



SIMPLE



REPORT

of the Capital Group **SIMPLE**
for Q3 of 2015

Warsaw, November 13, 2015



**SELECTED FINANCIAL DATA OF THE CAPITAL GROUP SIMPLE
for 9 months ended on September 30, 2015**

SELECTED FINANCIAL DATA OF THE CAPITAL GROUP SIMPLE

	30.09.2015	30.09.2015	30.09.2014	30.09.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Revenues from sale	37 509	9 020	32 897	7 870
Operating profit (loss)	194	47	2 653	635
Gross profit (loss) for the reporting period	1 204	290	2 680	641
Net profit (loss) for the reporting period	857	206	2 611	625

	30.09.2015	30.09.2015	31.12.2014	31.12.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Non-current assets	17 557	4 142	15 724	3 689
Current assets	19 159	4 520	26 159	6 137
Equity	15 992	3 773	19 924	4 674
Liabilities and provisions for liabilities	20 724	4 889	21 959	5 152

	30.09.2015	30.09.2015	30.09.2014	30.09.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Cash from the operating activity	3 183	765	2 723	651
Net cash from investment activity	(3 245)	(780)	(3 206)	(767)
Cash from the financial activity	(1 931)	(464)	(1 078)	(258)
Net cash at end of the year	215	52	1 191	285

Selected financial data presented in the financial statement for 9 months ended September 30, 2015 and the comparative period were translated into EUR in the following manner.

The assets and liabilities at the end of the reporting period and the comparative period of the last year were translated at the average exchange rate published by the National Bank of Poland as of the last reporting date. This exchange rate was:

- Applicable exchange rate as of September 30, 2015 EUR 1 = PLN 4.2386
- Applicable exchange rate as of December 31, 2014 EUR 1 = PLN 4.2623

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, 2015 to September 30, 2014 EUR 1 = PLN 4.1585
- from January 1, 2014 to September 30, 2014 EUR 1 = PLN 4.1803



**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE
CAPITAL GROUP SIMPLE
FOR 3rd QUARTER 2015**

Warsaw, November 13, 2015

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE CAPITAL GROUP SIMPLE FOR Q3 2015

These interim consolidated financial statements were accepted and approved to be published by the Management Board on November 13, 2015.

Management Board:

Przemysław Gnitecki

President of the Management Board

Michał Siedlecki

Vice President of the Management Board

Jarosław Sołtys

Member of the Management Board

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Q3(current year), from 01.07.2015 to 30.09.2015	3 quarters (current year), from 01.01.2015 to 30.09.2015	Q3 (previous year, from 01.07.2014 to 30.09.2014	3 quarters (previous year, from 01.01.2014 to 30.09.2014
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sale	12 722	37 509	9 147	32 897
Cost of sales	(6 702)	(23 798)	(5 798)	(19 071)
Gross profit (loss)	6 020	13 711	3 349	13 826
Distribution expenses	(3 183)	(7 547)	(1 310)	(7 609)
Administration expenses	(1 641)	(6 265)	(1 467)	(4 005)
Gross profit (loss) from sales	1 196	(101)	572	2 212
Other operating revenues	253	536	174	580
Other operating costs	(35)	(241)	(31)	(139)
Operating profit (loss)	1 414	194	715	2 653
Financial income	11	1 279	264	271
Financial expense	(80)	(269)	(94)	(244)
Gross profit (loss)	1 345	1 204	885	2 680
Income tax (current and deferred tax burden)	276	(347)	(62)	(69)
Net profit (loss) for the reporting period	1 621	857	823	2 611
Attributable to:				
shareholders of the parent entity	1 658	973	823	2 611
NCI	(37)	(116)	0	0
Other comprehensive income	0	0	0	0
Total other comprehensive income	1 621	857	823	2 611
Attributable to:				
shareholders of the parent entity	1 658	973	823	2 611
NCI	(37)	(116)	0	0
EARNINGS PER SHARE				
basic	0,37	0,20	0,19	0 ,60
diluted	0,37	0,20	0,19	0 ,60

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30.09.2015 000' PLN	30.06.2015 000' PLN	31.12.2014 000' PLN	30.09.2014 000' PLN
Non-current assets	17 557	16 701	15 724	15 585
Total intangible assets, including:	8 130	7 400	6 151	5 914
- Costs of r&d works	7 892	6 988	5 303	4 854
Property, plant and equipment	4 624	4 456	4 492	4 332
Goodwill	3 120	3 120	3 120	1 859
Long-term receivables	322	322	224	229
Investments in related entities	63	63	63	1 844
Assets due to the deferred income tax	1 210	1 254	1 571	1 303
Long-term accrued and deferred assets	88	86	103	104
Current assets	19 159	17 903	26 159	15 648
Inventories	510	498	772	340
Trade receivables	17 871	16 318	22 606	13 152
Other receivables	116	113	205	474
Cash and cash equivalents	215	566	2 208	1 191
Short-term accrued and deferred assets	447	408	368	491
TOTAL ASSETS	36 716	34 604	41 883	31 233
Equity	15 992	14 372	19 924	14 899
Share capital	4 380	4 380	4 380	4 380
Supplementary capital	10 242	10 242	7 908	7 908
Profit/loss for the fiscal year	973	(685)	6 624	2 611
Non-controlled entity's capital	397	435	1 012	0
Long-term liabilities and provisions	3 917	4 149	3 871	3 971
Deferred income tax provision	747	1 067	761	912
Provision for retirement	87	87	87	61
Long-term credit and loans	1 787	1 822	1 855	1 881
Liabilities due to financial lease	1 234	1 111	1 168	1 117
Other liabilities	62	62	0	0
Short-term liabilities and provisions	16 807	16 083	18 088	12 363
Short-term bank credits	1 045	1 124	1 894	968
Financial lease liabilities	830	773	733	647
Trade liabilities	5 855	3 894	4 880	1 552
Budget liabilities	1 982	973	1 793	1 278
Income tax liabilities	0	0	462	0
Other liabilities	1 270	3 001	508	1 379
Provisions for liabilities	82	207	207	0
Provision for retirement	12	12	12	8
Provision for unused leaves	352	352	352	232
Deferral accounts	5 379	5 747	7 247	6 299
TOTAL LIABILITIES	20 724	20 232	21 959	16 334
TOTAL EQUITY AND LIABILITIES	36 716	34 604	41 883	31 233

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Supplemen- tary capital	Profit/loss from the previous years and current year	Total	Non- controlled entity's capital	Total equity
	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN	000' PLN
Balance as of 01.01.2015	4 380	7 811	6 721	18 912	1 012	19 924
Total comprehensive income	0	0	973	973	(116)	857
Profit/loss for the fiscal year	0	0	973	973	(116)	857
Other changes in equity	0	2 898	(7 188)	(4 290)	(498)	(4 788)
Shares acquisition transaction	0	0	(395)	(395)	(136)	(531)
Dividends paid	0	0	362	362	(362)	0
Dividends	0	0	(4 257)	(4 257)	0	(4 257)
Loss coverage from previous years	0	(11)	11	0	0	0
Profit distribution to the supplementary capital	0	2 909	(2 909)	0	0	0
Balance as of 30.09.2015	4 380	10 709	506	15 595	397	15 992
Balance as of 01.01.2014	4 380	11 667	(1 288)	14 759	0	14 759
Total comprehensive income	0	0	6 624	6 624	0	6 624
Profit/loss for the fiscal year	0	0	6 624	6 624	0	6 624
Other changes in equity	0	(3 856)	1 385	(2 471)	1 012	(1 459)
Non-controlled entity's capital	0	0	0	0	1 012	1 012
Dividends	0	0	(2 471)	(2 471)	0	(2 471)
Loss coverage from previous years	0	(5 842)	5 842	0	0	0
Profit distribution to the supplementary capital	0	1 986	(1 986)	0	0	0
Balance as of 31.12.2014	4 380	7 811	6 721	18 912	1 012	19 924
Balance as of 01.01.2014	4 380	11 667	(1 288)	14 759	0	14 759
Total comprehensive income	0	0	2 611	2 611	0	2 611
Profit/loss for the fiscal year	0	0	2 611	2 611	0	2 611
Other changes in equity	0	(3 856)	1 385	(2 471)	0	(2 471)
Dividends	0	0	(2 471)	(2 471)	0	(2 471)
Loss coverage from previous years	0	(5 842)	5 842	0	0	0
Profit distribution to the supplementary capital	0	1 986	(1 986)	0	0	0
Balance as of 30.09.2014	4 380	7 811	2 708	14 899	0	14 899

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH-FLOWS

	30.09.2015 000' PLN	30.09.2014 000' PLN
Net profit (loss)	973	2 611
Profit(loss) of NCI	(116)	0
Depreciation	1 477	1 310
Interest paid (share in interest)	(1 035)	226
Profit (loss) from investment activity	(39)	(94)
Movements in provisions	(139)	(836)
Movement in inventories	263	(213)
Movement in receivables	3 314	3 684
Movement in short-term liabilities	57	(1 853)
Movements in accrued and deferred assets and liabilities	(1 572)	(2 112)
Net cash flows from operating activities I	3 183	2 723
 Net cash-flows from investment activity		
Proceeds on sale of fixed assets	46	246
Payments to acquire fixed assets	(2 761)	(1 670)
Investments payments	(530)	(1 782)
Net cash from investment activity	(3 245)	(3 206)
 Cash-flows from financial activity		
Received loans and credits	946	891
Dividend payment	(1 912)	(987)
Borrowings repayments	(63)	(55)
Payments for financial lease liabilities	(671)	(701)
Interests	(231)	(226)
Net cash-flows from financial activity	(1 931)	(1 078)
 Increase (decrease) of net cash and their equivalents	 (1 993)	 (1 561)
Cash and cash equivalents, at the beginning of the period	2 208	2 752
Cash and cash equivalents at the end of the period	215	1 191

ADDITIONAL INFORMATION AND EXPLANATION

I. GENERAL INFORMATION ON THE GROUP

The Capital Group SIMPLE ("SIMPLE Group", SIMPLE CG") owing to the comprehensive solutions offered to the Clients obtained the leader status among the national ERP systems manufacturers in the field of creating and implementation of the widely understood backoffice systems in both public and commercial sectors. The parent entity of the Group, composed of three subsidiaries and affiliates, is SIMPLE S.A. ("Parent Entity", "Company", "Issuer"), a company from Warsaw, listed at the Warsaw Stock Exchange and is one of the most often selected business partner in the field of ERP, HCM, CRM, BI and WorkFlow systems. All companies belonging to the Group perfectly complements both competences and the product offer of the parent entity. Owing to this SIMPLE CG realizes regional projects and creates customized software and applications for the biggest institutions and the best known brands in the country.

The Subsidiaries include the following entities:

Medinet Systemy Informatyczne Sp. z o.o. - has belonged from 2014, owns 68% of the company's shares. Its basic goal is the comprehensive support of information systems in the health care units in at a time of growing demands for services quality and information processing time. The polish producer offer for hospital management supplements the SIMPLE.iMED system with such areas as HIS, RIS, PACS, Teleradiology, Diagnostics, e-Recepta and e-Zwolnienie. The business combination of two companies allowed the Group to enter to the elite of IT systems suppliers offering the complementary system for Hospitals.

Bazus Sp. z o.o. - has belonged to the Capital Group since 2011, owns 100% of the company's shares. Its basic goal is the production of the IT system to serve the Dean's Office of the University or High School – BAZUS. This company, similar as SIMPLE S.A., has a great experience in education branch and has performed many projects at the polish universities and high schools. The business combination allowed the Group to expand SIMPLE.EDU with the Bazus system functionality and to create the comprehensive product offering the full services of administrative and didactic processes.

SIMPLE INVEST Sp. z o.o. - is the company created to finance the SIMPLE's acquisitions.

SIMPLE LOCUM Sp. z o.o. - is the owner of the office building in Warsaw, ul. Bronisława Czecha 49/51. The entire building is rented for the Capital Group Simple's needs.

SIMPLE S.A. is stock exchange listed company specialized in designing and implementing IT solutions of ERP, BI, HCM, CRM and Workdflow class. It also provides the comprehensive services for creating new mobile apps and dedicated software at the request.

The company has a rich portfolio of innovative IT systems created on the basis of over 25-years of experience, over 24 000 users and knowledge of over 200 employed experts. Offered solutions raise the status of business processes and meet the specific requirements of the entities in the relevant branches ensuring the possible success in the more and more

competitive surrounding. SIMPLE team provides also services related to optimum selection of IT infrastructure.

SIMPLE S.A. reached leader status in the field of ERP systems implementation and the original SIMPLE.ERP system is one of the most popular Integrated IT systems providing the consistent and comprehensive service of the business processes in the enterprises representing the biggest sectors of the Polish economy and public institutions.

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

As of September 30, 2015 and the date of this report i.e. November 13, 2015 the composition of the Management Board and the Supervisory Board of the Parent entity was as follows:

Supervisory Board	Management Board
Adam Wojacki ¹⁾	Przemysław Gnitecki ¹⁾
Bogusław Mitura ²⁾	Michał Siedlecki ²⁾
Zbigniew Strojnowski ³⁾	Jarosław Sołtys ³⁾
Paweł Zdunek ⁴⁾	
Tomasz Zdunek ⁵⁾	
Marceli Malicki 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) Member 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 these interim condensed financial statements publication, there were not any changes in the composition of the Management Board of the parent entity.

III. MAJOR SHAREHOLDERS

Pursuant to the best knowledge of the Management Board of SIMPLE S.A. as of September 30, 2015 and the date of this report i.e. November 13, 2015 and also as of August 31, 2015 the structure of shareholders holding directly at least 5% of the total number of votes at the General Meeting was as follows:

As of November 13, 2015 and September 30, 2015

Shareholder	Number of held shares and votes at the GMS	Share in the share capital and total number of votes at GMS
Cron Sp. z o. o.	1 445 498	33.00%
Bogusław Mitura	948 180	21.65%

IV. THE ISSUER'S SHARES HELD BY THE MANAGEMENT BOARD AND SUPERVISORY BOARD

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

Number of shares- as of

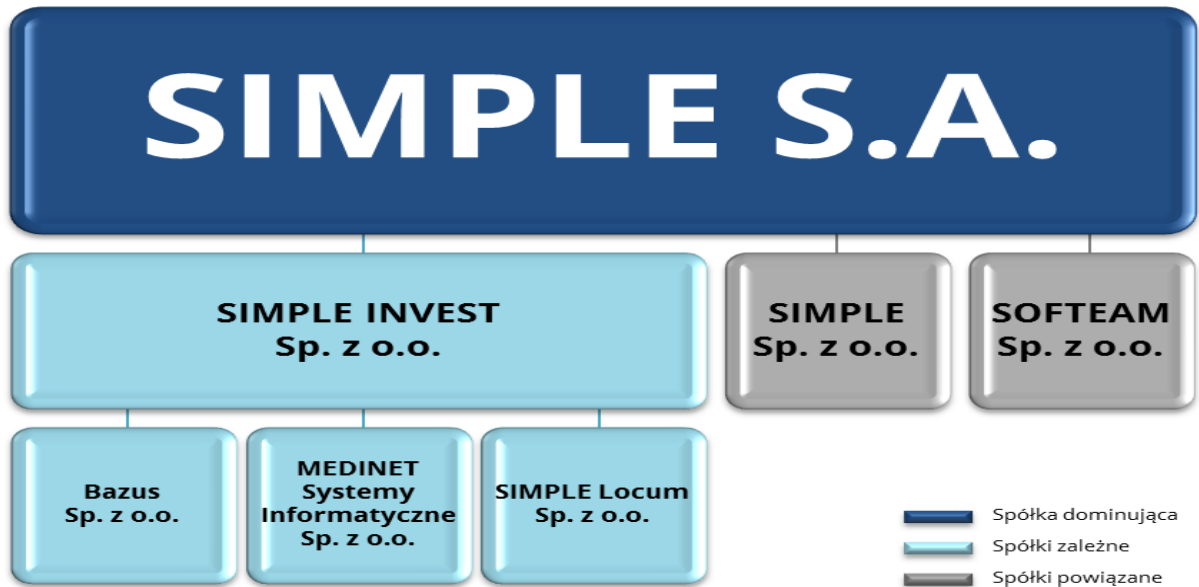
Members of the Management Board	13 November 2015	30 September 2015	9 August 2015
Przemysław Gnitecki	0	0	0
Jarosław Sołtys	0	0	0
Michał Siedlecki	160 000	160 000	160 000

Number of shares- as of

Supervisory Board	13 November 2015	30 September 2015	9 August 2015
Adam Wojacki	3 745	3 745	3 745
Bogusław Mitura	948 180	948 180	948 180
Zbigniew Strojnowski	163 000	163 000	163 000
Paweł Zdunek	0	0	0
Tomasz Zdunek	0	0	0
Marceli Malicki	68 800	68 800	68 800

V. INFORMATION AND STRUCTURE OF THE CAPITAL GROUP

The diagram below presents the organizational structure of the Group Simple S.A., including the percentage interest in the share capital and votes at the General Meetings of Shareholders as of September 30, 2015.



As of the date of these financial statements the composition of the Group is as follows

- SIMPLE INVEST Sp. z o.o. - 100.0% including:
 - SIMPLE LOCUM Sp. z o.o. - 100,0%
 - Bazus Sp. z o.o. - 100,0%
 - Medinet Systemy Informatyczne Sp. z o.o. - 68,0%

Subsidiaries of SIMPLE S.A.:

1. SIMPLE Invest Sp. z o.o. seated in Warsaw at the address: ul. Bronisława Czecha 49/51. On December 18, 2013 SIMPLE S.A. under the notary deed (Rep A No. 6611/2013) in the presence of the Public Notary Urszula Statkiewicz-Wysocka established the new limited liability company (Sp. z o.o.) under the name SIMPLE Invest Sp. z o.o. Simple S.A. holds a full control over the Company by taking up shares in return for transferring shares held in the companies Simple Locum Sp. z o.o. and Bazus Sp. z o.o. in a form of the contribution in kind. The amount of acquired shares is PLN 4 994 k. It holds 100% of votes at the General Meeting. On May

26, 2014 Simple Invest Sp. z o.o. under the notary deed A No. 2504/2014 acquired the shares of Medinet Systemy Informatyczne Sp. z o.o. amounting to PLN 1 782 k and on June 10, 2015 under the notary deed, this company acquired shares amounting to PLN 531 k. This is the full consolidation method.

Subsidiaries of SIMPLE INVEST Sp. z o.o.

1. SIMPLE Locum Sp. z o.o. seated in Warsaw at the address: ul. Bronisława Czecha 49/51. On March 24, 2006 SIMPLE S.A. under the notary deed (Rep A No. 1726/06) in the presence of the Public Notary Urszula Statkiewicz-Wysocka established the new limited liability (sp. z o.o.) under the name SIMPLE LOCUM. SIMPLE S.A. holds 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 the contribution in kind under the notary deed (Rep. A No. 1829/06) on 29.03.2006. The amount of acquired shares is PLN 2 669 k. It holds 100% of votes at the General Meeting. The basic kind of the 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 entire building is rented for the Capital Group Simple's needs. By the notarial deed dated December 18, 2013 (Rep. A No. 6611/2013), SIMPLE S.A. contributed in kind one share with the book value PLN 2 669 161.67 held in Simple Locum Sp. z o.o. to Simple Invest Sp. z o.o. Simple Invest holds 100% votes at the General Meetings of Shareholders of Simple Locum Sp. z o.o. This is the full consolidation method.

2. Bazus Sp. z o.o., address: Wolska 11, 20-411 Lublin, registered in the Entrepreneurs Register of the National Court Register, kept by the District Court Lublin- Wschód in Lublin, with the registered office in Świdnik, 6th Commercial Division of the National Court Register with KRS number: 0000384116, REGON [STATISTICAL NUMBER]: 430666401 , Tax Identification Number [NIP]: 9461572590, share capital PLN 400 000. Primarily this Company run business as the private partnership Highcom Spółka cywilna under the Articles of Association concluded on April 9, 1996 by and between Hubert Daniel Abramiuk and Michał Paweł Abramiuk, changed by the annexes dated: 12 March 1997, 30 August 1997 and 31 December 2010. This private partnership was transformed under Art. 571 and subseq. in connection with the Art. 551 of the Code of Commercial Companies into limited liability company named: Bazus Spółka z ograniczoną odpowiedzialnością. By the notarial deed dated December 18, 2013 (Rep. A No. 6611/2013), SIMPLE S.A. contributed in kind

200 shares with the book value PLN 2 305 004.30 held in Bazus Sp. z o.o. to Simple Invest Sp. z o.o. The amount of acquired shares is PLN 2 305 k. Simple Invest holds 100% votes at the General Meetings of Shareholders of Bazus Sp. z o.o. This is the full consolidation method.

3. Medinet Systemy Informatyczne Sp. z o.o. seated in Opole, at the address: ul. Oleska 121, entered into the Entrepreneurs Register of the National Court Register kept by District Court in Opole 8th Commercial Division of the National Court Register with KRS number 0000359965, Statistical Number [REGON]: 531611681 , TAX IDENTIFICATION NUMBER [NIP]: 7542635951, share capital PLN 200 000.00. On March 24, 2014 the shares sales agreement and preliminary shares sale agreement were concluded, under which Simple SA acquired 524 shares that constitutes 52.4% shares in the Company. The amount of acquired shares is PLN 1.782 k. On May 26, 2014, 524 shares in Medinet Systemy Informatyczne Sp. z o.o. held by SIMPLE S.A. were contributed in kind to Simple Invest Sp. z o.o. under the notary deed Rep. A No. 2504/2014. On April 17, 2015 SIMPLE S.A. acquired 156 shares of Medinet Systemy Informatyczne Sp. z o.o. and on June 10, 2015 transferred them to Invest Sp. z o.o. Simple Invest Sp. z o.o. holds 680 shares in Medinet Systemy Informatyczne" Sp. z o.o. This is the full consolidation method.

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, at the 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, with KRS number 0000013271. On 29.06.2005 the name of the company was changed from SIMPLE EXPERNET SP. Z O.O. into the present Softeam Sp. z o.o. As of September 30, 2015, the amount of acquired shares pursuant to the purchase price is PLN 53 k that constitutes 50.24% of the share capital and 25.18% votes at the General Meeting. The financial statements of Simple S.A. exclude Softeam Sp. z o.o., because it does not have the updated financial statements.

2. SIMPLE Sp. z o.o. seated in Dąbrowa Górnicza at the address: ul. Cieplaka 19, registered on December 24, 2002 in the National Court Register with KRS number 0000108452 in the District Court in Katowice, Commercial Division of the National Court Register. The date of first registration was May 31, 1991 with the number RHB 6610. The amount of acquired 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 Shareholders.

In the aforementioned companies Simple S.A. holds less than half of votes together with other investors, is not allowed 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 hold the majority of votes and the Meetings of the Management Board or Supervisory Board. The Company does not have its members in the Management Board, does not participate in creating the policy and does not take decision on dividends and other distribution method.

VI. CHANGES IN THE ORGANIZATIONAL CHART OF THE ISSUER

On June 10, 2015 Simple Invest Sp. z .o. under the notary deed A No. 8487/2015 acquired the shares of Medinet Systemy Informatyczne Sp. z.o.o. amounting to PLN 531 k.

VII. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

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 of 2014 item 133) the Management Board is obliged to cause the preparation of the interim financial statement reflecting the accurate and reliable property and financial standing of the Capital Group SIMPLE for the period from January 1, 2015 to September 30, 2015 and the financial result for this period. It contains the real description of the Group's developments and achievements and the description of the basic risks and threats.

These financial statements were prepared with the going concern principle for the foreseeable future, covering the period of time not shorter than one year following the end of the period, within a scope that has not been materially changed. As of the date of these financial statements, there are not any circumstances threatening the going concern principle.

These financial statements are presented in zlotys (PLN) and all values, unless it is stated otherwise, are given in k PLN.

2. Declaration of conformity

These consolidated financial statements were 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 interim condensed Consolidated Financial Statements were prepared pursuant to the requirements of the International Financial Reporting Standards, in particular to the International Accounting Standard 34 "Interim financial reporting". The accounting principles adopted for the interim condensed Consolidated Financial Statements are compliant with the accounting principles adopted for the annual Consolidated Financial Statements for the year ended December 21, 2014.

These interim condensed Consolidated Financial Statements do not contain information and disclosures required for the full financial statements and should be read along with the annual consolidated financial statements for the year ended December 31, 2014. The comparative data of the statement of financial position and statement of changes in the equity should be also read along with the data from the interim condensed consolidated statements from 01.01.2014-30.09.2014.

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, 2015 there were not any significant changes in the method of estimations

4. Professional judgment

The preparation of the financial statement according to IFRS requires making estimations and assumptions, which affect the amounts presented in the financial statement. The adopted 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 determining 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, 2015, the amount of receivables due to contract measurement amounted to PLN 3 854 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 September 30, 2015 there were not any changes in the depreciation rates applied by the Group.

5. Changes of applied accounting principles

The accounting principles applied to these financial statements are compliant with these applied for the annual financial statement for the year ended on December 31, 2014.

6. Error adjustment

In the reporting period from January 1, 2015 to September 30, 2015 there were not any error adjustments for the previous periods.

As of the date of these financial statements, September 30, 2015, the Group changed the presentation of the expenditures to R&D works. These amounts were presented in the "Long-term deferral accounts" and as of the date of these financial statements are presented in "Intangible assets".

VIII. ACCOUNTING PRINCIPLES

1. Property, plant and equipment

Property, Plant and Equipment are carried at 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 to bring the asset to working condition. 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 straight line method with 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 P,P&E 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 potential net income from sales and the carrying amount of the given 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 pursuant to the place of origin. The intangible assets, which are not used every year, are a subject of 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 the proceeds and the carrying amount of the given item and are recognized in the statement of comprehensive income as of its derecognition.

Internally generated intangible assets

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:

- ❖ the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- ❖ its intention to complete the intangible asset and use or sell it;
- ❖ its ability to use or sell the intangible asset;
- ❖ the way, how the intangible asset will generate probable future economic benefits;
- ❖ the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset;
- ❖ its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The cost of an internally generated intangible asset is a sum of expenditures incurred from the date when the intangible asset first meets the recognition criteria. The cost of an internally generated intangible asset comprises all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by management. Such costs include:

- ❖ costs of employee benefits arising from the generation of the intangible asset;
- ❖ all directly attributable costs necessary to create, produce, and prepare the asset such as legal title registration fees and amortization of patents and licences, which are used at the manufacture of this asset;
- ❖ costs of materials and services used or consumed in generating the intangible asset;
- ❖ Indirect costs, which can be clearly connected with the manufacturing process: amortization cost of the equipment used in the manufacturing process and costs of the office space 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 "Software and licenses generated internally" and from this moment the Company starts to amortize the internally generated software. The costs of development works meeting the aforementioned criteria are recognized at its cost less any accumulated amortisation and any accumulated impairment losses.

3. Goodwill

Goodwill on acquisition of the entity is initially recognized at the cost being the excess 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 held 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 amortised.

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 recognized, which is charged against the finance costs.

4. Investments in subsidiaries, affiliates and jointly-controlled entities

The subsidiaries are such entities, in which the Company 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.

Associates are entities, in which the Company holds 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 subsidiaries or joint venture.

The assessment of the investment regarding the 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. 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.

6. Trade receivables and other receivables

The trade receivables are recognized and presented by the amounts initially invoiced, including the revaluation allowance.

Receivables revaluation allowance

Doubtful debts allowances 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 favorable 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.

7. 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.

8. 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

9. 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.

10. Bank credit 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 through profit or loss in the periods, to which they refer.

11. 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 prevailing 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 prevailing 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.

12. Accrued and deferred assets and 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. The important item of the deferred assets and liabilities is settlement of the service care and post-implementation care. The agreements are concluded for the period from 1 to 2 years and for 3 years.

13. Revenue

Revenue is recognised to the extent that it is probable that the economic benefits relating to the transaction will flow to the Group and the revenue can be reliably 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 the interest from granted loans, bank deposits and other titles.

Dividends

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

14. Operating expenses

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.

15. 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 statements. 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.

16. Earnings per 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.

17. 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 CAPITAL GROUP SIMPLE PROFITS AND LOSSES

As the parent entity within the Group, Simple S.A. continued their principal activity during the first three quarters of 2015 in the areas of production, sales, implementation, service of management systems, and the supply of computer equipment, system software and services in this area. Simple continued to develop the field of dedicated systems and implemented projects for new clients in this area. The Company expects to continue this work in subsequent quarters.

The following members of the Board directed the corporation's activities: Przemysław Gnitecki – President of the Management Board, Michał Siedlecki – Vice President of the Management Board, Jarosław Sołtys – Management Board Member.

2015 third quarter sales demonstrate growth achievements in the fundamental business areas of the Group. The third quarter was the best in recent years in terms of revenues and profits.

In the third quarter of 2015, the Simple Group generated PLN 12 722 000, as compared to PLN 9 147 000 in 2014. Revenue increased by 39% when compared to that generated in the same time period of last year.

After the first three quarters of 2015, the Group's sales revenue amounted to PLN 37 509 000, which yields an increase of over 14% when compared to PLN 32 897 000 in sales revenue generated after the first three quarters of 2014. The large growth in revenues is due to the Simple Group's continued development which, in the third quarter of 2015, was concluded by the implementation of several large contracts. The unique industry references that comprise the completed contracts will enable further dynamic development.

In the third quarter of 2015, the Group's operating profit amounted to PLN 1 414 000, and the net profit amounted to PLN 1 621 000, which in the case of the former indicates a growth of almost 98%. In terms of the latter, there was a growth of almost 97%, when compared to the third quarter of 2014. The numbers indicate that the third quarter was record-breaking for the Group.

After the first three quarters of 2015, there were also losses in the following fields: the Group's operating profit, which amounted to PLN 190 000, as well as a net profit of PLN 857 000. In both cases, these losses were significant when compared to the same time period in 2014. The losses were caused by a multitude of factors, the first of which was an impairment loss of dues from Consortia Sp. z o. o., who filed for bankruptcy protection to the amount of PLN 1 450 000. The second factor is the restructuring of the capital Group, specifically Bazus Sp. z o. o., which will be concluded by the total incorporation of Bazus Sp. z o. o. The third factor is related to the emergence of two perspectives of the EU, which causes clients to delay decisions pertaining to fields of education and medicine, resulting in the weaker performance of the subsidiaries which are 100% based on the aforementioned of the markets.

It should be noted that after the first three quarters, excluding the reserve, SIMPLE's net unit profit would have amounted to PLN 2 360 000 which would have been an increase of 33%. Not taking into account financial income, SIMPLE's net unit profit would have amounted to PLN 1 680 000, which is a similar level to that of 2014. This demonstrates the business stability of SIMPLE, who delivers its solutions to many areas of the economy.

The results achieved in the third quarter of 2015 stem from the SIMPLE GROUP's effectiveness in implementing major IT projects. In the third quarter of 2015, the company successfully implemented integrated systems at the Rzeszow University of Technology (contract valued at over PLN 11 000 000), the Medical University of Białystok (contract valued at over PLN 8 000 000), and the Warsaw School of Economics (contract valued at over PLN 4 000 000), to name a few.

The most important goals of the Board for Q4 2015 will be:

- intensive sales activity aimed at increasing the Capital Group SIMPLE's backlog,
- to maintain the rate of signed contract implementation,
- further work on the total incorporation of Bazus Sp. z o. o. (planned end date Q1 2016),
- to continue working on the technological and functional modernisation of the SIMPLE.ERP system, as well as all other SIMPLE products, and the gradual introduction of new products created by the Company to the catalogue,
- to continue to perfect the budgeting and project accounting system,
- further development in the field of obtaining contracts for orders. The SIMPLE GROUP continues to undertake intensive activity aimed at developing this field of business activity.

X. EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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 the Group's revenues.

	Q3 (current year), from 01.07.2010 to 30.09.2015	3 quarters (current year), from 01.01.2015 to 30.09.2015	Q3 (previous year, from 01.07.2014 to 30.09.2014	3 quarters (previous year) from 01.01.2014 to 30.09.2014
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sale				
Domestic	12 722	37 509	9 147	32 897
Distribution expenses				
Domestic	(6 702)	(23 798)	(5 798)	(19 071)
Gross profit from sales				
Domestic	6 020	13 711	3 349	13 826

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 geographical sectors are as follows:

	Q3 (current year), from 01.07.2010 to 30.09.2015	3 quarters (current year), from 01.01.2015 to 30.09.2015	Q3 (previous year, from 01.07.2014 to 30.09.2014	3 quarters (previous year) from 01.01.2014 to 30.09.2014
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sale	12 722	37 509	9 147	32 897
Sale of services and products	9 143	25 788	8 228	29 031
Sale of goods	3 579	11 721	919	3 866
Distribution expenses	(6 702)	(23 798)	(5 798)	(19 071)
Distribution costs of products and services	(5 671)	(15 866)	(5 526)	(16 933)
Distribution costs of goods	(1 031)	(7 932)	(272)	(2 138)
Gross profit from sales	6 020	13 711	3 349	13 826
Profit from sales of services and products	3 472	9 922	2 702	12 098
Gross profit from sales of goods	2 548	3 789	647	1 728

Note 2 Operating activity costs

The operating costs in the period from January 1, 2015 to September 30, 2015 and in the comparable period were as follows:

	Q3 (current year), from 01.07.2015 to 30.09.2015	3 quarters (current year), from 01.01.2015 to 30.09.2015	Q3 (previous year, from 01.07.2014 to 30.09.2014	3 quarters (previous year) from 01.01.2014 to 30.09.2014
	000' PLN	000' PLN	000' PLN	000' PLN
Depreciation	(512)	(1 477)	(440)	(1 310)
Materials and energy consumption	(210)	(738)	(229)	(751)
Outsourced services	(5 465)	(13 721)	(3 478)	(14 409)
Taxes and levies	(48)	(104)	(29)	(143)
Remunerations/payrolls	(3 498)	(9 910)	(3 443)	(9 718)
Social insurances and other benefits	(636)	(1 948)	(582)	(1 876)
Other costs	(126)	(1 780)	(102)	(340)
Value of goods and materials sold	(1 031)	(7 932)	(272)	(2 138)
Total operating activity costs including	(11 526)	(37 610)	(8 575)	(30 685)
Cost of sales	(6 702)	(23 798)	(5 798)	(19 071)
Distribution expenses	(3 183)	(7 547)	(1 310)	(7 609)
Administration expenses	(1 641)	(6 265)	(1 467)	(4 005)

Note 3 Other comprehensive income

In the period covered by these financial statements from January 1, 2015 to September 30, 2015 there was not any other comprehensive income.

Note 4 Income tax

Charges on the financial result due to the corporate income tax (current and deferred).

	30.09.2015 000'PLN	30.09.2014 000'PLN
Current income tax	0	(115)
Deferred income tax	(347)	46
Tax burdens presented in the Statement of Comprehensive Income	(347)	(69)

The applicable regulations have inconsistencies causing the differences in tax regulations interpretation. Tax settlements are a subject of control within 5 years. The amounts specified in the financial statement can be changed in the further term, after the tax authorities determine the final amount.

Note 5 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, 2015 to September 30, 2014 amounted to 4 380 298 and in the comparable period was 4 380 298.

	for period 01.01.2015 30.09.2015	for period 01.01.2014 30.09.2014
	000' PLN	000' PLN
Profit (loss) per shareholders	973	2 611
Average weighted number of ordinary shares (in k pcs.)	4 380	4 380
Earnings (loss) per share (in PLN per one share)	0,22	0,60

Note 6 Intangible assets

Within 9-month period ended on September 30, 2015 the Group acquired intangible assets in the amount of PLN 44 k. Within 9-month period ended on September 30, 2015 the Group did not sell or dispose any intangible assets.

Within 12-month period ended on December 31, 2014 the Group acquired intangible assets in the amount of PLN 39 k. Within 12-month period ended on December 31, 2014 the Group did not sell or dispose any intangible assets.

Within 9-month period ended on September 30, 2014 the Group acquired intangible assets in the amount of PLN 33 k. Within 9-month period ended on September 30, 2014 the Group did not sell or dispose any intangible assets.

In the reporting period from January 1, 2015 to September 30, 2015 the Group incurred the investment expenses amounting to PLN 2 589 k for unfinished R&D works.

In the reporting period from January 1, 2014 to December 31, 2014 the Group incurred the investment expenses amounting to PLN 1 955 k for unfinished R&D works.

In the reporting period from January 1, 2014 to September 30, 2014 the Group incurred the investment expenses amounting to PLN 1 505 k for unfinished R&D works.

Note 7 Property, plant and equipment

Within 9-month period of time ended on September 30, 2015 the Group purchased P,P&E amounting to PLN 962 k. Within 9-month period of time ended on September 30, 2014 the Group sold P,P&E amounting to PLN 243 k. Net revenues from sales of P, P&E amounted to PLN 46 k.

Within 12-month period of time ended on December 31, 2014 the Group purchased P,P&E amounting to PLN 1 460 k. Within 12-month period of time ended on December 31, 2014 the Group sold P,P&E amounting to PLN 794 k. Net revenues from sales of P, P&E amounted to PLN 268 k.

Within 9-month period of time ended on September 30, 2014 the Group purchased P,P&E amounting to PLN 1 071 k. Within 9-month period of time ended on December 30, 2014 the Group sold P,P&E amounting to PLN 716 k. Net revenues from sales of P, P&E amounted to PLN 246 k.

Note 8 Goodwill

As of September 30, 2015 the goodwill from consolidation was presented in the statement of financial position. It includes the appraisal of Simple Locum Sp. z o.o. for the amount of PLN 19 k and Bazus Sp. z o.o. for the amount of PLN 1 840 k and Medinet Systemy Informatyczne Sp. z o.o. for the amount of PLN 1 261 k. The goodwill is not amortized; it will be subject of the impairment test at the end of the fiscal year on December 31.

The goodwill arisen as a result of acquisition of the shares in Simple Locum Sp. z o.o. and Bazus Sp. z o.o. Simple Spółka akcyjna took up the shares of Simple Locum in 2006 and the Bazus in 2011. On December 18, 2013 100% shares of these companies were taken up by Simple Invest Sp. z o.o. in a form of contribution in kind from the parent entity Simple S.A. On May 26, 2014, the shares of Medinet Systemy Informatyczne Sp. z o.o. (52.4%) were acquired by Simple Invest Sp. z o.o. under the Notarial deed A No. 2504/2014 and on June 10, 2015 (15.6%) under the Notarial deed No. 8487/2015.

Note 9 Shares in subsidiaries and other entities

30.09.2015	31.12.2014	30.09.2014
000'PLN	000' PLN	000' PLN

Subsidiaries:	7 286	6 776	4 994
SIMPLE INVEST Sp. z o.o.	7 286	6 776	4 994
Simple Locum Sp z o.o (100%)	0	0	0
Bazus Sp. z o.o. (100%)	0	0	0
Medinet Systemy Informatyczne Sp. z o.o. (68%)	0	0	0
Affiliates:	63	63	1 844
Simple Sp. z o.o.	10	10	10
Softteam Sp. z o.o.	53	53	53
Medinet Systemy Informatyczne Sp. z o.o.	0	0	1 781
Total investments	7 349	6 839	6 838

Simple S.A. is the parent entity of the Group Simple.

Note 10 Long-term accrued and deferred assets

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Assets due to the deferred income tax	1 210	1 571	1 303
Costs settlements over 12 months	88	103	104
Total accrued and deferred assets	1 298	1 674	1 407

Note 11 Short-term receivables

Trade receivables

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Trade receivables	19 635	22 922	13 468
Write-down of entitlements	(1 764)	(316)	(316)
Net receivables	17 871	22 606	13 152

Trade receivables do not bear any interest.

Other receivables

30.09.2015	31.12.2014	30.09.2014
-------------------	-------------------	-------------------

	000' PLN	000' PLN	000' PLN
Paid deposits	3	9	9
Paid performance bonds	66	157	156
Receivables due to taxes	3	39	26
Other receivables	44	0	283
Total	116	205	474

Note 12 Cash and cash equivalents

Cash and cash equivalents

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Cash at hand and at bank account	215	2 208	1 191
Total cash	215	2 208	1 191

Cash at bank bears interest pursuant to the variable interest rates, which amount depends on the interest rate of one-day bank deposits.

Note 13 Assets available-for-sale

As of the end of the period, September 30, 2015 the Group does not have any non-current assets held for sale.

Note 14 Share capital and elements of equity

Share capital as of September 30, 2015 amounted to PLN 4 380 298.00. The share capital includes 4 380 298 ordinary shares with the nominal value PLN 1 each.

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
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 supplementary capital (According to the Code of Commercial Companies) was established from the share premium value upon issue above its nominal value reducing the shares issue costs and previous years' profits, which by the decision of the General Meetings of

Shareholders of the Parent entity and General Meetings of Subsidiaries were designated to the supplementary capital.

	for period 01.01.2015 30.09.2015	for period 01.01.2014 31.12.2014	for period 01.01.2014 30.09.2014
	000' PLN	000' PLN	000' PLN
Profit (loss) for the reporting period	973	6 624	2 611
Profit (loss) for the reporting period	973	6 624	2 611

Note 15 Deferred tax

As of September 30, 2015, Group has presented the provision in the amount of 747 k PLN because of the temporary differences between the book and tax value of assets.

	30.09.2015 000' PLN	31.12.2014 000' PLN	30.09.2014 000' PLN
Balance difference of non-current assets	15	7	9
Balance measurement of revenues	732	754	903
Total deferred tax	747	761	912

Note 16 Long-term provisions for liabilities

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

The provisions for leave benefits were recognized by the Group on the basis of specification of unused leaves as of December 31, 2014 and the comparative period of the previous year. The estimates of the provision amount are made by comparing the number of unused days of leaves for the relevant employees and calculation of the cash equivalent due to leaves. As of September 30, 2015 the provisions for leaves were not revaluated.

The equivalent for unused holiday leave is calculated as follows:

- ❖ 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.

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Post-employment compensation	87	87	61
	87	87	61

Note 17 Long-term credit and loans

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Mortgage loan of Simple Locum	1 787	1 855	1 881
Total long-term loans	1 787	1 855	1 881

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 PLN 1 787 k.

Note 18 Short-term credits and loans

	30.09.2015 000' PLN	31.12.2014 000' PLN	30.09.2014 000' PLN
Mortgage loan of Simple Locum	88	83	77
Overdraft	957	1 811	891
Total short-term borrowings	1 045	1 894	968

As of the end of period, the amount of unpaid credit over 12 months is PLN 88 k.

Simple S.A. uses the credit line in Deutsche Bank Polska S.A. under the Overdraft Agreement No. KRB\1307324 concluded on March 22, 2013. The overdraft limit is PLN 4 M. The legal collateral of this Credit Agreement is the Guarantee granted at the borrower's request by BGK, within the portfolio guarantee line de minimis BGK, granted to the Bank by BGK under the agreement concluded between the Bank and BGK within the framework of the program "Supporting Private Enterprises Using Sureties and Guarantees of Bank Gospodarstwa Krajowego". The guarantee is valid to 27.06.2016. The Guarantee amount is PLN 2 400 000.00 that constitutes 60% of the credit amount. As of the end of the period the amount of PLN 558 k was used from this credit line.

Bazus Sp. z o.o. uses the credit line in ING Bank Śląski S.A. under the Overdraft Agreement No. FT/849/2015/00000677/00 of May 29, 2015. The overdraft limit is PLN 400 k. As of the end of the period the amount of PLN 389 k was used from this credit line.

Medinet Systemy Informatyczne Sp. z o.o. uses the credit line in Pekao Bank Polski S.A. under the Overdraft Agreement No. 1012/2015 of June 30, 2015. The overdraft limit is PLN 300 k. As of the end of the period the amount of PLN 10 k was used from this credit line.

Note 19 Trade and other payables

As of September 30, 2015 and in the comparative period, the liabilities of the Group were as follows:

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Trade payables	5 855	4 880	1 552
Due to deliveries and services	5 855	4 880	1 552
Liabilities due to not invoiced deliveries	0	0	0
Budget liabilities	1 982	2 255	1 278
Value Added Tax (VAT)	1 448	1 128	751
Corporate Income Tax (CIT)	0	462	0
Personal Income Tax (PIT)	117	172	144
Social Insurance Company	411	477	375
Withdrawn tax and National Fund for Rehabilitation of Disabled Persons	6	16	8
Other liabilities	1 270	508	1 379
Liabilities due to pay roll	38	261	144
Settlements with employees	3	14	0
Liabilities due to dividend	1 079	0	1 234
Other liabilities	150	233	1
Total liabilities	9 107	7 643	4 209

Note 20 Short-term provisions for liabilities

As of September 30, 2015, the Group does not recognized any short-term provisions for liabilities.

	30.09.2015	31.12.2014	30.09.2014
	000' PLN	000' PLN	000' PLN
Provision for remunerations	82	207	0
Provision for retirement	12	12	8
Provision for unused leaves	352	352	232
Total short-term provisions	446	571	240

Note 21 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 586 098.33.

The deferred revenues are amounts of invoiced services due to the service care and post-implementation care falling to the periods after the end of the period, September 30, 2015.

30.09.2014	31.12.2014	30.09.2014
000' PLN	000' PLN	000' PLN

Deferred revenues	5 310	6 868	5 816
Received subsidies	69	379	483
Total deferred revenues	5 379	7 247	6 299

XI. FACTORS AND EVENTS IN PARTICULAR OF UNUSUAL NATURE SIGNIFICANTLY INFLUENCING THE FINANCIAL RESULTS

In the 9-month period ended on September 30, 2015 there were not any events of unusual nature, other than specified in these financial statements, influencing the financial results of this period.

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

The business activity of the Group is a subject of high seasonality regarding revenues from sales in the relevant quarters of the year. The majority of revenues is generated by the concluded contracts. The highest revenues are generated in the fourth quarter. It is caused by the fact that in this quarter the annual budgets for performance of IT projects in the business entities are closed and the equipment and license investment purchase are realized.

XIII. INFORMATION ON ISSUANCE, REDEMPTION OR REPAYMENT OF EQUITY AND DEBT SECURITIES

In the reporting period from January 1, 2015 to September 30, 2015 the Issuer did not conduct any transactions of issuance, redemption or repayment of equity or debt securities.

XIV. INFORMATION ON PAID (OR DECLARED) DIVIDEND, TOTAL AND IN DIVISION PER ONE SHARE

Year 2015 Simple S.A.

Under the resolution No. 8 of the General Meeting of June 19, 2013 pursuant to Art.395 § 2 item 2 of the Code of Commercial Companies and under § 6 sec. 5 item c) of the Articles of Association, the Ordinary General Meeting of the Company, under the business name Simple S.A., decided to distribute the profit of the Company for the fiscal year from January 1, 2012 to December 31, 2012 in the amount of PLN 4 563 735.98 as follows:

- ❖ For the dividend PLN 2 628 178.80
- ❖ For the supplementary capital PLN 1 935 557.18

The amount of dividend per one share of the Company is PLN 0.60 (zero zlotys sixty pens). The dividend includes all shares of the Company in the number of 4 380 298 shares. The record date is June 29, 2015. The dividend shall be paid in three installments:

- ❖ 1st installment as of July 31, 2015, the amount of PLN 876 059.60 that constitutes PLN 0.20 per share
- ❖ 2nd installment as of September 30, 2015, the amount of PLN 876 059.60 that constitutes PLN 0.20 per share
- ❖ 3rd installment as of December 31, 2015, the amount of PLN 876 059.60 that constitutes PLN 0.20 per share

Year 2014 Simple S.A.

Under the resolution No. 8 of the General Meeting of June 19, 2013 pursuant to Art. 395 § 2 item 2 of the Code of Commercial Companies and under § 6 sec. 5 item c) of the Articles of Association, the Ordinary General Meeting of the Company, under the business name Simple S.A., decided to distribute the profit of the Company for the fiscal year from January 1, 2012 to December 31, 2012 in the amount of PLN 3 763 215.52 as follows:

- ❖ For the dividend PLN 1 971 134.10
- ❖ For the supplementary capital PLN 1 792 081.42

The amount of dividend per one share of the Company is PLN 0.45 (zero zlotys forty five pens). The dividend includes all shares of the Company in the number of 4 380 298 shares. The record date is June 2, 2014. The dividend shall be paid in two installments:

- ❖ 1st installment as of September 30, 2014, the amount of PLN 1 007 468.54 that constitutes PLN 0.23 per share
- ❖ 2nd installment as of December 31, 2014, the amount of PLN 963 665.56 that constitutes PLN 0.22 per share

Year 2015 Bazus Sp. z o.o.

Under the resolution No. 3 of the General Meeting of May 18, 2015 the General Meeting of the Company, under the business name Bazus Sp. z o.o., decided to distribute the profit of the Company for the fiscal year from January 1, 2014 to December , 2014 in the amount of PLN 917 477.11 as follows:

- ❖ For the supplementary capital PLN 917 477.11

Year 2014 Bazus Sp. z o.o.

Under the resolution No. 3 of the General Meeting of May 30, 2014 the General Meeting of the Company, under the business name Bazus Sp. z o.o., decided to distribute the profit of the Company for the fiscal year from January 1, 2013 to December 31, 2013 in the amount of PLN 694 212.55 as follows:

- ❖ For the dividend PLN 500 000.00
- ❖ For the supplementary capital PLN 194 212.55

The dividend shall be paid in two installments:

- ❖ 1st installment as of September 23, 2014, the amount of PLN 250 000.00
- ❖ 2nd installment as of December 24, 2014, the amount of PLN 250 000.00

Year 2015 SIMPLE INVEST Sp. z o.o.

Under the resolution No. 6 of the General Meeting of April 15, 2015 the General Meeting of the Company, under the business name Invest Sp. z o.o., decided to distribute the profit of the Company for the fiscal year from January 1, 2014 to December 31, 2014 in the amount of PLN 496 160.38 as follows:

- ❖ For the dividend PLN 496 160.38

Year 2015 Medinet Systemy Informatyczne Sp. z o.o.

Under the resolution No. 4/04/2015 of the General Meeting of April 28, 2015 the General Meeting of the Company, under the business name Medinet Systemy Informatyczne Sp. z o.o., decided to distribute the profit of the Company for the fiscal year from January 1, 2014 to December 31, 2014 in the amount of PLN 1 132 694.15 as follows:

- ❖ For the dividend PLN 1 132 694.15

XV. XV. EVENTS AFTER THE REPORTING PERIOD

In the period from September 30, 2015 to the approval date of these interim condensed financial statements, i.e. to November 13, 2015 there are no events after the end of period, which were not, but should be recognized in the accounting books and which disclosure may significantly affect the assessment of the financial standing of the Group Simple.

XVI. INFORMATION ON CONTINGENT LIABILITIES

As of the end of the period, December 31, 2014 did not recognize any contingent liabilities and to the date of these interim consolidated financial statements i.e. November 13, 2015 there were not any changes in the contingent liabilities and contingent assets from the end of the last fiscal year.

XVII. OPINION OF THE MANAGEMENT BOARD CONCERNING THE POSSIBILITY OF EARLIER PUBLISHED FORECASTS OF RESULTS FOR THE RELEVANT YEAR

The Management of the Group Simple has not published any forecasts on financial result for 2015.

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

In the presented reporting period, there were not any proceedings regarding the Simple S.A. liabilities or receivables or its subsidiaries, which total amount constituted at least 10% of Group's equity.

XIX. TRANSACTIONS WITH RELATED ENTITIES

In the period from January 1, 2015 to September 30, 2015 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 at the arm's principle. 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 period 01.01.2015 30.09.2015	for period 01.01.2014 31.12.2014	for period 01.01.2014 30.09.2014
Revenues (goods and services) including:	1 593	2 779	1 438
- From subsidiaries	0	108	24
- to related entities	1 593	2 671	1 414
Purchases including:	3 252	6 347	4 255
-From subsidiaries	2 250	3 527	2 682
- from related entities	1 002	2 820	1 573
Trade receivables, including:	671	1 344	703
-From subsidiaries	5	3	22
- from related entities	666	1 341	681
Trade liabilities, including:	1 856	1 200	1 106
-From subsidiaries	1 696	992	931
- from related entities	160	208	175
Receivables due to	590	0	0

-From subsidiaries	590	0	0
Liability due to loans:	2 554	1 575	1 598
-From subsidiaries	2 554	1 575	1 598

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

XXI. INFORMATION, IN THE MANAGEMENT BOARD OPINION, ESSENTIAL FOR STAFFING, ASSETS, FINANCIAL POSITION

There are not known any information, except these in the financial statements, which disclosure may affect the staffing, assets, financial position's assessment.

XXII. FACTORS AFFECTING THE GENERATED RESULTS IN THE PROSPECTUS AT LEAST TO THE END OF THE CURRENT FISCAL YEAR

In the Management Board's opinion the present financial standing of the Group and its production capacity and market position do not generate any risk for its further functioning and development in 2015. The major internal and external factors affecting, directly or indirectly, the achieved results in the next quarter include:

External factors:

- ❖ Situation in the financial and economic markets
- ❖ Prospectus of market and product portfolio expansion
- ❖ Access to the union funds
- ❖ Intensity of actions related to the growing competitiveness of the IT companies
- ❖ Changes in the credit standing and financial liquidity
- ❖ Risk related to the fast technological changes and market innovations.

Internal factors:

- ❖ Findings of the current commercial activity on the domestic market
- ❖ Quality and timeliness of the implementations
- ❖ Expenditures for product development and developing new markets
- ❖ Stability and experience in the managing staff
- ❖ Experience in IT projects

XXIII. INFORMATION ON WRITE-DOWNS

In the reporting period, the Group did not make write-downs of inventories to net realizable value and the reversal for write-downs.

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

XXIV. INFORMATION ON UNPAID BORROWING OR BREACHING THE SIGNIFICANT PROVISIONS

To September 30, 2015 there were not any unpaid borrowings and none of the significant provisions of the borrowings are brought.

XXV. SIGNIFICANT EVENTS OF PREVIOUS PERIODS

To the date of these interim consolidated financial statements i.e. to November 13, 2015 there were not events concerning previous years which were not but should be included to the financial statements.

XXVI. SIGNIFICANT EVENTS IN THE REPORTING PERIOD

In the third quarter of 2015, Simple S.A. concluded the following significant agreements:

- 1.** On August 5, 2015 the agreement with the Motor Transport Institute in Warsaw (hereinafter referred to as the Contracting Party) dated July 31, 2015 was concluded. The subject matter of the agreement is supply and implementation of the Integrated IT System along with the technical infrastructure including the special needs of the Contracting Party. The Contractor shall be entitled to receive the remuneration amounting to PLN 934 800.00 gross for the performance of the agreement.
- 2.** On August 25, 2015 the agreement with Radom Arms Factory LCC "Archer" (hereinafter referred to as Arms Factory "Archer") dated August 18, 2015 was concluded. The subject matter of the agreement is to implement the IT System - SIMPLE.ERP and supply of the technical infrastructure including the special needs of "Archer" Arms Factory resulting from the pre-implementation analysis. The remuneration for the proper performance of the agreement is PLN 1 062 279.00 net i.e. 1 306 603.17 gross. The due remuneration may be increased, if the „Archer" Arms Factory increases the scope of implementation that cannot be foreseeable as of the date of the agreement.



**SELECTED FINANCIAL DATA OF SIMPLE SPÓŁKA AKCYJNA for the period of
9 months ended on September 30, 2015**

Warsaw, November 13, 2015

SELECTED FINANCIAL DATA OF SIMPLE S.A.

	30.09.2015	30.09.2015	30.09.2014	30.09.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Revenues from sale	36 540	8 787	32 200	7 703
Operating profit (loss)	900	216	1 866	446
Gross profit (loss) for the reporting period	1 327	319	1 650	395
Net profit (loss) for the reporting period	921	221	1 774	424

	30.09.2015	30.09.2015	31.12.2014	31.12.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Non-current assets	18 114	4 274	16 682	3 914
Current assets	18 118	4 275	20 949	4 915
Equity	14 719	3 473	16 427	3 854
Liabilities and provisions for liabilities	21 513	5 075	21 204	4 975

	30.09.2015	30.09.2015	30.09.2014	30.09.2014
	000' PLN	000' EUR	000' PLN	000' EUR
Cash from the operating activity	2 973	715	2 637	631
Net cash from investment activity	(2 303)	(554)	(3 185)	(762)
Cash from the financial activity	(1 015)	(244)	(981)	(235)
Cash as of the end of the period	57	14	375	90

Selected financial data presented in the financial statements for 9 months ended September 30, 2015 and the comparative period were translated into EUR in the following manner.

The assets and liabilities at the end of the reporting period and the comparative period of the last year were translated at the average exchange rate published by the National Bank of Poland as of the last reporting date. This exchange rate was:

- Applicable exchange rate as of September 30, 2015 EUR 1 = PLN 4.2386
- Applicable exchange rate as of December 31, 2014 EUR 1 = PLN 4.2623

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, 2015 to September 30, 2014 EUR 1 = PLN 4.1585
- from January 1, 2014 to September 30, 2014 EUR 1 = PLN 4.1803

INTERIM CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

	Q3 (current year), from 01.07.2015 to 30.09.2015	3 quarters (current year), from 01.01.2015 to 30.09.2015	Q3 (previous year, from 01.07.2014 to 30.09.2014	3 quarters (previous year) from 01.01.2014 to 30.09.2014
	000' PLN	000' PLN	000' PLN	000' PLN
Revenues from sale	12 725	36 540	8 703	32 200
Cost of sales	(6 081)	(22 067)	(5 594)	(19 679)
Gross profit (loss)	6 644	14 473	3 109	12 521
Distribution expenses	(4 104)	(8 509)	(1 348)	(7 666)
Administration expenses	(1 383)	(5 427)	(1 246)	(3 427)
Gross profit (loss) from sales	1 157	537	515	1 428
Other operating revenues	256	550	181	571
Other operating costs	(31)	(187)	(28)	(133)
(Profit (loss) on operating activities)	1 382	900	668	1 866
Financial income	11	686	13	15
Financial expense	(85)	(259)	(94)	(231)
Gross profit (loss)	1 308	1 327	587	1 650
Income tax (current and deferred tax burden)	203	(406)	(3)	124
Net profit (loss) for the reporting period	1 511	921	584	1 774
Other comprehensive income	0	0	0	0
Results of measurement of financial assets available for sale	0	0	0	0
Total other comprehensive income	1 511	921	584	1 774
Earnings per share				
basic	0,34	0,21	0,13	0,41
diluted	0,34	0,21	0,13	0,41

INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

30.09.2015 **30.06.2015** **31.12.2014** **30.09.2014**
000' PLN **000' PLN** **000' PLN** **000' PLN**

Non-current assets	18 114	17 609	16 682	16 081
Total intangible assets, including:	7 319	6 865	6 127	5 885
- COSTS OF R&D WORKS	7 085	6 463	5 303	4 854
Property, plant and equipment	1 871	1 778	1 877	1 780
Long-term receivables	257	257	166	170
Investments in subsidiaries	7 306	7 306	6 776	6 776
Investments in related entities	63	63	63	63
Assets due to the deferred income tax	1 210	1 254	1 571	1 303
Long-term accrued and deferred assets	88	86	102	104
Current assets	18 118	15 568	20 949	13 568
Inventories	407	332	675	340
Trade receivables	16 520	14 337	19 329	12 153
Other receivables	112	107	193	214
Cash and cash equivalents	647	399	402	375
Short-term accrued and deferred assets	432	393	350	486
TOTAL ASSETS	36 232	33 177	37 631	29 649
Equity	14 719	13 208	16 427	13 637
Share capital	4 380	4 380	4 380	4 380
Reserve capital	9 418	9 418	7 483	7 483
Net profit (loss) for period	921	(590)	4 564	1 774
Long-term liabilities and provisions	3 121	3 342	3 140	3 248
Provision due to the deferred income tax	624	871	579	726
Provision for retirement	87	87	87	61
Long-term credit and loans	1 410	1 434	1 481	1 504
Liabilities due to financial lease	938	888	993	957
Other liabilities	62	62	0	0
Short-term liabilities and provisions	18 392	16 627	18 064	12 764
Loans from subsidiaries and affiliates	1 144	1 144	94	94
Short-term bank credits	558	686	1 811	891
Financial lease liabilities	708	674	657	592
Trade liabilities	7 444	4 241	5 687	2 418
Budget liabilities	1 651	770	1 317	1 102
Income tax liabilities	0	0	187	0
Other liabilities	1 062	2 794	493	1 128
Provisions for liabilities	82	207	207	0
Provision for retirement	12	12	12	8
Provision for unused leaves	352	352	352	232
Accrued and deferred income	5 379	5 747	7 247	6 299
TOTAL LIABILITIES	21 513	19 969	21 204	16 012
TOTAL EQUITY AND LIABILITIES	36 232	33 177	37 631	29 649

INTERIM CONDENSED SEPARATE STATEMENT ON CHANGES IN EQUITY

	Share capital 000' PLN	Reserve capital 000' PLN	Profit/loss from the previous years and current year 000' PLN	Total 000' PLN	Total equity 000' PLN
Balance as of 01.01.2015	4 380	7 483	4 564	16 427	16 427
Total comprehensive income	0	0	921	921	921
Profit/loss for the fiscal year	0	0	921	921	921
Other changes in equity	0	1 935	(4 564)	(2 629)	(2 629)
Dividends	0	0	(2 629)	(2 629)	(2 629)
Loss coverage from previous years	0	0	0	0	0
Profit distribution to the supplementary capital	0	1 935	(1 935)	0	0
Balance as of 30.09.2015	4 380	9 418	921	14 719	14 719
Balance as of 01.01.2014	4 380	11 495	(2 041)	13 834	13 834
Total comprehensive income	0	0	4 564	4 564	4 564
Profit/loss for the fiscal year	0	0	4 564	4 564	4 564
Other changes in equity	0	(4 012)	2 041	(1 971)	(1 971)
Dividends	0	0	(1 971)	(1 971)	(1 971)
Loss coverage from previous years	0	(5 804)	5 804	0	0
Profit distribution to the supplementary capital	0	1 792	(1 792)	0	0
Balance as of 31.12.2014	4 380	7 483	4 564	16 427	16 427
Balance as of 01.01.2014	4 380	11 495	(2 041)	13 834	13 834
Total comprehensive income	0	0	1 774	1 774	1 774
Profit/loss for the fiscal year	0	0	1 774	1 774	1 774
Other changes in equity	0	(4 012)	2 041	(1 971)	(1 971)
Dividends	0	0	(1 971)	(1 971)	(1 971)
Loss coverage from previous years	0	(5 804)	5 804	0	0
Profit distribution to the supplementary capital	0	1 792	(1 792)	0	0
Balance as of 30.09.2014	4 380	7 483	1 774	13 637	13 637

INTERIM CONDENSED SEPARATE STATEMENT OF CASH-FLOW

	30.09.2015	30.09.2014
	000' PLN	000' PLN
Net profit (loss)	921	1 774
Depreciation	1 290	1 201
Interest paid (share in interest)	(457)	213
Profit (loss) from investment activity	(39)	(74)
Movements in provisions	(81)	(915)
Movement in inventories	268	(213)
Movement in receivables	2 799	4 388
Movement in short-term liabilities	(153)	(1 619)
Movements in accrued and deferred assets and liabilities	(1 575)	(2 118)
Net cash-flows from operating activities	2 973	2 637
Net cash-flows from investment activity		
Proceeds on sale of non-current assets	46	179
Received dividends	673	0
Received interest from loans	5	0
Payments to acquire non-current assets	(1 907)	(1 582)
Granted loans	(590)	0
Investments payments	(530)	(1 782)
Net cash from investment activity	(2 303)	(3 185)
Cash-flows from financial activity		
Received loans and credits	1 608	891
Dividend payment	1 752	(987)
Borrowings repayments	(70)	(70)
Payments for financial lease liabilities	(580)	(602)
Interest	(221)	(213)
Net cash-flows from financial activity	(1 015)	(981)
Increase (decrease) of net cash and their equivalents	(345)	(1 529)
Cash and cash equivalents, at the beginning of the period	402	1 904
Cash and cash equivalents at the end of the period	57	375



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