



Quantum

Quantum software S.A.

Consolidated financial statements of the Quantum software S.A. Capital
Group for Q3 2013

Kraków, 8 November 2013

The statements comprise:

1. Selected financial data
2. Basic principles of preparing financial statements
3. Notes to the consolidated quarterly statements for Q3 2013
4. Consolidated financial statement of Quantum software S.A. for Q3 2013
5. Separate financial statement of Quantum software S.A. for Q3 2013
6. Statement of the Management Board concerning the preparation of the financial statements

I. The selected financial data to the consolidated and separate financial statements

The selected financial data including basic items of the quarterly consolidated financial statements (also translated into EUR).

THE SELECTED FINANCIAL DATA including basic items of the interim consolidated financial statements.	in PLN '000		in EUR '000	
	period from	period from	period from	period from
	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30
Net revenue from the sale of products, goods and materials	14,536	14,767	3,442	3,520
Profit (loss) on operating activities	-1,615	-1,474	-382	-351
Gross profit (loss)	-1,541	-1,227	-365	-293
Net profit (loss)	-1,548	-1,281	-367	-305
Net cash flows from operating activity	-740	-614	-175	-146
Net cash flows from investing activities	-365	58	-86	14
Net cash flows from financial activity	-206	-167	-49	-40
Total net cash flows	-1,311	-723	-310	-172
Total assets	16,047	17,833	3,806	4,362
Liabilities and provisions for liabilities, including:	4,064	4,433	964	1,084
Long-term liabilities	1,499	1,587	356	388
Short-term liabilities	2,565	2,846	608	696
Equity	11,983	13,400	2,842	3,278
Share capital	740	740	176	181
Number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Diluted number of shares (pcs.)	1,480,757	1,480,757	1,480,757	1,480,757
Earnings per share (in PLN/EUR)	-1.05	-0.86	-0.25	-0.21
Diluted earnings per share (in PLN/EUR)	-1.05	-0.86	-0.25	-0.21
Book value per share (in PLN/EUR)	8.09	9.05	1.92	2.21
Diluted book value per share (in PLN/EUR)	8.09	9.05	1.92	2.21
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

Principles applicable to translation of basic items of the quarterly consolidated financial statements into EUR.

Translations of selected financials into EUR in items I-VIII use the arithmetic mean calculated based on the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Arithmetic mean in the period from 01.01.2013 to 30.09.2013 – PLN 4.2231

Arithmetic mean in the period from 01.01.2012 to 30.09.2012 – PLN 4.1948

Translations of selected financials into EUR in items IX-XVIII use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement day.

Q3 2013 – PLN 4.2163

Q3 2012 – PLN 4.0882

Average exchange rates for the Polish zloty to euro in the period covered by the statement		
Period	average rate in the period	exchange rate as at the last day of the period
Q3 2013	4.2231	4.2163
Q3 2012	4.1948	4.0882

The selected financial data including basic items of the quarterly separate financial statements (also translated into EUR).

THE SELECTED FINANCIAL DATA including basic items of the interim separate financial statements.	in PLN '000		in EUR '000	
	period from	period from	period from	period from
	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30
Net revenue from the sale of products, goods and materials	11,022	12,341	2,610	2,942
Profit (loss) on operating activities	-450	-174	-107	-41
Gross profit (loss)	-466	137	-110	33
Net profit (loss)	-400	207	-95	49
Net cash flows from operating activity	-52	1,347	-12	321
Net cash flows from investing activities	-1,200	-1,101	-284	-262
Net cash flows from financial activity	-87	-506	-21	-121
Total net cash flows	-1,339	-260	-317	-62
Total assets	17,535	18,445	4,159	4,512
Liabilities and provisions for liabilities, including:	3,314	3,825	786	936
Long-term liabilities	1,249	1,526	296	373
Short-term liabilities	2,065	2,299	490	562
Equity	14,221	14,620	3,373	3,576
Share capital	740	740	176	181
Number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Diluted number of shares (pcs.)	1,480,757	1,480,757	1,480,757	1,480,757
Earnings per share (in PLN/EUR)	-0.27	0.14	-0.06	0.03
Diluted earnings per share (in PLN/EUR)	-0.27	0.14	-0.06	0.03
Book value per share (in PLN/EUR)	9.60	9.87	2.28	2.41
Diluted book value per share (in PLN/EUR)	9.60	9.87	2.28	2.41
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

Principles applicable to translation of basic items of the quarterly separate financial statements into EUR.

Translations of selected financials into EUR in items I-VIII use the arithmetic mean calculated based on the average exchange rates of the National Bank of Poland (NBP) applicable on the last day of each month in a given period:

Arithmetic mean in the period from 01.01.2013 to 30.09.2013 – PLN 4.2231

Arithmetic mean in the period from 01.01.2012 to 30.09.2012 – PLN 4.1948

Translations of selected financials into EUR in items IX-XVIII use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement day.

Q3 2013 – PLN 4.2163

Q3 2012 – PLN 4.0882

Average exchange rates for the Polish zloty to euro in the period covered by the statement		
Period	average rate in the period	exchange rate as at the last day of the period
Q3 2013	4.2231	4.2163
Q3 2012	4.1948	40882

II. Basic principles of preparing financial statements

These consolidated financial statements of the Quantum software S.A. Capital Group for Q3 2013 have been prepared in line with the International Accounting Standard ("IAS") 34 and it complies with the International Financial Reporting Standards (IFRS) approved by the European Union, which include standards and interpretations published or adopted by the International Accounting Standards Board and the Standing Interpretation Committee at the IASB. The basis for preparation of these financial statements of the Quantum software S.A. Capital Group is Art. 55(6a) of the Accounting Act.

Data included in the report was prepared in line with the principles for evaluation of assets and equity and liabilities and evaluation of net income specified as at the balance sheet date, in keeping with the materiality principle. The consolidated financial statements for Q3 2013 were prepared on the assumption that the Capital Group would continue as a going concern.

These consolidated financial statements for Q3 2013 have been prepared in line with the International Financial Reporting Standards approved by the European Union. The statements' presentation is based on IAS 34 "Interim Financial Reporting", with the application of the same principles for the current and comparable period.

The consolidated financial statements for Q3 2013 have been prepared in PLN with figures rounded to whole thousands.

Accounting records follow the historical cost method. The undertaking made no adjustments which would have reflected the influence of inflation on individual balance sheet or income statement items. The Company prepares the income statement using the multiple-step variant. The cash flow statement uses the indirect method.

Accounting principles of preparing financial statements

The financial statements have been prepared in thousands of Polish zloty unless otherwise stated, on the basis of entries made in the accounts of the Company, carried out in accordance with the following accounting principles:

- 1) reliability,
- 2) accuracy,
- 3) continuity,
- 4) completeness,
- 5) comparability,
- 6) matching of costs and revenues,
- 7) immutability of accounting principles.

Tangible fixed assets and intangible assets

Methods of valuation of intangible and tangible fixed assets – intangible and tangible fixed assets are valued at maintaining the continuity principle in the manner set out in the International Accounting Standards, with the following restrictions:

- 1) Intangible assets are recognised at their purchase price, including their redemption. The Company makes depreciation write-offs on the straight line basis and the following redemption periods (useful lives) have been adopted:
 - a) computer software – 2 years

- b) licences – 2 years
 - c) copyrights – 2 years
 - d) R&D expenses – 5 years
 - e) The Company does not hold any intangible assets with indefinite useful life.
- 2) Fixed assets are valued at their purchase prices or manufacturing costs minus depreciation write-offs, proportionally to their periods of use. Fixed assets are depreciated throughout their useful economic life. Fixed assets, despite being used for more than one year, do not include items of low single initial value up to PLN 3,500.00, except for assets classified under group 4 (machines and equipment). When these items are purchased, they are reported on a single basis as tax-deductible expenses the month when they were bought or the following one. These items are not subject to recognition in balance sheet. Cars are depreciated on the straight line basis for 5 years upon their initial value minus their final value in the amount of 20% of the initial value. All the equipment included in group 4, regardless of their initial value, is depreciated on the straight line basis as per individual rates defined in accordance with their expected period of use, i.e.
- a) desktop computers – 4 years,
 - b) laptops – 3 years,
 - c) servers, printers, projectors, UPS, routers, switch boxes, changers, computer networks – 5 years,
 - d) UPS batteries – 2 years.

The Company annually verifies the useful lives of intangible and tangible fixed assets.

Financial instruments

Methods of valuation of financial instruments – financial instruments are valued at maintaining the continuity principle in the manner set out in the International Accounting Standards, with the following restrictions:

Receivables are recognised in books at their nominal value as at their accrual date and at the amount due as at the balance sheet date. For marking to market purposes, receivables are reduced by write-downs on doubtful receivables. Receivables in foreign currencies are valued as at the balance sheet date in accordance with the average NBP exchange rate, while foreign exchange differences are referred to financial revenues or costs.

Shares are valued at their purchase prices reduced by impairment write-offs.

Financial assets are valued at the lower of their purchase price or market value.

Cash at hand and in bank as well as interest on financial assets recorded on an accrual basis are valued at their nominal value, while cash in foreign currencies – at bank's buying and selling exchange rates and at the balance sheet valuation – at the average NBP exchange rate.

Liabilities are recognised in books at their nominal value as at their accrual date and at the amount due as at the balance sheet date. Liabilities in foreign currencies are valued at average NBP exchange rates.

Primary types of financial instruments:

- traditional financial instruments – receivables and trade payables – they are valued at the acquisition price (based on section 29 (7a) of IFRS), taking into account provisions for impairment and non-recovery (based on section 58 (39) of IAS),
- cash – valued at acquisition – based on section 29 (7a) of IFRS,

- loans, borrowings, leasing – valuation is required at amortized cost, however, in the opinion of the Management Board, the company presents the items in the acquisition price (the amount due), because such valuation does not affect the Company's financial position.

Investments

The Company classifies its investments in the following categories:

1) shares in subsidiaries,

shares in subsidiaries include shares in companies under consolidation, investments in subsidiaries are measured at their acquisition price adjusted for impairment losses of goodwill, write-downs on impairment of shares in subsidiaries are recognized in the statement of comprehensive income as financial costs.

Write-downs on fixed assets

Tangible fixed assets, intangible assets and financial assets are reviewed for impairment in the case of events and changes that may impair their value.

Impairment losses are recognized in other operating expenses in the periods in which such an impairment is created.

Inventory

Inventories include goods that are valued on the balance sheet date at their acquisition price with conservative valuation principles, deducted by impairment.

Trade and other receivables

Trade receivables are recognized at the amount to be paid, deducted by impairment of doubtful receivables. Estimation of impairment is based on the results of the recoverability of receivables in the cases the recovery of the full amount is no longer probable.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank.

Provision for retirement and similar benefits

The Company creates provisions for employee benefits. Provisions are valued at least at the balance sheet date at reasonable, reliably estimated value. Provisions for employee benefits include retirement gratuities. The Company applies actuarial method and creates at the balance sheet date a provision for current-value retirement benefits, that employees have acquired a right to this day, divided into short-term and long-term benefits. This provision charges other operating expenses. Provisions are released at the end of each reporting period, with the value of completed payments in relation to liabilities.

Provisions

The Company establishes provisions when as a result of economic events, certain or highly probable future liabilities arise that can be estimated in a reliable manner.

Prepayments and accruals

In order to preserve the matching of revenues and expenses, the Company creates accruals. They relate to both expenses and revenues.

The Company maintains prepayments – these are the costs for the next reporting period.

The Company maintains accruals – this is the amount of liabilities in the current period resulting from services provided to the entity.

Deferred income includes in particular an equivalent of invoiced services that will be performed in subsequent periods.

Revenues from sale of products and services as well as goods and raw materials

Net revenues from sales cover economic benefits from the reporting period in the entity's result in a value which was reliably determined, leading to an increase in equity by increasing the value of assets or decreasing the value of liabilities in a way other than contributing shareholders' funds. In particular, these are revenues from sale of products and services as well as goods and raw materials

Revenues include amounts receivable from sales of products and services of supporting and core activities as well as sales of materials and goods determined based on their net price, after applicable discounts' adjusting.

Adjustments to revenues from sales are recognized in the period in which they were made.

Other operating income

Other operating revenues include revenues related to the Company's operating activities. They include:

- 1) profit on fixed assets and intangible assets,
- 2) profit from disposal of fixed assets,
- 3) indemnification received,
- 4) releasing provisions, which burdened the operating costs at their creating,
- 5) written-off, overdue and redeemed liabilities.

Finance income

Interest income charged to counterparties, recognized at the time of payment by the counterparty.

Interest income on cash at bank recognized at the date of crediting the account by the bank.

Costs of activity

Total costs of sales, marketing, administration and management incurred in the reporting period. Value of goods and materials sold in the reporting period at their acquisition price.

Other operating costs

Other operating costs include costs related to the Company's operating activities.

They include:

- 1) loss on fixed assets and intangible assets,
- 2) fines and compensation paid,
- 3) established provisions,
- 4) costs of legal fees.

Financial costs

Costs in respect of interest paid are recognized directly in the income statement in the period in which they have been incurred.

Income tax

Obligatory tax charges consist of:

- 1) CIT,
- 2) deferred income tax.

Current tax liability is calculated on the basis of a tax result (tax base) obtained in a relevant financial year. Profit (loss) for tax purposes differs from accounting profit (loss) due to the exclusion of revenues and expenses that are not subject to tax. Tax charges are calculated on the basis of tax rates applicable in a relevant fiscal year.

Deferred income tax

The company establishes deferred income tax provision and assets in connection with temporary positive differences between the value of assets and liabilities disclosed in the accounting books and their tax value. Deferred income tax assets are recognised if it is probable that the taxable income will be generated in the future, which would allow to utilise temporary differences. Deferred income tax assets are also disclosed with respect to tax losses which may be deducted in subsequent years, however, only whenever it is probable that a taxable income will be generated in the future which would allow to utilise these tax losses. The company does not generate deferred income tax assets if there is doubt concerning the possibility of their utilisation in the next periods.

Earnings per share

Net profit per share is computed as the quotient of profit attributed to the Company's Shareholders and the weighted average number of ordinary shares.

Foreign currency transactions

Economic operations resulting in receivables and liabilities denominated in foreign currencies are valued in books at the balance sheet date at the average exchange rate published by NBP.

Receivables and liabilities denominated in foreign currencies are valued at the balance sheet date at the average exchange rate published by the National Bank of Poland.

Exchange rate differences relating to settlements denominated in foreign currencies arising at the date of valuation and the payment of receivables and liabilities are classified as financial income or expense.

Leasing

Tangible fixed assets under financial lease agreements which transfer to the Company all the benefits and risks associated with their ownership are recognized in the Company's balance sheet according to the current value of future minimum lease payments. Lease payments are apportioned between a reduction of the outstanding liabilities and finance charges, recorded directly to the financial result.

III. Notes to the consolidated quarterly statements for Q3 2013**1) Basic information**

The parent of the Capital Group is Quantum software S.A. with registered office in Kraków at ul. Walerego Sławka 3A. The Company was entered into the Register of Entrepreneurs of the National Court Register Kraków – Śródmieście, 11th Commercial Division on 30 October 2002 under No. KRS 0000136768; Polish Classification of Activities (PKD) no. 62.01Z “Software activities”. The Company’s business focus is development and implementation of IT systems for businesses, where optimisation of logistics is key.

Statistical identification number (REGON):	351243328
Tax identification number (NIP):	677-17-53-870
National Court Register (KRS):	0000136768
Share capital paid in full	PLN 740,378.50

Management Board:

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

Supervisory Board:

Chairman of the Supervisory Board	Leopold Kutyla
Deputy Chairman of the Supervisory Board	Tomasz Polończyk
Member of the Supervisory Board	Henryk Gaertner
Member of the Supervisory Board	Andrzej Ruciński
Member of the Supervisory Board	Piotr Nadolski

The quarterly financial statements were prepared on the assumption that entities within the Quantum software S.A. Capital Group will continue as a going concern in the foreseeable future.

2) Organisational structure of the Group as at 08.11.2013 – details of subsidiaries and related entities:**1. Company's business name: Quantum East Sp. z o.o. – subsidiary**

Registered office: Kraków

Address: Walerego Sławka 3a

National Court Register (KRS): 0000294284

Shareholders: 63.74% of shares held by Quantum software S.A.

Share capital paid in full: PLN 282,500.00

2. Company's business name: Quantum International Sp. z o.o. – subsidiary in Ukraine

Registered office: Kiev

Address: Prospect Moskovskij

certificate No. 100107724

Shareholders: 100% of shares held by Quantum East

Share capital paid in full: USD 76,200.00

3. Company's business name: Quantum International Sp. z o.o. – subsidiary in Russia

Registered office: Moscow

Address: ul. Letnikovskaja 10 building 11

certificate No. 1117746038035

Shareholders: 99% of shares held by Quantum East

Share capital paid in full: RUB 1,200,000.00

4. Company's business name: Quantum I – Services Sp. z o.o. – subsidiary

Registered office: Kraków

Address: Walerego Sławka 3a

National Court Register (KRS): 0000331050

Shareholders: 100% of shares held by Quantum software S.A.

Initial capital fully covered by an in-kind contribution: PLN 1,500,000.00

5. Company's business name: Edisona Sp. z o.o. – subsidiary

Registered office: Kraków

Address: Walerego Sławka 3a

National Court Register (KRS): 0000335987

Shareholders: 74% of shares held by Quantum software S.A.

Share capital paid in full: PLN 120,000.00

6. Company's business name: Quantum Mobile Solutions Sp. z o.o. – subsidiary

Registered office: Kraków

Address: Walerego Sławka 3a

National Court Register (KRS): 0000297249

Shareholders: 75% of shares held by Quantum I – Services Sp. z o.o.

Share capital paid in full: PLN 6,000.00

7. Company's business name: Mobeelizer Sp. z o.o. – subsidiary

Registered office: Kraków

Address: Walerego Sławka 3a

National Court Register (KRS): 0000297249

Shareholders: 51.28% of shares held by Quantum Mobile Solutions Sp. z o.o.

Initial capital paid in full: PLN 1,092,000.00

8. Company's business name: Quantum Mobs system S.L. – subsidiary

Registered Office: Madrid

Address: Camino de lo Cortao 13, SS de los Reyes, CP 28703, Madrid

Register no.: B86345105

Shareholders: 86% of shares held by Quantum software S.A.

Share capital paid in full: EUR 3,100.00

9. Company's business name: Quantum Brasiel Engenharia Em Software Ltda-ME. – subsidiary

Registered Office: Brasilia/DF

Address: Condomínio Jardim Botânico, Etapa 01, quadra 02. Rua 01 lote 112 – loja 12, Lago Sul - Brasilia - DF - CEP 71.680-362

Register No.: 11.795.637/0001-38 and NIRE No. 53201627870

Shareholders: 85% of shares held by Quantum software S.A.

Share capital paid in full: BRL 200,000.00

10. Company's business name: QMobs Systems Chile S.A. – subsidiary

Registered Office: Santiago de Chile

Address: Los Fresnos 1201, Casa 21, Santiago, Huechuraba

Register no.: 6959/4912/2012

Shareholders: 99% of shares held by Quantum Mobs System S.L

Share capital: CLP 31,000,000.00 partially paid

The Issuer is involved in sales of computer software and hardware and renders related services.

Product structure of the Quantum Group

	01.01-30.09.2013	% share	01.01-30.09.2012	% share
Qguar licences and services	11,883	81.7%	11,858	80.3%
Goods	1,509	10.4%	2,043	13.8%
Other sales	1,144	7.9%	866	5.9%
Total:	14,536	100%	14,767	100%

Data in PLN '000

Sales by markets

	01.01-30.09.2013	% share	01.01-30.09.2012	% share
Country	10,274	70.7%	11,195	75.08%
Export	4,262	29.3%	3,572	24.20%
Total:	14,536	100%	14,767	100%

Data in PLN '000

3) Description of the Capital Group's organisation with identification of consolidated entities and changes in the Group's structure (if any).

The Group comprises the following entities:

Quantum software S.A. – the parent entity in the Group – involved in the development and implementation of IT systems;

Quantum East Sp. z o.o. – a subsidiary of the Group; 63.74% of its shares are held by Quantum software S.A. (holding nature). Full consolidation method.

Quantum International Sp. z o.o. (Ukraine) – a subsidiary of the Group; 100% of its shares are held by Quantum East Sp. z o.o. – business focus consists in sales and implementation of Quantum software S.A.'s IT solutions in the Russian-speaking countries. Full consolidation method.

Quantum International Sp. z o.o. (Russia) – a subsidiary of the Group; 99% of its shares are held by Quantum East Sp. z o.o. – the Company was established to focus on sales and implementation of IT solutions offered by Quantum software S.A. in Russia.

Quantum I - Services Sp. z o.o. – a subsidiary of the Group; 100% of its shares are held by Quantum software S.A. – business focus consists in sales of licences, hardware and IT services that are not directly related to Quantum software S.A.'s own products (at the moment the Qguar series). Full consolidation method.

Edisonda Sp. z o.o. – a subsidiary of the Group; 74% of its shares are held by Quantum software S.A.; the company was established to focus on interaction design and research on the communicative effectiveness of websites (or other electronic media) and using the research findings for commercial purposes. Full consolidation method.

Quantum Mobile Solutions Sp. z o.o. – a subsidiary of the Group; 75% of its shares are held by Quantum I-Services Sp. z o.o. – business focus of the company consists in development and sales of IT solutions for mobile devices.

Quantum Mobeelizer Sp. z o.o. – a subsidiary of the Group; 51.28% of its shares are held by Quantum Mobile Solutions Sp. z o.o. The company was established in order to offer software solutions for mobile devices with particular focus on the system platform universality. Full consolidation method.

Quantum Mobs Systems S.L. – a subsidiary of the Group; 86% of its shares are held by Quantum software S.A. The purpose of the company is to introduce the Quantum offer on the Spanish market and the markets of Spanish speaking countries in Latin America. Full consolidation method.

Quantum Brasil Engenharia em Software Ltda- ME. – a subsidiary of the Group; 85% of its shares are held by Quantum software S.A. The purpose of the company is to introduce the Quantum offer in the Federative Republic of Brazil.

QMobs System Chile – a subsidiary of the Group; 99.99% of its shares are held by Quantum Mobs System S.L. The purpose of the company is to introduce the Quantum offer in Chile.

4) Effects of changes in the business unit's structure, including those resulting from business mergers, acquisitions or disposal of entities in the Issuer's Capital Group, long-term investments, de-mergers, restructuring and discontinuation:

In Q3 2013 there were no changes in the business structure and composition of the group.

5) Significant changes in estimates, including adjustments on account of provisions, deferred income tax provisions and assets and recognised revaluation write-downs on assets.

In Q3 2013 no significant events took place influencing estimates and, by the same token, adjustments relative to reserves, deferred income tax reserve and assets and any recognised write-downs on assets.

6) Assessment of the Capital Group's basic economic and financial items

After Q3 2013 the Capital Group obtained a sales revenue of PLN 14,536 thousand, which constitutes 1.5% drop (the figure for the comparable period in the preceding year – PLN 14,767 thousand). However, sales of Q3 2013 was higher than sales of Q3 2012 by 12%.

Sales of products and services relating to own software (the Qguar package) constituted over 80% of total sales after Q3 2013. Both the sale of the Issuer (PLN 10 327 thousand) and the Group (PLN 11 883 thousand) in this area are within the same percent of revenues similar to last year.

The Issuer itself closed a quarter with a net loss of PLN 400 thousand (an important factor was the creation of write-off for loan granted to a subsidiary of Quantum I-services Sp. z o.o in Q2) and the entire Capital Group closed Q3 2013 with a net loss of PLN 1,548 thousand. The Issuer's loss decreased significantly compared to the positive result of Q3; however, the loss of the Group – as in 2012- is a consequence of investments in Spain and Latin America which began in Q1 2012 and of continued activities on the Russian market (result of the three quarters). Similarly, the mobile technologies project carried out by Mobeelizer also influences the result.

The Issuer maintains a stable structure of financing current activities which is principally based on financing by means of equity and current trade liabilities.

The current financing structure will not cause any risk of losing or upsetting liquidity.

7) Description of the Issuer's significant achievements and failures in the period covered by the report, together with a list of the most important related events:

➤ **Acquiring new customers in Poland and abroad:**

- Lumag Sp. z o.o.;
- Piomar Sp. z o.o.;
- NEUCA S.A.;
- Mirgorodskij Zavod Mineralnyh Vod S.A. (Ukraine)
- Dziaczun Vladimir Grigorievich P.P.O.F. (Ukraine)
- Roszen Sp. z o.o. (Russia)
- Wearco Sp. z o.o. (EDISONDA)
- T-Matic Systems S.A. (EDISONDA)

➤ **New contracts/implementations for the previously operated customers:**

- Żabka Polska Sp. z o.o.;
- Bakoma Sp. z o.o.;
- CURSOR S.A.;
- DINO S.A.;
- Leszek i Agata Sp. z o.o.;
- Billennium Sp. z o.o. (EDISONDA)
- Ministry of Regional Development (EDISONDA)
- Poznań University of Economics (EDISONDA)

➤ **Other important events:**

- Quantum software SA was a partner of "Top Manufacturing Practices" workshop prepared by The Eurologistics Publishing House,

In Warsaw, at "Innovation and the Win-Win strategies in logistics and transportation" conference a new device offered by Quantum under the working name of EDP (Eco-Driving Panel) was first presented.

8) Description of factors and events, especially atypical factors and events, having a substantial impact on the financial result achieved:

Such events did not occur.

9) Notes on the seasonality or cyclicity of the Issuer's business in the presented period:

Influence of seasonality on the Issuer's and the Group's performance remains as slight as in the previous periods.

10) Information on the issue, redemption and repayment of debt and equity securities:

In Q3 2013 Quantum software S.A. and its subsidiaries did not perform any issue of shares, did neither redeem nor repaid debt or equity securities.

11) Information on the dividend paid or declared, in total and per share, broken down by equity and preference shares:

On 9 October 2013, the Extraordinary General Meeting of Quantum software SA adopted a resolution on the payment of dividends from retained earnings. The Extraordinary General Meeting decided that a dividend would be paid to the shareholders according to the following rules:

All shares of A, B, C and D Series, i.e. 1,480,757 (one million four hundred and eighty thousand seven hundred and fifty-seven) excluding treasury shares held by the Company, i.e. 8,028 (eight thousand and twenty-eight) shares will be subject to dividend.

The dividend amounts to PLN 0.68 (say: sixty-eight groszy) per share

The total amount of the dividend amounts to PLN 1,001,455.72 (say: one million one thousand four hundred and fifty-five zloty 72/100).

The list of shareholders entitled to the dividend was determined as at 14 November 2013 (the dividend day).

The dividend payout deadline is 29 November 2013.

12) Events after the day as at which the abridged quarterly financial statements were prepared, not included in these statements which could have a significant influence on the Issuer's future financial performance

On 23 October 2013, Quantum Mobile Solutions Sp. z o.o. sold its shares to Mobeelizer Sp. z o.o.

13) Information concerning changes in contingent liabilities or contingent assets which occurred since the end of the previous financial year.

In period described here, there were no significant events resulting in the changes in contingent liabilities or contingent assets.

14) Position of the Management Board on the feasibility of performance forecasts published before for the year in the light of performance presented in the quarterly report compared to the forecasted performance:

The Company did not publish any performance forecasts for the year.

15) Shareholders holding, directly or indirectly, through their subsidiaries, at least 5% of total votes at the Issuer's general meeting as at the quarterly report submission date, including the number of shares held by such entities, their percentage share in the share capital, the number of resulting votes and their percentage share in the total votes at the general meeting and specification of changes in the ownership structure of substantial stakes of the Issuer's shares in the period following the publication of the previous quarterly report:

To the Company's knowledge, as at 8 November 2013 (the quarterly report publication date), the company's dominant shareholder is Quantum Assets sp. z o.o. with registered office in Kraków, holding 675,421 registered multiple-vote A series shares and 222,979 ordinary bearer B series shares, accounting in total for 60.67% of its share capital and giving the holder 1,573,821 votes at the general meeting of the company, i.e. 70.55% of the total votes.

16) The Issuer's shares or rights thereto held by the Issuer's managers and supervisors as at the interim report submission date plus changes in their ownership, in the period following the publication of the previous report, for each person separately:

Management Board (as at 8 November 2013)

Tomasz Hatala	36,200
Bogusław Ożóg	31,924
Marek Jędra	8,200
Tomasz Mnich	3,400

Members of the Supervisory Board holding Company's shares (as at 8 November 2013)

Tomasz Polończyk	8,200
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17) Identification of the proceedings pending before a court, a competent arbitration authority or a public administration authority, including the information on:

In the reporting period, neither the Company nor its subsidiaries or related entities instituted or were a party to any proceedings before a court or a public administration authority concerning claims whose total amount would exceed 10% of equity.

18) Information on the conclusion by the Issuer or its subsidiary of one or more material transactions with related entities, if they are material (separately and jointly) and if they were not arm's length transactions:

In the period in question, the Company did not conclude any such agreements with related entities.

19) Information on granting by the Issuer or its subsidiary of sureties for loans or borrowings or guarantees – jointly to a single entity or its subsidiary, if the total amount of the existing sureties or guarantees is an equivalent of at least 10% of the Issuer's equity:

In the described period, neither the Company nor its subsidiaries granted such sureties or guarantees whose amount would exceed 10% of the Issuer's equity.

20) Other information that, in the Issuer's opinion, is significant in order to evaluate its human resources, assets, financial position, financial performance and changes thereof as well as any information considered significant in order to evaluate the Issuer's capacity to meet its obligations:

In the reporting period described here, there were no other circumstances significant for evaluation of the Issuer's human resources, assets, financial position, financial performance and the capacity to meet its obligations.

21) Factors which, in the Issuer's opinion, will influence its performance at least in the subsequent quarter:

Factors which influence the Quantum software S.A. Capital Group's development in the subsequent quarter include factors independent of the Company itself as well as internal factors which depend on Quantum software S.A. and entities composing the Capital Group.

External factors include:

- an economic downturn, which is clearly visible from the middle of last year,
- long-term consequences of the financial crisis in the Ukraine, economic slowdown in Russia,

- impact of the Euro zone crisis on the economy in Poland and its neighbours,
- maintenance of the growth rate in Latin America,
- extended decision-making processes in entities concerning IT expenses,
- risk related to significant fluctuations of the PLN exchange rate against euro,
- competitors' activities.

Internal factors which influence the Capital Group's development include:

- prompt completion of works specified in the contracts whose implementation started in previous quarters in accordance with budgeted expenditure and contractual terms;
- successful and timely completion of development works with respect to new products and services;
- effective HR policy so as to eliminate the risk of turnover by qualified and skilled employees;
- success of marketing efforts in acquiring new contracts;
- efficient investment strategy in subsidiaries, in particular the success of applied methods of selling own products on foreign markets.

Kraków, 8 November 2013

Signatures of members of the Management Board:

Tomasz Hatala

Bogusław Ożóg

Marek Jędra

Tomasz Mnich

IV. Consolidated financial statement of Quantum software S.A. for Q3 2013

Consolidated report on financial condition	2013-09-30	2013-06-30	2012-12-31	2012-09-30
ASSETS				
Fixed assets	5,474	5,778	5,982	5,614
Property, plant and equipment	1,562	1,573	1,424	1,345
Investment property	-	-	-	-
Biological assets	-	-	-	-
Goodwill of subordinates	-	-	-	-
Intangible assets	3,021	3,368	3,968	4,244
Investments in associates valued according to equity method	-	-	-	-
Financial assets held for sale	-	-	-	-
Borrowings granted	839	783	563	-
Other financial assets	-	-	-	-
Deferred income tax assets	32	28	24	20
Other long-term receivables and accruals	20	26	3	5
Current assets	10,573	10,227	11,851	11,596
Inventory	244	99	78	94
Receivables due to deliveries, works and services	4,251	3,993	4,594	3,571
Other short-term receivables and accruals	1,026	1,245	828	949
Income tax receivables	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-
Financial assets held for sale	-	-	-	-
Borrowings granted	413	429	429	897
Other financial assets	58	2,015	-	-
FX forwards	-	-	-	-
Cash and cash equivalents	4,581	2,446	5,922	6,085
Non-current assets classified as held for sale	-	-	-	-
TOTAL ASSETS	16,047	16,005	17,833	17,210
LIABILITIES AND EQUITY				
Equity	11,983	11,861	13,400	13,904
Equity attributable to shareholders/stockholders of the Parent	12,063	11,972	13,032	13,327
Share capital	740	740	740	740
Share premium	11,442	11,442	11,442	11,442
Own shares	-78	-78	-78	-78
Supplementary capitals and reserves	2,762	2,781	2,723	2,688
Revaluation reserve	-	-	-	-

Amounts recognized directly in equity relating to assets classified as held for sale	-	-	-	-
Exchange rate differences from translation	-38	-86	-41	-55
Retained profit/loss	-1,558	-1,563	-657	-383
Current year profit/loss	-1,207	-1,264	-1,097	-1,027
Non-controlling shares	-80	-111	368	577
LIABILITIES	4,064	4,144	4,433	3,306
Long-term liabilities	1,499	1,645	1,587	1,192
Provisions	165	165	165	131
Deferred income tax provision	784	805	784	564
Long-term bank loans and borrowings	150	154	146	98
Other long-term financial liabilities	191	260	129	27
Other long-term liabilities and accruals	209	261	363	372
Short-term liabilities	2,565	2,499	2,846	2,114
Provisions	3	3	3	3
Short-term loans and borrowings	29	-	-	-
Short-term part of long-term bank loans and borrowings	5	15	32	94
Other short-term financial liabilities	255	262	171	201
Liabilities due to deliveries, works and services	1,142	939	1,047	740
Other short-term liabilities and accruals	1,131	1,280	1,593	1,076
Income tax liabilities	-	-	-	-
FX forwards	-	-	-	-
Liabilities related to fixed assets classified as held for sale	-	-	-	-
TOTAL LIABILITIES	16,047	16,005	17,833	17,210

Consolidated income statement (classification of expenses by function)	2013-07-01 to 2013-09-30	2013-01-01 to 2013-09-30	2012-07-01 to 2012-09-30	2012-01-01 to 2012-09-30
Continuing operations				
Revenue from the sale of products, goods and materials	5,348	14,536	4,770	14,767
Costs of products, goods and materials sold	3,148	9,972	3,268	10,369
Gross profit/loss on sales	2,200	4,564	1,502	4,398
Distribution costs	951	2,707	99	1,986
Administrative expenses	1,134	3,574	1,989	3,965
Profit/loss on sales	115	-1,717	-586	-1,553
Other operating income	37	106	29	101
Other operating costs	2	4	16	22
Profit/loss on operating activities	150	-1,615	-573	-1,474
Finance income	-62	178	184	436

Financial costs	70	104	134	189
Share in/profit loss of associates	-	-	-	-
Profit / loss from the sale of shares in an associate	-	-	-	-
Gross profit (loss)	18	-1,541	-523	-1,227
Income tax	-10	7	155	54
Net profit/loss on continuing operations	28	-1,548	-678	-1,281
Discontinued operations				
Profit/loss on discontinued operations for the financial year	-	-	-	-
Net profit/loss for the reporting period	28	-1,548	-678	-1,281
Profit/loss net attributed to:	28	-1,548	-678	-1,281
<i>Shareholders of the parent</i>	56	-1,208	-901	-1,028
<i>Non-controlling shares</i>	-28	-340	223	-253
Other comprehensive income	48	4	-20	-43
Gains/losses arising from the revaluation of tangible fixed assets	-	-	-	-
Gains/losses on investments recognized directly in equity and available for sale	-	-	-	-
Gains/losses on cash-flow hedges (effective portion)	-	-	-	-
Currency valuation differences (foreign companies)	48	4	-20	-43
Income tax related to items presented in other comprehensive income	-	-	-	-
Acquisition of equity from non-controlling shares	-	-	-	-
Total comprehensive income	76	-1,544	-698	-1,324
Comprehensive income attributed to:	76	-1,544	-698	-1,324
<i>Shareholders of the parent</i>	94	-1,205	-917	-1,062
<i>Non-controlling shares</i>	-18	-339	219	-262
Profit/loss per share in PLN:				
on continued operations				
<i>Basic</i>	-	-0.82	-	-0.69
<i>Diluted</i>	-	-0.82	-	-0.69
on continued and discontinued operations				
<i>Basic</i>	-	-0.82	-	-0.69
<i>Diluted</i>	-	-0.82	-	-0.69

other comprehensive income												
Total revenues and costs for the financial year directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange differences recognized in comprehensive income attributable to non-controlling shares	-	-	-	-	-	-	-	-	-	-	-	-
Net profit/loss for the financial year	-	-	-	-	-	-	-	-1,208	-1,208	-340	-1,548	
Other changes in equity	-	-	-	39	-	-	-	197	236	-108	128	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit/loss	-	-	-	8	-	-	-	-8	-	-	-	-
Acquisition of own shares	-	-	-	-	-	-	-	-	-	-	-	-
Sales of own shares	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of the reserve capital to the share capital	-	-	-	-	-	-	-	-	-	-	-	-
Statutory capital reserve	-	-	-	25	-	-	-	-	-	-	-	-

flow hedges (effective portion)												
Currency valuation differences (foreign companies)	-	-	-	-	-	-	-43	-	-43	-8	-51	
Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	
Total revenues and costs for the financial year directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	
Foreign exchange differences recognized in comprehensive income attributable to non-controlling shares	-	-	-	-	-	-	-	-	-	-	-	
Net profit/loss for the financial year	-	-	-	-	-	-	-	-1,028	-1,028	-253	-1,281	
Other changes in equity	-	-	-	-305	-	-	-	-602	-907	327	-580	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-518	-518	-	-518	
Distribution of profit/loss	-	-	-	1	-	-	-	-1	-	-	-	
Acquisition of own shares	-	-	-	-	-	-	-	-	-	-	-	
Sales of own shares	-	-	-	-	-	-	-	-	-	-	-	
Transfer of the reserve capital to the share capital	-	-	-	-	-	-	-	-	-	-	-	
Statutory capital reserve	-	-	-	-306	-	-	-	-	-306	-	-306	

Non-controlling shares	-	-	-	-	-	-	-	-83	-83	327	244
Balance at the end of the period	740	11,442	-78	2,688	-	-	-55	-1,410	13,327	577	13,904

Consolidated cash flow statement (indirect method)	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30
Gross profit (loss)	-1,541	-1,227
Adjustments for items:	801	613
Share of profit/loss of associates and joint ventures accounted for with the equity method	-	-
Non-controlling shares	10	-
Amortisation/Depreciation	1,443	1,447
Goodwill impairment	-	-
Foreign exchange gains/losses	49	-6
Interest costs and revenues	-34	-312
Revenues from dividends	-	-
Profit/loss from investment activity	-17	47
Change in reserves	-	-
Change in inventories	-95	49
Change in receivables and prepayments	6	19
Change in payables and accruals	-515	-416
Income tax paid/reimbursed	-24	-99
Other corrections	-22	-116
Net cash flows from operating activities	-740	-614
Investment cash flows		
Inflows from sales of fixed and intangible assets	109	39
Net inflows from sales of subsidiaries and associates	-	-
Proceeds from disposal of financial assets	-	-
Inflows from interest	11	256
Inflows from dividends	-	-
Repayment of borrowings granted	105	398
Expenditures on acquisition of property, plant and equipment and intangible assets	282	418
Net expenditures on acquisition of subsidiaries and associates	-	-
Expenditures on acquisition of short-term financial assets	-	-
Borrowings granted	308	217
Others	-	-
Net cash flows from investment activity	-365	58
Financial cash flows		
Inflows from loans and borrowings	74	97
Net inflows from issue of shares	30	406
Net inflows from issue of bonds, bills and notes	-	-
Repayment of loans and borrowings	38	43
Payments of liabilities on account of financial lease agreements	246	81

Dividends paid to Company's stockholders	-	530
Dividends paid to minority shareholders/stockholders	-	-
Acquisition of own shares	-	-
Interest paid	48	16
Others	22	-
Net financial cash flows	-206	-167
Increase (decrease) in cash and cash equivalents	-1,311	-723
Cash, cash equivalents and overdrafts at the beginning of the period	5,922	6,808
<i>Foreign exchange gains/losses due to valuation of cash, cash equivalents and overdrafts</i>	-30	-
Cash, cash equivalents and overdrafts at the end of the period	4,581	6,085

V. Separate financial statement of Quantum software S.A. for Q3 2013

Separate statement of financial position	2013-09-30	2013-06-30	2012-12-31	2012-09-30
ASSETS				
Fixed assets	6,363	6,587	6,998	8,507
Property, plant and equipment	1,111	1,081	1,193	1,100
Intangible assets	2,855	3,186	3,756	4,020
Financial assets held for sale	862	862	862	1,422
Borrowings granted	1,531	1,452	1,175	1,953
Deferred income tax assets	1	1	12	12
Other long-term receivables and accruals	3	5	-	-
Current assets	11,172	10,337	11,447	9,388
Inventory	235	58	70	88
Receivables due to deliveries, works and services	4,067	3,407	3,811	2,532
Other short-term receivables and accruals	322	454	263	354
Borrowings granted	2,750	2,459	2,167	765
Cash and cash equivalents	3,798	1,944	5,136	5,649
TOTAL ASSETS	17,535	16,924	18,445	17,895
LIABILITIES AND EQUITY				
Equity	14,221	13,813	14,620	14,928
Equity attributable to shareholders/stockholders of the Parent	14,221	13,813	14,620	14,928
Share capital	740	740	740	740
Share premium	11,442	11,442	11,442	11,442
Own shares	-78	-78	-78	-78
Supplementary capitals and reserves	2,682	2,682	2,782	2,911
Retained profit/loss	-165	-165	-294	-294
Current year profit/loss	-400	-808	28	207
Non-controlling shares	-	-	-	-
LIABILITIES	3,314	3,111	3,825	2,967
Long-term liabilities	1,249	1,395	1,526	1,338
Provisions	165	165	165	131
Deferred income tax provision	657	708	734	737
Long-term bank loans and borrowings	151	154	146	98
Other long-term financial liabilities	67	107	118	-
Other long-term liabilities and accruals	209	261	363	372
Short-term liabilities	2,065	1,716	2,299	1,629
Provisions	3	3	3	3

Short-term loans and borrowings	29	-	-	-
Short-term part of long-term bank loans and borrowings	5	15	32	44
Other short-term financial liabilities	117	103	92	141
Liabilities due to deliveries, works and services	958	714	763	535
Other short-term liabilities and accruals	953	881	1,409	906
TOTAL LIABILITIES	17,535	16,924	18,445	17,895

Separate income statement (classification of expenses by function)	2013-07-01 to 2013-09-30	2013-01-01 to 2013-09-30	2012-07-01 to 2012-09-30	2012-01-01 to 2012-09-30
<i>Continuing operations</i>				
Revenue from the sale of products, goods and materials	4,098	11,022	3,372	12,341
Costs of products, goods and materials sold	2,572	7,676	2,504	8,847
Gross profit/loss on sales	1,526	3,346	868	3,494
Distribution costs	568	1,907	618	1,845
Administrative expenses	625	1,992	661	1,856
Profit/loss on sales	333	-553	-411	-207
Other operating income	37	105	28	34
Other operating costs	1	2	1	1
Profit/loss on operating activities	369	-450	-384	-174
Finance income	11	415	137	442
Financial costs	23	431	46	131
Share in/profit loss of associates	-	-	-	-
Profit / loss from the sale of shares in an associate	-	-	-	-
Gross profit (loss)	357	-466	-293	137
Income tax	-51	-66	35	-70
Net profit/loss on continuing operations	408	-400	-328	207
<i>Discontinued operations</i>				
Profit/loss on discontinued operations for the financial year	-	-	-	-
Net profit/loss for the reporting period	408	-400	-328	207
Profit/loss net attributed to:	-	-	-	-
Other comprehensive income	-	-	-	-
Gains/losses arising from the revaluation of tangible fixed assets	-	-	-	-
Gains/losses on investments recognized directly in equity and available for sale	-	-	-	-
Gains/losses on cash-flow hedges (effective portion)	-	-	-	-
Currency valuation differences (foreign	-	-	-	-

companies)				
Income tax related to items presented in other comprehensive income	-	-	-	-
Total comprehensive income	-	-400	-	207
Profit/loss per share in PLN:				
on continued operations				
<i>Basic</i>	-	-0.27	-	0.14
<i>Diluted</i>	-	-0.27	-	0.14
on continued and discontinued operations				
<i>Basic</i>	-	-0.27	-	0.14
<i>Diluted</i>	-	-0.27	-	0.14

items presented in other comprehensive income												
Total revenues and costs for the financial year directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Net profit/(loss) for the period: 01.01.2013-30.09.2013	-	-	-	-	-	-	-	-400	-400	-	-	-400
Other changes in equity	-	-	-	-100	-	-	-	101	1	-	-	1
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit/loss	-	-	-	-100	-	-	-	101	1	-	-	1
Acquisition of own shares	-	-	-	-	-	-	-	-	-	-	-	-
Sales of own shares	-	-	-	-	-	-	-	-	-	-	-	-
Transfer of the reserve capital to the share capital	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	740	11,442	-78	2,682	-	-	-	-565	14,221	-	-	14,221

Income tax related to items presented in other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Total revenues and costs for the financial year directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the period: 01.01.2012-30.09.2012	-	-	-	-	-	-	-	206	206	-	206
Other changes in equity	-	-	-	1	-	-	-	-519	-518	-	-518
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-518	-518	-	-518
Distribution of profit/loss	-	-	-	1	-	-	-	-1	-	-	-
Acquisition of own shares	-	-	-	-	-	-	-	-	-	-	-
Sales of own shares	-	-	-	-	-	-	-	-	-	-	-
Transfer of the reserve capital to the share capital	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the period	740	11,442	-78	2,912	-	-	-	-88	14,928	-	14,928

Separate cash flow statement (indirect method)	2013-01-01 to 2013-09-30	2012-01-01 to 2012-09-30
Cash flows from operating activities		
Gross profit (loss)	-466	137
Adjustments for items:	414	1,210
Share of profit/loss of associates and joint ventures accounted for with the equity method	-	-
Non-controlling shares	-	-
Amortisation/Depreciation	1,285	1,342
Goodwill impairment	-	-
Foreign exchange gains/losses	-71	-
Interest costs and revenues	-199	-396
Revenues from dividends	-	-
Profit/loss from investment activity	-80	-5
Change in reserves	-	-
Change in inventories	-165	48
Change in receivables and prepayments	-318	912
Change in payables and accruals	-458	-691
Income tax paid/reimbursed	-	-
Other corrections	420	-
Net cash flows from operating activities	-52	1,347
Investment cash flows		
Inflows from sales of fixed and intangible assets	109	38
Net inflows from sales of subsidiaries and associates	-	-
Proceeds from disposal of financial assets	-	-
Inflows from interest	9	239
Inflows from dividends	-	-
Repayment of borrowings granted	135	398
Expenditures on acquisition of property, plant and equipment and intangible assets	228	322
Net expenditures on acquisition of subsidiaries and associates	-	-
Expenditures on acquisition of short-term financial assets	-	571
Borrowings granted	1,225	883
Others	-	-
Net cash flows from investment activity	-1,200	-1,101
Cash flows from financial activity		
Inflows from loans and borrowings	38	97
Net inflows from issue of shares	-	-
Net inflows from issue of bonds, bills and notes	-	-
Repayment of loans and borrowings	38	43

Payments of liabilities on account of financial lease agreements	76	41
Dividends paid to Company's stockholders	-	510
Dividends paid to minority shareholders/stockholders	-	-
Acquisition of own shares	-	-
Interest paid	11	9
Others	-	-
Net financial cash flows	-87	-506
Increase (decrease) in cash and cash equivalents	-1,339	-260
Cash, cash equivalents and overdrafts at the beginning of the period	5,135	5,909
<i>Foreign exchange gains/losses due to valuation of cash, cash equivalents and overdrafts</i>	2	-
Cash, cash equivalents and overdrafts at the end of the period	3,798	5,649

Statement of the Management Board concerning the preparation of the financial statements

The Management Board of Quantum software S.A. declares that, to the best of their knowledge, the consolidated financial statements for Q3 2013 and comparative data were prepared in compliance with the accounting principles in force and that they present a true, accurate and fair view of the Quantum software S.A. Capital Group's economic and financial standing and its financial result and that the Interim Management Report presents a true overview of development and achievements of the Quantum software S.A. Capital Group and its situation, including basic risks and exposures.

Kraków, 8 November 2013

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