

ComArch S.A. Supervisory Board Report 2009

Up until the 22nd of June, 2009, the date of ComArch S.A.'s Annual General Shareholders' Meeting, the following were members of the Supervisory Board:

- Elżbieta Filipiak – Chairman,
- Maciej Brzeziński – Vice-Chairman,
- Maciej Czapiewski – Member,
- Wojciech Kucharzyk – Member,
- Anna Ławrynówicz – Member,
- Tadeusz Syryjczyk – Member,

and as of the 22nd of June, 2009, there were no changes in membership.

In accordance with the written declarations submitted by the members of the Supervisory Board of ComArch S.A. to the Management Board of ComArch S.A. four of the six members of the Supervisory Board fulfil the criteria for independence from the company and from entities closely linked to the company.

The Supervisory Board sat five times in 2009: 9th of March, 11th of May, 25th of May, 14th of September and 23rd of November. In addition, the Supervisory Board passed resolutions in correspondence (written) mode on 14th of December.

The major subjects addressed by the Supervisory Board at the sittings were:

- a) monitoring and analysis of the financial situation at the company and Capital Group
- b) assessments of the Management Board's progress in implementing the company's strategy
- c) risk analysis and assessment for the company's operations
- d) formal-legal issues
- e) drawing up a list of key employees and the coefficients of the individual options within the scope of the management stock option programme for key employees 2010.

The Supervisory Board's scope of activities and the resolutions it considered in 2009 are set out in detail in the minutes from its sittings, which are to be found at the company's headquarters in Krakow.

In connection with principle no. 1 of the Best Practice for Supervisory Board Members arising from the third part of the 'Code of Best Practice for WSE Listed Companies', resolution 10/5/2009 of the 25th of May, 2009 the Supervisory Board of ComArch S.A. recorded a positive verdict with respect to the draft resolution of the Annual General Shareholders' Meeting which took place on the 22nd of June, 2009.

On the 8th of June, 2009, in line with point no. 1. 6) of the 'Best Practice for Management Boards of Listed Companies' arising from the second part of the 'Code of Best Practice for WSE Listed Companies', ComArch S.A.'s 'Supervisory Board

Report regarding 2008' was published. It included information on the work of its committees, the 2008 Supervisory Board work appraisal and an assessment of the company's situation with regard to an appraisal of the internal controlling and risk management systems vital to the company.

With reference to the scope of the report, the Supervisory Board monitored the current performance of the company and, within the terms of its responsibilities, gave its expert opinion concerning ComArch S.A.'s planned operations and those already in progress. In particular, the Supervisory Board reviewed the quarterly, six-monthly and annual (consolidated) financial statements of ComArch S.A. (the Comarch Group). With the publication of each of the financial reports there followed a sitting of the Supervisory Board. At these meetings the Board analyzed the scope, rectitude, correctness and transparency of the data (including the financial data) presented by the company. In this respect, the company's Management Board and authorized employees provided the Supervisory Board with access to documents and other information sources, prepared the necessary presentations for the Supervisory Board and were forthcoming with essential explanations and clarifications regarding the company's financial situation, activities undertaken by the company and details of cooperation with partners. The Supervisory Board had a meeting with representatives of the entity entitled to audit and review (consolidated) the financial statements of ComArch S.A. (the Comarch Group).

It is the opinion of the Supervisory Board that the accounting methods adopted by the company and the Capital Group have been applied in accordance with the provisions of the law. It is the opinion of the Supervisory Board that cooperation with the Management Board of ComArch S.A. has been entirely successful and the Management Board has presented the necessary information correctly, clearly and with rectitude.

It is the opinion of the Supervisory Board that the entities authorized to audit the financial statements of ComArch S.A. and the Comarch Capital Group were selected within the terms of the prevailing law, and that the statutory auditors conducting them met the conditions required for expressing an unbiased and independent opinion in compliance with Polish law. In 2009 Deloitte Audyt Sp. z o.o. was the entity authorized to audit and review the financial statements of the company. The agreement with Deloitte Audyt Sp. z o.o. to provide auditing services for ComArch's financial statements was concluded on the 17th of July, 2009 for a period of one year.

According to a resolution of the Supervisory Board, a new Audit Committee was called and all members of the Supervisory Board became members. According to information possessed by the company, four members of the Audit Committee fulfil independency conditions and at least one of them is qualified in accountancy and financial review.

Tasks of the Audit Committee are, in particular:

- 1) Monitoring the process of financial reporting;
- 2) Monitoring the effectiveness of internal control systems, internal audits and risk management;
- 3) Monitoring financial reviews;
- 4) Monitoring the independency of the export auditor and the entity entitled to audit financial statements;

5) The Audit Committee make recommendations to the Supervisory Board or to an alternate supervisory organisation in relation to the entity entitled to audit financial statements.

With regard to the powers of the Committee, the Supervisory Board may request or demand the participation of additional people in its sittings, such as experts or members of the Management Board.

2009 Supervisory Board Work Appraisal

In 2009, the ComArch S.A. Supervisory Board operated according to the Rules for the Supervisory Board dated the 25th of June, 2008, the Statute of ComArch S.A., the Corporate Governance Principles in effect at the company and included in the 'Code of Best Practice for WSE Listed Companies', as well as the binding law, while bearing in mind the company and its shareholders' interest.

The Board of Supervisors continuously maintained control of company activities, acquiring information regarding particular ComArch S.A. activity areas from the company's Management Board.

The Supervisory Board considers its work within the reporting period as positive.

**Annex no. 2 to Resolution no. 8/5/2010
ComArch S.A Supervisory Board**

**Assessment of the Company's Situation
with Regard to an Appraisal of the Internal Controlling and Risk
Management Systems Vital to the Company**

The Supervisory Board delivered a positive opinion concerning the growth strategy based on expansion abroad and development of proprietary products adopted and executed by the company in 2009. The Comarch brand is renowned both domestically and internationally and is associated with technologically advanced IT systems, high quality services and a professional customer-focused approach. It is the opinion of the Supervisory Board that the most important contracts won in 2009 were contracts with telecommunication enterprises (with an increase of 29.2% in revenue and including the execution of contracts with Vodafone, T-Mobile, O2, Nokia and KPN).

It is the opinion of the Supervisory Board that one of the most important operations for the Comarch Group in 2009 was the completion of the acquisition of German ERP software producer SoftM Software und Beratung AG, as well as its successful restructuring. Thanks to cooperation with SoftM, ComArch S.A. is now able to target a wide group of customers with its comprehensive product offer on the strategically important markets of the DACH region. It also enabled speeding up research and development works related to new IT products dedicated to international customers. This will go a very long way to securing the continued, dynamic growth of the company on foreign markets for the foreseeable future.

The Supervisory Board considers it of great benefit to secure the company against fluctuations across specific sectors of the economy and regions of the world by maintaining sectoral and geographical revenue diversification. It is vital to the long-term growth of ComArch S.A. to maintain investment in the most advanced technology, in innovative products and in human capital. This is being achieved by investment in R&D alongside the steady development of production resources in Kraków, the Polish regional centres and at the competence centres abroad. The Supervisory Board delivered a positive opinion concerning the investment conducted by Comarch Group in 2009. At the beginning of 2009, the fourth conference and office building in the Krakow Special Economic Zone was completed and rendered ready for use. In the fourth quarter of 2009, works on the fifth office and production building were commenced. Works on the construction of new offices for the German subsidiary in Dresden have also been initiated. Following the completion of this investment, Comarch S.A. will be equipped with high quality workspace enabling seamless execution of IT projects, and which will foster an increase in the number of such projects in the future.

In 2009 the Supervisory Board also conducted continuous analyses of risk areas connected with the company's operations as well as assessing the way these risks were being managed by the Management Board.

The most significant operational risks in 2009 were identified as follows:

- a) risk associated with R&D (creating and developing new proprietary software products);
- b) risk associated with failing to fulfil the terms of contracts and the resulting necessity to pay contractual penalties, and of the use by customers of the guarantees of satisfactory contract performance given them;
- c) risk involved in correctly assessing how much time is required for long-term contracts;
- d) risk presented by the political and legal environment connected with export contracts and acquiring control of SoftM Software und Beratung AG;
- e) risk encountered when assessing the financial standing of foreign customers (limits to monitoring and checking);
- f) the tax risk of operating in a Special Economic Zone and that generated by the unstable tax and legal environment in Poland;
- g) the risk that internal control and management procedures will not function well when the scale of the company's operations are expanding rapidly;
- h) the risk that growing competition between IT companies will reduce margins;
- i) pressure to increase salaries and remuneration in the IT sector;
- j) the international economic situation, taking into particular consideration the situation on financial markets that effects levels of demand for products and IT services;
- k) High level of investment expenditure designated for the development of production sources in Poland (material investment) and for expansion on foreign markets (capital investment);
- l) Fluctuations in exchange rate levels in 2009, especially EUR/PLN and USD/PLN, and which effect profitability of export sales.

With regard to financial risk, the Supervisory Board detects the following threats:

- a) credit risk;
- b) interest rate fluctuations which affect the price of costs of bank credits;
- c) Fluctuations in exchange rate levels in 2009, especially EUR/PLN and USD/PLN, and which effect profitability of export sales;
- d) financial liquidity risk.

The Supervisory Board considers the Management Board competent to correctly identify the Company's operational risks and manage them effectively. The financial statements present a true and accurate account of the Company's situation.