



**Consolidated Quarterly report of Quantum software S.A.  
Capital Group for 3<sup>rd</sup> Quarter of 2009.**

Kraków, November 13, 2009

**Selected financial data including basic items of quarterly consolidated financial statements and condensed unitary financial statements (also denominated into Euro).**

<b>SELECTED FINANCIAL DATA including basic items of quarterly consolidated financial statements</b>	<b>in thousands PLN</b>		<b>in thousands Euro</b>	
	<b>period from 2009-01-01 to 2009-09-30</b>	<b>period from 2008-01-01 to 2008-09-30</b>	<b>period from 2009-01-01 to 2009-09-30</b>	<b>period from 2008-01-01 to 2008-09-30</b>
I. Net income on sales of products, goods and materials	13 032,00	12 927,00	2 962,29	3 774,64
II. Profit (loss) on operational activity	- 890,00	697,00	- 202,30	203,52
III. Gross profit (loss)	- 699,00	1 041,00	- 158,89	303,97
IV. Net profit (loss)	- 703,00	798,00	- 159,80	233,01
V. Net cash flows on operational activity	365,00	- 13,00	82,97	- 3,80
VI. Net cash flows on investments	- 1 454,00	- 1 642,00	- 330,51	- 479,46
VII. Net cash flows on financial activity	- 205,00	5,00	- 46,60	1,46
VIII. Net cash flows, in total	- 1 294,00	-1 650,00	- 294,14	- 481,79
IX. Assets, in total	18 435,00	18 477,00	4 365,79	5 421,18
X. Liabilities and liability reserves	2 453,00	2 172,00	580,92	637,27
XI. Long-term liabilities	187,00	174,00	44,29	51,05
XII. Short-term liabilities	1 909,00	1 813,00	452,09	531,94
XIII. Equity	15 983,00	16 441,00	3 785,11	4 823,81
XIV. Share capital	735,00	735,00	174,06	215,65
XV. The number of shares	1 470 000,00	1 470 000,00	1 470 000,00	1 470 000,00
XVI. Profit (loss) per ordinary share (in PLN/EUR)	- 0,48	0,54	- 0,11	0,16
XVII. Diluted profit (loss) per ordinary share (in PLN/EUR)	- 0,48	0,54	- 0,11	0,16
XVIII. Book value per one share (in PLN/EUR)	10,87	11,18	2,57	3,28
XIX. Diluted book value per one share (in PLN/EUR)	10,87	11,18	2,57	3,28

SELECTED FINANCIAL DATA including basic items of quarterly condensed unitary financial statements	in thousands PLN		in thousands Euro	
	period from 2009-01-01 to 2009-09-30	period from 2008-01-01 to 2008-09-30	period from 2009-01-01 to 2009-09-30	period from 2008-01-01 to 2008-09-30
I. Net income on sales of products, goods and materials	11 717,00	12 574,00	2 663,38	3 671,56
II. Profit (loss) on operational activity	- 924,00	525,00	- 210,03	153,30
III. Gross profit (loss)	- 686,00	869,00	- 155,93	253,74
IV. Net profit (loss)	- 688,00	688,00	- 156,39	200,89
V. Net cash flows on operational activity	118,00	- 228,00	26,82	- 66,58
VI. Net cash flows on investments	- 1 514,00	- 1 709,00	- 344,15	- 499,02
VII. Net cash flows on financial activity	- 186,00	- 12,00	- 42,28	- 3,50
VIII. Net cash flows, in total	- 1 582,00	- 1 949,00	- 359,60	- 569,10
IX. Assets, in total	17 854,00	18 251,00	4 228,20	5 354,87
X. Liabilities and liability reserves	1 973,00	2 138,00	467,25	627,29
XI. Long-term liabilities	187,00	174,00	44,29	51,05
XII. Short-term liabilities	1 429,00	1 779,00	338,42	521,96
XIII. Equity	15 881,00	16 113,00	3 760,95	4 727,58
XIV. Share capital	735,00	735,00	174,06	215,65
XV. The number of shares	1 470 000,00	1 470 000,00	1 470 000,00	1 470 000,00
XVI. Profit (loss) per ordinary share (in PLN/EUR)	- 0,47	0,47	- 0,11	0,14
XVII. Diluted profit (loss) per ordinary share (in PLN/EUR)	- 0,47	0,47	- 0,11	0,14
XVII. Book value per one share (in PLN/EUR)	10,80	10,96	2,56	3,22
XVIII. Diluted Book value per one share (in PLN/EUR)	10,80	10,96	2,56	3,22

**Principles of denominating of basic items of quarterly consolidated financial statements and unitary financial statements into EURO .**

For denomination of selected financial data into Euro in points from I to VIII, arithmetic average was used, calculated on the basis of average exchange rates of NBP in force as at the last day each month of a given period:

Arithmetic average in the period from 01.01.2009 to 30.09.2009 – PLN 4,3993

Arithmetic average in the period from 01.01.2008 to 30.09.2008 – PLN 3,4247

For denomination of selected financial data into Euro in points from IX to XVIII, average exchange rate of NBP in force as of the day of preparing the report was used.

3<sup>rd</sup> quarter 2009 – PLN 4,2226

3<sup>rd</sup> quarter 2008 – PLN 3,4083

## 1) Basic information

Quantum software S.A., with its registered seat in Kraków at ul. Walerego Sławka 3A., is the parent company in the Group. The Company was entered into the Entrepreneurs Register of the National Court Register Kraków – Śródmieście, XI Business Division, on 30 October 2002 under KRS number 0000136768; PKD [Polish Classification of Activities] 72.21 z. Software publishing. The Company's core business consists in developing and implementing information technology systems for enterprises in which optimization of logistics is important.

Statistical identification number (REGON)	351243328
Tax Identification Number (NIP)	677-17-53-870
National Court Register (KRS)	0000136768
Share capital paid up in full	PLN 735,000,000

### Management Board:

Mr Tomasz Hatala	President of the Management Board
Mr Bogusław Ożóg	Vice-President of the Management Board
Mr Marek Jędra	Vice-President of the Management Board
Mr Tomasz Mnich	Member of the Management Board

### Supervisory Board:

Mr Leopold Kutyla	Chairman of the Supervisory Board
Mr Tomasz Polończyk	Deputy Chairman of the Supervisory Board
Mr Henryk Gaertner	Member of the Supervisory Board
Mr Jerzy Majewski	Member of the Supervisory Board
Ms Anna Nadolska	Member of the Supervisory Board

The semi-annual financial statements have been prepared under a going concern assumption for companies of the Group of Quantum software S.A. in the foreseeable future.

## The Group's organization structure as at 13 November 2009 – particulars of the subsidiary and associated companies:

1) Business name: Quantum East Sp. z o.o. – subsidiary company  
Registered seat: Kraków  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000294284  
Shareholders: 66.7 % shares are held by Quantum software S.A.  
Share capital paid up in full: PLN 270,000.00

2) Business name: Quantum International Sp. z .o.o. – subsidiary company  
Registered seat: Kiev, Ukraine  
Address: Prospect Moskovskij  
Certificate No. 100107724  
Shareholders: 100% shares are held by Quantum East Sp. z o.o.  
Share capital paid up in full: USD 76,200

3) Business name: CNT Quantum Sp. z o.o. – associated company  
Registered seat: Kraków, Poland  
Address: Walerego Sławka 3a  
National Court Register (KRS): 0000297249

Shareholders: 50% shares are held by Quantum software S.A.  
Share capital paid up in full: PLN 400,000.00

4) Business name: Quantum I- Services Sp. z o.o. – subsidiary company  
Registered seat: Kraków, Poland  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000331050  
Shareholders: 100% shares are held by Quantum software S.A.  
Share capital paid up by non-financial contribution: PLN 1,500,000.00

5) Business name: Edisonda Sp. z o.o – subsidiary company  
Registered seat: Kraków  
Address: Walerego Sławka 3A  
National Court Register (KRS): 0000335987  
Shareholders: 100% shares are held by Quantum software S.A.  
Share capital paid up in full: PLN 5.000,00

## **2) Basic principles assumed when preparing the consolidated quarterly report**

The present consolidated financial statements of Quantum software SA Group of Companies for the 3<sup>rd</sup> quarter of 2009 have been prepared with the use of IAS and complies with the EU approved International Financial Reporting Standards, which cover standards and interpretations issued or assumed by International Accounting Standards Board IASB and by Standing Interpretations Committee, SIC the ISAB's body. The basis for preparing the hereby consolidated financial statements of Quantum software SA Group of Companies is the provision of Article 55, item 6a of the Accounting Law.

Data shown in the report was prepared following the principles of assets and liabilities evaluation and the measurement of net financial result specified as at the balance day, subject to materiality principle. Consolidated financial statement for the 3<sup>rd</sup> quarter of 2009 has been prepared with going concern assumption.

Consolidated financial statements for the 3<sup>rd</sup> quarter of 2009 have been prepared in compliance with International Financial Reporting Standards adopted by the law of the European Union. Presentation of the statement is based on IAS 34 "Interim financial statements", following the same principles as for current period and comparative period.

Consolidated financial statements for the 3<sup>rd</sup> quarter of 2009 have been prepared in Polish zlotys rounded up to full thousands.

Book entries are kept according to historical cost principle. The company has not made any adjustments that would reflect impact of inflation on individual items of the balance sheet or profit and loss account. The company prepares profit and loss account in multiple-step variant. Cash flow statement is prepared using the indirect method.

## **3) Consolidated statements according to geographical segments**

The Group of companies conducts economic activity in the scope of software and sales of computer hardware as well as provides services in this scope.

#### Product structure

	01.07.- 30.09.2009	3 Quarters/09	01.07.- 30.09.2008	3 Quarters /08
<b>Own licenses (Qguar) and services</b>	3 061	3 589	10 809	9 792
<b>Goods</b>	519	429	1 634	2 346
<b>Other sales</b>	215	191	589	789
<b>Total</b>	<b>3 795</b>	<b>4 209</b>	<b>13 032</b>	<b>12 927</b>

Data in thousands PLN

#### Sales according to markets

	01.07.- 30.09.2009	3 Quarters /09	01.07.- 30.09.2008	3 Quarters /08
<b>Domestic</b>	2 869	3 377	9 590	10 549
<b>Abroad sales</b>	926	832	3 532	2 381
<b>Total</b>	<b>3 795</b>	<b>4 209</b>	<b>13 032</b>	<b>12 927</b>

Data in thousands PLN

#### 4) Description of organization of the group of companies, with indication of entities subject to consolidation and description of possible changes in the group structure.

The group is composed of the following entities:

Quantum software SA – being the Group’s parent company – business operations involve developing and implementing information technology systems.

Quantum East Sp. z o.o. – being the Group’s subsidiary, in which Quantum software SA holds 66.7% shares – a holding company. Full consolidation method.

Quantum International Sp. z o.o. – being the Group’s subsidiary company, in which Quantum East Sp. z o.o. holds 100% shares – business operations involve sales and implementation of information technology solutions offered by Quantum software SA. in the Russian-speaking countries. Full consolidation method.

CNT Quantum Sp. z o.o. – being the Group’s associated company, in which Quantum software S.A. holds 50% shares. The Company offers SAP solutions, both on the Polish market, and Eastern Europe. Proportional consolidation method.

Quantum I- Services Sp. z o.o. – being the Group’s subsidiary company, in which Quantum software S.A. holds 100% shares – The Company’s business operations involve selling licenses, hardware, and information technology services that are not directly related to own products of Quantum software S.A. (i.e. currently, the Qguar product series). Full consolidation method.

Edisonda Sp. z o.o. - being the Group’s subsidiary company, in which Quantum software S.A. holds 100% shares – The company main business activity will be interaction projection and research on efficiency communication of websites (eventually any other electronic media) as well as on using those research in commerce.

**5) Indication of results of changes in economic entity structure, including results of merger of economic entities, takeover or sale of issuer's entities in part of the group of companies, long term investments, split, restructuring and discontinuation of activity:**

During the presented period, changes were made in the Issuer's structure. On the 1<sup>st</sup> September, 2009 Quantum software SA was registered under the company name Edisonda with its registered seat in Krakow. (The Issuer informed on this in the current report no 20/2009).

**6) Significant changes of estimate values, including adjustments due to provisions, provisions and assets due to deferred income, write-offs revaluating the assets.**

In the 3<sup>rd</sup> quarter of the accounting year, no events occurred which would have impact on estimate values, and as a result of this on adjustments due to provisions, provisions or assets due to deferred income and write-offs revaluating the assets.

**7) Description of significant achievements or failures of the Issuer during the period covered by the report together with the list of the most important events related to them:**

➤ **Financial results**

- After three quarters of 2009, Capital Group reached income on sale at comparable level to analogous period of previous year, income on sales carried out PLN 13.032,00 (PLN 12.927,00). The most important for Issuer, income on sales of Qguar system and services are about 7,7 % higher in relation to analogous period of last year. However, decrease is noticed in other sale categories, especially decrease of the customers' hardware orders. Decrease in category " other sales" is partially related to sales on SAP ERP system to dependant company which is not fully financial consolidated.
- Capital Group sustained loss. Its basic cause is economic crisis causing that potential and current clients limited expenditures on IT solutions. The Issuer as company specialized business activity is related to large investment contracts, and most recently part of clients caused by financial crisis pushed away in time realization of earlier negotiated works, what in effect delayed the payments. Mentioned situation caused larger set – back of sales than we expected, based on marketing, discussions and preliminary settlements with customers. Meanwhile these expectations built personal potential of the Group.
- In Assumption of temporarily crises and seen symptoms of its end, the Issuer continues development of the own software what is consequence of accepted strategic aims, the possessed finance and EU funds. In case of the unfavorable market conditions the action to lower cost of activity will be taken. The largest meaning for Issuer are personal costs and flexible changes are difficult because of demand of high qualified specialist (after employment require long period of training).

➤ **Winning new customers in Polish markets:**

- Quantum software S. A. signed new commercial contracts with the following client:

- Klimas Wkręt-Met Sp. z o.o.

➤ **Completion of implementation** of Qguar system for several major Polish clients, including:

- Funai Electric Polska Sp. z o.o., Apreo Logistic S.A. and Mondi Świecie S.A

➤ **Expansion of Group of Companies**

Quantum software Management Board hereby informed (Current Report 20/2009), that on Sep 1st, 2009 limited liability company was registered under the company name Edisonda with its registered seat in Krakow. The share capital of Edisonda amounts to PLN 5.000 and includes 50 shares with nominal value PLN 100 each. Quantum software holds 100% of share capital and 100 % of votes at Edisonda General Meeting of Shareholders. Share capital is covered in total by cash. Edisonda main business activity will be interaction projection and research on efficiency communication of websites (eventually any other electronic media) as well as on using those research in commerce.

➤ **Other significant events:**

- on October 9, 2009, dependant company Quantum International seated in Kiev, Ukraine has been distinguished with prestigious LOGISTICS AWARD UKRAINE 2009 for The Best IT supplier for logistics.

- change of Issuer Market Maker, Quantum software Management Board hereby informed by Current Report no 19/2009 information about change of Issuer Market Maker for Noble Securities SA from September 1, 2009

**8) Description of factors and events, particularly non-typical ones, having significant impact on the achieved financial results:**

In the 3<sup>rd</sup> quarter, no non-typical events occurred which would have significant impact on financial results of the Group

**9) Explanatory notes on seasonal and cyclical character in the operations of the Issuer in the reported period:**

The impact of seasons on the Company's and the Group's results is negligible and comparable to such the impact in previous periods.

**10) Information on issue, redemption and payment of debt and equity securities:**

In the 3<sup>rd</sup> quarter, Quantum software SA and its subsidiaries did not issue any shares, nor did they redeem or paid off debt or equity securities.



Quantum software Management Board informs, that as per its resolutions of May 18, 2009 no 17 adopted on the basis of the authorization granted to the Management Board and no 18 in order to creation of the supplementary capital for purchasing own shares (Current Report no 12/2009) and as per Regulation adopted on September 9, 2009 (current report 21/2009). The Issuer on the date of consolidated financial report publication (November 13, 2009) purchase 1866 of its own bearer shares, in total for sum of PLN 18,005,85.

The Issuer's Management Board submitted current report RB no. 17/2009 with information concerning an amendment to the Rules of the Management Options Program. On 15 July 2009 the Company's Supervisory Board took a resolution on amending the resolution dated 3 October 2008 on the adoption of the Rules of the Management Options Program ("Rules"), which the Issuer informed about in current report no. 23/2008. Pursuant to resolution no. 19 of the Company's General Shareholders' Meeting of 17 June 2008, specifying the terms and conditions of subscribing for series D shares, issued in accordance with section XI of the Articles of Association and pursuant to authorization granted under resolution no. 19 of the Company's General Shareholders' Meeting on 18 May 2009 to allow selling treasury shares acquired by the Company to participants of the Management Options Program, the Company's Supervisory Board resolved that execution of the Program might be done on a two-tier basis, by offering to Eligible Persons conclusion of Preliminary Agreements and acquisition of the Company's Treasury Shares, as well as by allowing Eligible Persons subscribing for Subscription Warrants exchangeable into Series D Shares. Pursuant to the Rules, the Supervisory Board, upon a motion of the President of the Management Board, shall specify the list of Eligible Persons, who shall be offered conclusion of Preliminary Agreements. The offer of conclusion of Preliminary Agreements to the Eligible Persons may be given at any time. The total number of the Company's shares (Series D Shares and Treasury Shares) that shall be allocated under the Program for the execution of Warrants and the Preliminary Agreements, will not change and shall not exceed the number of 44,100. Series D Shares that have not been subscribed by the Eligible Persons shall be redeemed by the Company. Acting upon section 4.4 and 4.5 of the Rules, the Supervisory Board has taken a resolution on determining the final number of warrants under the First Packet to amount to 10,757 pieces and a resolution on moving 1,000 warrants from the First Packet to the Second Packet.

**11) Information on paid out or called-up dividend, in total and per share, divided into ordinary and privileged shares:**

During the reported 3<sup>rd</sup> quarter, the company did not pay out dividends to shareholders.

**12) Indication of events which occurred after the day of preparing condensed quarterly financial statements, not shown in this statement and which could have significant impact on future financial results of the Issuer.**

After 30 September 2009 no non-typical events occurred which would have significant impact on financial results of the Group and which were not shown in this report.

**13) Information on the changes of contingent liabilities or assets which were made from the end of the preceding accounting year.**

In the reported 3<sup>rd</sup> quarter of the current accounting year, no significant events occurred which would have impact on the change of contingent liabilities or assets

- 14) The management's standpoint as regards the opportunities for the fulfilment of earlier published forecasts of results for a given year, in light of results presented in the quarterly report compared to forecasted results:

The Company has not issued any forecasts of results for the given year.

- 15) Indication of shareholders owning directly or indirectly through subsidiaries at least 5 % of the total number of votes at the general meeting of the issuer as at the day of submission of the quarterly report together with indication of the number of shares held by these entities, their percentage share in share capital, number of votes resulting from them and their percentage share in the total number of votes at general meeting as well as indication of changes in the structure of ownership of significant share packages of the issuer in the period starting from the day of submission of the previous quarterly report:

To the best knowledge of the Company, as at November 13<sup>th</sup>, 2009, the day of issuing the quarterly report, the dominating shareholder of the company is Quantum Assets sp. z o. o. with its registered office in Kraków, owning 675 421 A series registered privileged shares and 222 979 of B series ordinary bearer shares, constituting in total 61.12 % of its share capital, giving right to 1 573 821 votes at general meeting of the company, which constitutes 70.89 % of the total number of votes.

- 16) The list of shares of the issuer or rights to shares held by the management and supervisory staff of the Issuer as at the day of the submission of quarterly report with indication of changes in shareholding of each person individually, during the period starting from the submission of the previous quarterly report.

**The Management Board of the Company (as at 13<sup>th</sup> November 2009)**

<b>Tomasz Hatała</b>	36 200
<b>Bogusław Ozóg</b>	24 603
<b>Marek Jędra</b>	8 200
<b>Tomasz Mnich</b>	3 400

**Members of the Supervisory Board  
holding  
(as at 13<sup>th</sup> November 2009)**

<b>Tomasz Polończyk</b>	8 200
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- 17) Proceedings pending before court, arbitration body or public administration body with information in the following scope:

In the period covered by the present report, the Company and its subsidiaries and associates did not institute nor were party to proceedings before a court or public administration body as regards receivables whose total value would amount to more than 10 % of equity.

**18) Information on concluding by the issuer or its subsidiary one or more transactions with affiliated entities, providing that individually or in total they are significant and had been concluded on terms and conditions other than market ones:**

During the reported period, the Company did not conclude any contracts with affiliated entities.

**19) Information on grants of credit or loan warranties or grants of guarantees by the issuer or its subsidiary - in total to a single entity or this entity's subsidiary, if the total value of the existing warranties or guarantees makes the equivalent of at least 10 % of the issuer's equity:**

In the reported period, neither the Company nor its subsidiaries granted any warranties, credits, guarantees or loans of the value exceeding 10 % of the issuer's equity.

**20) Other information which in the opinion of the Issuer is material for the assessment of its standing as regards HR, assets, finances, financial result and changes in such and information material for the assessment of the possibility for the performance of the issuer's obligations:**

Besides factors mentioned above and in article 21, during the reported period there was no information which would be significant for the assessment of the issuer's standing as regards HR, assets, finances, financial result and the opportunity for the performance of the Company's obligations:

**21) The factors which in the issuer's opinion will have impact on the results generated by him in the perspective of at least the next quarter:**

The factors which will have impact on the development of Quantum software S.A. Group of Companies in the perspective of the next quarter:

- economic situation in financial crisis and slowdown of global development,
- influence of the crisis on the economy in Poland and neighboring countries, including Ukraine;
- decisions of companies regarding budgets related to expenditures on IT;
- the activity of the competition.
- timely completion of works in the scope of realization of contracts started in previous quarters of the year 2008 according to the planned budgets and contractual terms;
- successful and timely completion of development works in the scope of new products and services,
- running effective human resources policy eliminating the risk of churn of qualified and competent employees of the Company;
- effectiveness of marketing actions in winning new contracts;
- possible finalization of negotiations regarding capital investments.

Indicated above and in article 7 economic crises especially in the range of investment in new, large management IT systems can bring in 4<sup>th</sup> quarter further decrease of Issuer financial results.

Temporary crisis assumption and seeing symptoms of its ending, Issuer continues investments in own software development, what is a consequence accepted strategic purpose, its financial funds and conditions of EU funds. In case of, constant unfavorable market conditions, the specific activities will be taken for lowering business costs. The biggest meaning has personal costs, however flexible changes in case of Issuer are difficult because its requires highly qualified specialists, they require long period of training.

**The condensed financial statements were not subject to audit or review by a body authorized to audit financial statements.**

**Company's Management Board:**

**Kraków, 13 November 2009**

**Tomasz Hatala**

**Bogusław Ozóg**

**Marek Jędra**

**Tomasz Mnich**