement of revenues	493	148	0
	521	**162**	**10**

Note 14. Long-term provisions for liabilities

The provision for the post-employment benefits concerns all retirement benefits, which are to be potentially paid to the Group's employee at the time of retirement. The provisions for the post-employment benefits were recognized by the Group on the basis of calculations made by the actuary.

The provision for leave benefits was recognized by the Group on the basis of unused leaves as of December 31, 2012 and the comparative period. The estimations of the provision amounts are made by comparing the number of days of unused leaves for the particular employees and calculation of the cash equivalent due these leaves. As of September 30, 2013 the provision for holiday leave benefits was not updated.

The equivalent for unused holiday leave is calculated in the following manner:

- by dividing the sum of monthly agreed salaries by the equivalent coefficient and then
- we divide such equivalent for one day of leave by the number corresponding to the daily standard of work time applicable for the employee and then
- we multiply this equivalent for one hour of leave by the number of leave hours unused by the employee.

	30.09.2013 PLN '000	31.12.2012 000'PLN	30.09.2012 PLN '000
Post-employment benefits	54	54	49
Leave benefits	205	205	201
	259	**259**	**250**

Note 15. Long-term credits and loans

	30.09.2013 PLN '000	31.12.2012 000'PLN	30.09.2012 PLN '000
Mortgage loan of Simple Locum	1 961	2 021	2 040
Total	**1 961**	**2 021**	**2 040**

The credit agreement of April 7, 2006 concluded with BPH S.A. by SIMPLE LOCUM Sp. z o.o. under §7 of the Agreement collateralized by:

- ordinary mortgage in the amount of PLN 2 350 000.00 securing the payment of the credit capital,

- Cap mortgage to the amount PLN 1 750 000.00 securing the interests payment and other bank receivables following the Agreement,
- Assignment of receivables from the receivables insurance agreement (acc. to App. No. 2 to the agreement),
- The blank promissory note issued by the Borrower paid to the credit amount with the promissory note declaration (acc. to App. No. 3 to the agreement),
- Deposit in the amount of PLN 47 444 set under the principles specified in the deposit agreement (acc. to App. No. 4 to the agreement),
- Declaration of the Borrower to be a subject of execution regarding the obligations following the Agreement (acc. to App. No.5 to the agreement),
- Assignment of receivables from the current and future rent agreement of the areas located in the Real Estate (acc. to App. No. 6 to the agreement),
- Assignment of receivables from the bank account agreement kept on behalf of the Borrower (acc. to App. No. 7 to the agreement),
- Registered pledge (acc. to App. No. 8 to the agreement).

As of the end of period, the amount of unpaid credit over 12 months is 1 961 k PLN. PLN.

Note 16. Short-term credits and loans

	30.09.2013 PLN ‘000	31.12.2012 000’PLN	30.09.2012 PLN ‘000
Credit Volkswagen Bank	0	9	17
Mortgage loan of Simple Locum	71	57	52
Overdraft	525	0	0
Total	**596**	**66**	**69**

The credit agreement of April 7, 2006 concluded with BPH S.A. by SIMPLE LOCUM Sp. z o.o. under §7 of the Agreement collateralized by:

- ordinary mortgage in the amount of PLN 2 350 000.00 securing the payment of the credit capital,
- Cap mortgage to the amount PLN 1 750 000.00 securing the interests payment and other bank receivables following the Agreement,
- Assignment of receivables from the receivables insurance agreement (acc. to App. No. 2 to the agreement),
- The blank promissory note issued by the Borrower paid to the credit amount with the promissory note declaration (acc. to App. No. 3 to the agreement),
- Deposit in the amount of PLN 47 444 set under the principles specified in the deposit agreement (acc. to App. No. 4 to the agreement),
- Declaration of the Borrower to be a subject of execution regarding the obligations following the Agreement (acc. to App. No.5 to the agreement),
- Assignment of receivables from the current and future rent agreement of the areas located in the Real Estate (acc. to App. No. 6 to the agreement),
- Assignment of receivables from the bank account agreement kept on behalf of the Borrower (acc. to App. No. 7 to the agreement),

- Registered pledge (acc. to App. No. 8 to the agreement).

As of the end of period, the amount of unpaid credit over 12 months is 71 k PLN. PLN.

On August 31, 2012 Simple S.A. and the bank BRE S.A. seated in Warsaw concluded the Overdraft Agreement No. 43/083/12/Z/VV for the amount of 1 million zlotys for the period from August 31, 2012 to August 29, 2013. On June 25, 2013 the Annex No. 1 to the Overdraft Agreement No. 43/083/12/Z/VV of 31.08.2012 was concluded extending the crediting period to September 24, 2013. On September 23, 2013 the Annex No. 2 to the Overdraft Agreement No. 43/083/12/Z/VV of 31.08.2012 was concluded extending the crediting period to September 18, 2014. The collateral for this Agreement is a blank promissory note. Bank interest rate is WIBOR O/N + MARGIN 1.6. As of the end of the period the balance of used credit is PLN 315 k.

On March 22, 2013 Simple S.A. and the bank Deutsche Bank PBC S.A. seated in Warsaw concluded the Overdraft Agreement No. KRB\1307324 in the Polish currency for the amount of PLN 1 million, for the period from March 22, 2013 to March 26, 2014. Bank interest rate in a form of margin is WIBOR O/N + MARGIN 1.6. As of the end of the period the balance of used credit is PLN 210 k.

Note 17. Trade and other liabilities

As of September 30, 2013 and in the comparative periods the liabilities of the Group Simple resulted from the following titles.

	30.09.2013 PLN '000	31.12.2012 PLN '000	30.09.2012 PLN '000
Trade liabilities	**1 753**	**1 701**	**1 019**
Due to deliveries and services	1 728	1 653	998
Liabilities due to not invoiced deliveries	25	48	21
Budget liabilities	**1 177**	**3 084**	**932**
Value-Added Tax	713	1 866	577
Corporate Income Tax	52	835	0
Personal Income Tax	104	123	96
Social Insurance Company	300	245	245
STATE FUND OF REHABILITATION OF HANDICAPPED PEOPLE	4	0	5
Withholding tax	4	15	9
Other liabilities	**31**	**491**	**27**
Liabilities due to pay roll	29	31	9
Liabilities due to acquisition of shares	0	459	0
Other liabilities	2	1	18
	2 961	**5 276**	**1 978**

Note 18. Short-term provisions for liabilities

As of September 30, 2013 the Group does not present any short-term provisions for liabilities.

	30.09.2013 PLN '000	31.12.2012 000'PLN	30.09.2012 PLN '000
Provision for remunerations	0	600	0

Provision for the penalty of PFSA	0	30	0
	0	**630**	**0**

Note 19. Accrued and deferred income

The Company settles the subsidy received under the agreement signed on April 30, 2007 within the framework of the Project Funding Agreement No. WKP_1/1.4.1/2006/100/100/655/2007/U named "IT system for SME to obtain the permanent economic position on the basis of supply chain participation" performed within the Sector Operating Programme Improvement of Competitiveness of Enterprises. The amount of funding was PLN 2 069 001.13 and the amount to be settled as of the end of the period is PLN 896 548.36 k.

	30.09.2013 PLN '000	31.12.2012 000'PLN	30.09.2012 PLN '000
Prepayments received	0	0	0
Received EU subsidy	896	1 207	1 376
	896	**1 207**	**1 376**

Note 20. Investment expenses

In the reporting period from January 1, 2013 to September 30, 2013 the Group incurred the investment expenses in the amount of PLN 948 k for the costs of unfinished development works.
In the reporting period from January 1, 2012 to December 31, 2012 the Group incurred the investment expenses in the amount of PLN 812 k for the costs of unfinished R&D works.
In the reporting period from January 1, 2012 to September 30, 2012 the Group incurred the investment expenses in the amount of PLN 611 k for the costs of unfinished R&D works.

XI. FACTORS AND EVENTS OF AN UNUSUAL NATURE SIGNIFICANTLY AFFECTING THE FINANCIAL RESULTS

In the 9-month period of time ended on September 30, 2013 there were not any unusual events, other than these specified in this financial statement, affecting the achieved financial results in this period.

XII. EXPLANATIONS FOR SEASONALITY OR PERIODICITY OF THE ISSUER'S BUSINESS ACTIVITY IN THE PRESENTED PERIOD

The business activity of the Group is a subject of seasonality regarding the revenues from sales in the particular quarters of the year. A great part of revenues is generated by the contracts signed. The highest revenues are earned by the Group in the fourth quarter of the year. It is caused by the fact that business entities close annual budgets for the performance of IT projects and make investment purchase of hardware and licences.

XIII. INFORMATION ON ISSUE, BUY-OUT AND PAYMENT OF NON-EQUITY SECURITIES AND CAPITAL SECURITIES

In the reporting period from January 1, 2013 to September 30, 2013 the Issuer did not issue, buy-out or pay non-equity and capital securities.

XIV. INFORMATION ON PAID DIVIDEND, IN TOTAL AND PER SHARE

Within 9-month period ended on September 30, 2013 any decision on dividend payment was not taken.

XV. EVENTS AFTER THE END OF THE PERIOD

Within the period from September 30, 2013 to the date of this interim condensed financial statement, i.e. to November 14, 2013 there were not any significant events, which were not, but which should be recognized in the accounting books and which disclosure may affect significantly the assessment of the property and financial standing of the Capital Group Simple.

XVI. INFORMATION ON CHANGES IN THE CONTINGENT LIABILITIES

The Group Simple did not recognize any contingent liabilities as of December 31, 2012 and from the end of the fiscal year to the date of this interim consolidated financial statement, i.e. to November 14, 2013, there were not any changes in the contingent liabilities or assets.

XVI. MANAGEMENT BOARD'S OPINION ON POSSIBILITY TO PERFORM THE EARLIER PUBLISHED FORECASTS FOR THE RELEVANT YEAR

The Management of SIMPLE S.A. has not published any forecasts of financial results for 2013.

XVII. PROCEEDINGS IN PROGRESS BEFORE THE COURT, ENTITY COMPETENT FOR THE ARBITRAGE PROCEEDING OR PUBLIC ADMINISTRATION ENTITY

In the presented reporting period, there were not any proceedings, before the court, entity competent for the arbitrage proceeding or public administration entity, referred to the liabilities or receivables of SIMPLE S.A. or its subsidiaries, which total amount would constitute at least 10% of equity of the Company.
In connection with the court procedure brought by the company Simple S.A. against Technic-System, the Parties signed the understanding on repayment debts on September 19, 2013.
In the writ-of-payment proceedings, the company Simple S.A. received the order of payment from the following contractors:
-Kowalski Consulting Sp. z o.o. in Gdańsk for the amount of PLN 85 170.12 on May 15, 2013
-Impulsy Sp. z o.o. in Warsaw for the amount of PLN 71 260 on October 25, 2013
-ZOZ św. Anny in Warsaw for the amount of PLN 43 382.20 on October 28, 2013.
Simple S.A. brought a claim for the order of payment against Słupsk Dis Sp. z o.o. in Słupsk for the amount of PLN 29 520.

XVIII. TRANSACTIONS WITH RELATED ENTITIES

In the period from January 1, 2013 to September 30, 2013 SIMPLE S.A. has concluded with the Group's entities the following standard trade transactions. Sale of goods, services to the related entities is carried out under the basic price list. The purchases of goods were carried out basing on market prices less rebates due to volume. Within the reporting period, SIMPLE S.A. as the Parent Entity did not enter into any other transactions, which would differ from the typical transactions concluded between the Capital Group's entities under the market conditions. The transactions were carried out basing on market prices less rebates due to volume.

As of the end of period, the balances of settlements arisen as a result of sale and purchase of goods and services are as follows:

Transactions with related entities	**for the period 01.01.2013 30.09.2013**	**for the period 01.01.2012 31.12.2012**	**for the period 01.01.2012 30.09.2012**
Revenues (goods and services) including:	**1 571**	**3 277**	**1 989**
- to related entities	1 571	3 277	1 989
Purchases Including:	**1 346**	**1 878**	**965**
-From subsidiaries	581	1 449	635
- from related entities	765	429	330
Trade receivables, including:	**805**	**1 103**	**851**
-From subsidiaries	0	1	10
-from related entities	805	1 102	841
Trade liabilities, including:	**63**	**220**	**62**
-to subsidiaries	19	131	50
-to related entities	44	89	12
Liabilities due to loans:	**1 692**	**2 063**	**2 101**
- to subsidiaries	1 692	2 063	2 101

XIX. INFORMATION ON GRANTING THE GUARANTY FOR THE CREDIT OR LOAN OR AWARDING THE WARRANTY BY THE ISSUER OR ITS SUBSIDIARY

Within 9 month period of time ended on September 30, 2013 the Issuer or its subsidiary did not grant a credit or loan surety or award any guarantee jointly for one entity or the entity's subsidiary, where a total amount of existing sureties or guarantees constitute an equivalent of at least 10% of the Issuer's equity.

XX. INFORMATION, WHICH IN THE MANAGEMENT BOARD'S OPINION, IS SIGNIFICANT FOR ASSESSMENT OF STAFF, PROPERTY OR FINANCIAL CONDITION

The Group generates its results by the consequently implemented market strategy in the particular segments of the business activity.

Within the 9 month period of time ended on September 30, 2013 there were not any unusual events, other than these specified in this financial statement.

There is not any other information known, except these specified in the financial statement, which disclosure would significantly affect the assessment of the staff, property and financial standing of the Group.

Within 9 month period, ended on September 30, 2013 the following agreements, recognized as significant, were concluded:

1. On February 1, 2013- an agreement with Bogdań Jański High School in Warsaw. The subject matter of this Agreement is to deliver and implement the SIMPL.RP system-based solution. The total amount of the agreement is PLN 981 000.00 net i.e. PLN 1 206 630.00 gross.
2. On February 4, 2013- an agreement with SUPER-PHARM Poland Sp. z o.o. in Warsaw. The subject matter of this Agreement is to execute a work in a form of design, performance, commencement and implementation of HR and payroll system SIMPLE.ERP PERSONEL and XPRIMER within the company of the Employer. The total amount of the agreement is PLN 1 463 414.64 net i.e. PLN 659,390.59
3. On February 14, 20130 - agreement with the Maritime University of Szczecin. The subject matter of this agreement is to execute a work in a form of design, performance, commencement and implementation including license and Guarantee and Post-guarantee Services for the Integrated IT System SIMPLE. The total amount of the Agreement is PLN 2 806 800.00 net i.e. PLN 3 452 665.10 gross.
4. On February 20, 2013- an agreement with Instytut Nawozów Sztucznych in Puławy. The subject matter of this agreement is the delivery and implementation of the Integrated IT Management System SIMPLE.ERP. The total amount of the agreement is PLN 1 463 414.64 net i.e. PLN 756 450.00 gross.
5. On March 1, 2013- agreement with the Institute of Meteorology and Water Management – National Research Center in Warsaw. The subject matter of this agreement is to execute, deliver, install, commence and implement and to purchase the licence to use the SIMPLE Integrated IT System. The total amount of the Agreement is PLN 3 189 549.00 net i.e. PLN 3 923 145.27 gross.
6. On March 11, 2013- agreement with Kazimierz Wielki University of Bydgoszcz. The subject matter of this Agreement is to deliver and implement the Simple.ERP system including the dedicated trainings and electronic workflow system in the field of the integrated management system. The total amount of the Agreement is PLN 1 150 230.00 net i.e. PLN 1 386 210.00 gross
7. On April 17, 2013- agreement with the University of Economics in Katowice. SIMPLE S.A. concluded this agreement as the Leader of the Consortium of the following companies: SIMPLE S.A. with the registered office in Warsaw, BAZUS Sp. z o.o. with the registered office in Lublin and COM-PAN System Sp. z o.o. with the registered office in Warsaw with University of Economics in Katowice, the agreement's amount is PLN 4 300 000.00 net (say: four million three hundred thousand 00/100), i.e. PLN 5 289 000.00 gross (five million two hundred eighty nine thousand 00/100). The subject matter of this agreement is to carry out the Pre-implementation Analysis of the software of the Integrated IT System, deliver and install the software and grant the licence/sub-licence or transfer of the author's property rights for this software and source codes, including delivery and installation of supplementary software (tool) and providing the licence/sub-licence, transfer of the author's property rights into the Employer to all documentation of the System developed under during the agreement. This agreement does not contain any specific conditions other differ than commonly applied for such agreement.

8. On May 8, 20130 – an agreement with the Maritime University of Gdynia. The subject matter of this agreement is to provide and implement the computer hardware and software dedicated supporting the education process in Gdynia Maritime University and its maintenance. The total amount of the agreement was determined as PLN 645 600.00 net (say: six hundred forty five thousand six hundred zlotys 00/100) i.e. 794 088.00 gross (say: seven hundred ninety four thousand eighty eight zlotys 00/100)
9. On August 19, 2013- an agreement with Stefan Wyszyński University in Warsaw. The subject matter of this Agreement is the performance of the order consisting of implementing the IT system of ERP class with necessary infrastructure and dedicated trainings. The total amount of this Agreement is PLN 1 442 600.00 gross.
10. On September 6, 2013- an agreement with School of Economics in Wrocław. Net amount of this agreement is PLN 3 218 000, i.e. gross PLN 3 958 140.00. The subject matter of this agreement is to perform a task, including provisions of licence, configuration design, performance, commencement and implementation and Guarantee Service of the Integrated Information Technology System of ERP class.
11. On October 10, 2013 concluded the agreement with the Polish Geological Institute- National Research Institute. The subject matter of this Agreement is Delivery and implementation of the Integrated Enterprise Management System of ERP class (ZSZ-ERP). The total amount of the agreement is PLN 2 299 879.19 net i.e. PLN 2 828 851.40 gross.
12. On October 11, 2013- an agreement with Janusz Korczak High School in Warsaw. The subject matter of this Agreement is: Pre-implementation analysis doe ZISZU, purchase of Software licence for ZISZU, performance of implementation of the Software for ZISZU, Tranings from the implemented Software, Delivery and installation of the equipment. The total price of the Agreement is PLN 1 737 988.00 gross (say: one million seven hundred thirty seven thousand nine hundred eighty eight zlotys 0/00 gross).
13. On October 22, 2013- an agreement with the Eugeniusz Piasecki University School of Physical Education in Poznań. The subject matter of the Agreement is to implement the project "Modern University- implementation of the quality management model in the University of Physical Education in Poznań". The total amount of the agreement is PLN 1 463 414.64 net i.e. PLN 1 800 000.01 gross. The settlement of the subject matter performance shall be made under the Take-Over Protocols.
14. On October 22, 2013- an agreement with Medical University in Białystok. The subject matter of this Agreement is to perform the order under the name Quality Improvement Programme in UMB. Task 1: Implementation of Framework Model of UMB Management Processes- Integrated Information Management System under the project named Quality Management Models in UMB, funded by the European Union Funds under the European Social Fund, under the Agreement UDA-POKL-04.01.01-00-184/11-00, Task 2: Maintenance of the System created in the task 1. The total amount of the Agreement is PLN 6 790 900.00 net i.e. PLN 8 352 807.00 gross (say: eight million three hundred fifty two thousand eight hundred seven zlotys 00/100).

XXI. SPECIFICATION OF THE FACTORS, WHICH IN THE ISSUER'S ASSESSMENT, WILL AFFECT THE ACHIEVED RESULTS IN THE PROSPECTION OF AT LEAST THE NEXT QUARTER

The most important external and internal factors, which directly or indirectly may affect the results in the next quarters may include:

External factors important for the Group's development

- Situation in the IT market
- Prospectus of market and product offer extension

- Access to the union funds
- Activities depending on intensified competitiveness
- Changes in the credit situation, financial liquidity
- Risk related to the quick technological changes and innovations on the market.

Internal factors important for the Group's development

- Quality and complexity of the Simple's offer
- Expenditures to the product and new market development
- Stability and experience of managing staff
- Experience in IT projects
- Efficient activities of Sales and Marketing Department

XXII. INFORMATION ON WRITE DOWNS

In the reporting period the Group did not make any write downs of inventories to the achievable net amount and did not reverse any such write downs.

In the reporting period, the Group did not make any impairment losses of financial assets, P,P&E, intangible assets.

In the reporting period the Company Simple S.A. reversed the receivables revaluation allowance from the company Technic- System in the amount of PLN 302 125.68.

In the reporting period the Company Simple S.A. made the receivables revaluation allowance for the amount of PLN 6 082.35 from the company Comfort S.A.

XXIII. INFORMATION ON FAILURE TO PAY ANY CREDIT OR LOAN OR ON BREACHING OF THE CREDIT OR LOAN AGREEMENT

To September 30, 2013 there were not any unpaid credits, loans and any significant provisions of the credit or loan agreement were not breached by the Group.

XXIV. SIGNIFICANT EVENTS FROM PREVIOUS YEARS

To the date of this interim consolidated financial statement i.e. November 14, 2013, there were not any events concerning previous years, which were not, but should be, included to this financial statement.

SIMPLE

BASIC FINANCIAL DATA OF SIMPLE SPÓŁKA AKCYJNA

for 9-month period ended on September 30, 2013

Warsaw, November 14, 2013

SELECTED FINANCIAL DATA OF SIMPLE S.A.

	30.09.2013 PLN '000	30.09.2013 000' EUR	30.09.2012 PLN '000	30.09.2012 000' EUR
Revenues from sales	22 037	5 218	19 501	4 649
Profit from operating activities	1 342	318	907	216
Gross profit for the reporting period	1 200	284	746	178
Net profit for the reporting period	**764**	**181**	**660**	**157**

	30.09.2013 PLN '000	30.09.2013 000' EUR	31.12.2012 PLN '000	31.12.2012 000' EUR
Non-current assets	11 765	2 790	11 086	2 712
Current assets	12 948	3 071	17 282	4 227
Equity	16 639	3 946	17 934	4 387
Liabilities and provisions for liabilities	8 074	1 915	10 434	2 552

	30.09.2013 PLN '000	30.09.2013 000' EUR	30.09.2012 PLN '000	30.09.2012 000' EUR
Cash from operating activities	(217)	(51)	(318)	(76)
Cash from investing activities	(871)	(206)	(898)	(214)
Cash from financial activities	(2 477)	(587)	(2 108)	(503)
Cash at the end of the period	**193**	**46**	**1 615**	**385**

The selected financial data presented in the financial statement for 9-month period ended on September 30, 2013 and the comparative period, are translated into EUR in the following manner:

Items of assets and liabilities at the end of the reporting period and comparative period were translated using the average exchange rate published at the last day of the end of the period by the National Bank of Poland. This exchange rate was:

- Exchange rate applicable as of September 30, 2013 EUR 1= PLN 4.2163
- Exchange rate applicable as of December 31, 2012 EUR 1= PLN 4.0882

Items of the statement of comprehensive income and statement of cash flows were translated at the exchange rate constituting the arithmetic mean of the average exchange rates published by the National Bank of Poland at the end of each month. This exchange rate was:

- from January 1, 2013 to September 30, 2013 EUR 1= PLN 4.2231
- from January 1, 2012 to September 30, 2012 EUR 1= PLN 4.1948

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	Q3(current year), from 01.07.2013 to 30.09.2013 000' PLN	Q3 (current year), from 01.01.2013 to 30.09.2013 000' PLN	Q3 (previous year, from 01.07.2012 to 30.09.2012 000' PLN	Q3 (previous year) from 01.01.2012 to 30.09.2012 000' PLN
Revenues from sales	**7 477**	**22 037**	**6 375**	**19 501**
Cost of sales	**(4 540)**	**(14 554)**	**(3 591)**	**(11 534)**
Gross profit (loss)	**2 937**	**7 483**	**2 784**	**7 967**
Distribution expenses	(1 256)	(3 788)	(1 239)	(4 166)
Administration expenses	(638)	(2 757)	(1 002)	(3 283)
Gross profit (loss) from sales	**1 043**	**938**	**543**	**518**

Other operating revenues	179	511	161	434
Other operating costs	(38)	(107)	(22)	(45)
Operating profit (loss)	**1 184**	**1 342**	**682**	**907**
Finance income	5	33	51	73
Finance cost	(65)	(175)	(72)	(234)
Gross profit	**1 124**	**1 200**	**661**	**746**
Income tax (current and deferred tax burdens)	(81)	(436)	(11)	(86)
Net profit (loss) for the reporting period	**1 043**	**764**	**650**	**660**
Other comprehensive income	0	0	0	0
Results of measurement of financial assets available for sale	0	0	0	0
Total comprehensive income	**1 043**	**764**	**650**	**660**
Earnings per share				
Basic	0.24	0.17	0.15	0.15
Diluted	0.24	0.17	0.15	0.15

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

	30.09.2013 000' PLN	30.06.2013 000' PLN	31.12.2012 000' PLN	30.09.2012 000' PLN
Non-current assets	**11 765**	**11 518**	**11 086**	**10 501**
Intangible assets	1 865	2 075	2 494	2 705
Property, plant and equipment	1 576	1 441	1 164	1 282
Long- term receivables	87	86	86	35
Investments in subsidiaries	4 974	4 974	4 974	4 515
Investments in related entities	63	63	63	63
Long-term accrued and deferred assets	3 200	2 879	2 305	1 901
Current assets	**12 948**	**14 463**	**17 282**	**11 838**
Inventories	358	476	269	273
Trade receivables	11 943	12 464	12 476	9 231
Other receivables	199	798	330	288
Short-term investments	193	482	3 759	1 665
Short-term accrued and deferred assets	255	243	448	381
TOTAL ASSETS	**24 713**	**25 981**	**28 368**	**22 339**
Equity	**16 639**	**15 596**	**17 934**	**15 494**
Share capital	4 380	4 380	4 380	4 380

Share premium	1 548	1 548	1 548	1 548
Retained earnings	9 947	9 947	8 899	8 906
Profit/loss from the current period	764	(279)	3 107	660
Long-term liabilities and provisions	**3 220**	**3 175**	**2 768**	**2 686**
Provision due to the deferred income tax	413	416	161	9
Provision for retirement	54	54	54	49
Provision for unused leaves	205	205	205	201
Long-term borrowings	1 598	1 621	1 669	1 692
Financial lease liabilities	950	879	679	735
Short-term liabilities and provisions	**4 854**	**7 210**	**7 666**	**4 159**
Loans from subsidiaries and affiliates	94	94	394	409
Short-term bank credits	525	203	9	17
Financial lease liabilities	443	383	324	380
Trade liabilities	1 745	2 296	1 816	1 051
Budget liabilities	1 121	1 158	2 796	900
Other liabilities	30	2 076	490	26
Provisions for liabilities	0	0	630	0
Deferred revenue	896	1 000	1 207	1 376
SUM OF LIABILITIES	**8 074**	**10 385**	**10 434**	**6 845**
TOTAL LIABILITIES AND EQUITY	**24 713**	**25 981**	**28 368**	**22 339**

INTERIM CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

	Share capital	Other reserve capitals	Share premium	Profit distribution, dividend payment	Retained earnings	Total equity
	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN
January 1, 2013	**4 380**	**0**	**1 548**	**3 107**	**8 899**	**17 934**
Total comprehensive income	0	0	0	0	764	764
Dividend	0	0	0	(2 059)	0	(2 059)
Profit distribution	0	0	0	(1 048)	1 048	0
Issuance of shares	0	0	0	0	0	0
September 30, 2013	**4 380**	**0**	**1 548**	**0**	**10 711**	**16 639**

January 1, 2012	**2 001**	**0**	**0**	**2 615**	**7 291**	**11 907**
Total comprehensive income	0	0	0	0	3 107	3 107
Dividend	0	0	0	(1 007)	0	(1 007)
Profit distribution	0	0	0	(1 608)	1 608	0
Issuance of shares	2 379	0	1 548	0	0	3 927
December 31,2012	**4 380**	**0**	**1 548**	**0**	**12 006**	**17 934**

January 1, 2012	**2 001**	**0**	**0**	**2 615**	**7 291**	**11 907**
Total comprehensive income	0	0	0	0	660	660
Dividend	0	0	0	(1 000)	0	(1 000)
Profit distribution	0			(1 615)	1 615	0
Issuance of shares	2 379		1 548	0	0	3 927
September 30, 2012	**4 380**	**0**	**1 548**	**0**	**9 566**	**15 494**

INTERIM CONDENSED SEPARATE STATEMENT OF CASH-FLOWS

	30.09.2013 PLN '000	30.09.2012 PLN '000
Net profit (loss)	**764**	**660**
Amortization and depreciation	1 018	1 085
Interest paid	134	182
Gain (loss) on investment activity	(58)	8
Movements in provisions	(378)	(535)
Movement in inventories	(87)	73
Movement in receivables	663	400
Movement in short-term liabilities	(2 208)	(1 738)
Movements in accruals	(65)	(453)
Net cash-flow from operating activities	**(217)**	**(318)**
Net cash-flows from investing activities		
Proceeds on sale of non-current assets	169	24

Investments proceeds	0	155
Payments to acquire non-current assets	(1 040)	(636)
Investments payments	0	(441)
Net cash from investing activities	**(871)**	**(898)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance	0	3 927
Received borrowings	525	8
Dividend payment	(2 059)	(989)
Repayment of borrowings	(379)	(357)
Payments for financial lease liabilities	(430)	(315)
Interest	(134)	(166)
Net cash from financing activity	**(2 477)**	**(2 108)**
Net increase/ (decrease) in cash and cash equivalents	(3 565)	892
Cash and cash equivalents at the beginning of the period	3 758	723
Cash and cash equivalents at the end of the period	**193**	**1 615**