



**Consolidated financial statements of Quantum software S.A.'s Capital Group
for Q1 2016**

Kraków, 13 May 2016

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Selected financial data, including basic items of the quarterly consolidated financial statements and the condensed separate financial statements (also translated into EUR)

SELECTED FINANCIAL DATA including basic items of the quarterly consolidated financial statements	PLN '000		EUR '000	
	from	from	from	from
	01.01.2016 to 31.03.2016	01.01.2015 to 31.03.2015	01.01.2016 to 31.03.2016	01.01.2015 to 31.03.2015
Net revenue from sale of products, goods and materials	5,799	5,772	1,331	1,391
Operating profit (loss)	130	436	30	105
Gross profit (loss)	147	-48	34	-12
Net profit (loss)	158	-128	36	-31
Net operating cash flow	1,744	1,208	400	291
Net cash flow from investing activities	-1,111	-193	-255	-47
Net cash flow from financing activities	-56	-89	13	-21
Total net cash flows	577	926	132	223
	01.01.2016 to 31.03.2016	01.01.2015 to 31.12.2015	01.01.2016 to 31.03.2016	01.01.2015 to 31.12.2015
Total assets	15,406	16,295	3,609	3,824
Liabilities and provisions for liabilities	3,587	3,602	840	845
Long-term liabilities	745	747	175	175
Short-term liabilities	2,842	2,855	666	670
Equity	11,811	12,692	2,769	2,978
Share capital	740	740	173	174
Number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Diluted number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Earnings (loss) per ordinary share (in PLN/EUR)	0.11	-0.09	0.02	-0.02
Diluted earnings (loss) per ordinary share (in PLN/EUR)	0.11	-0.09	0.02	-0.02
Book value per share (in PLN/EUR)	7.98	8.57	1.87	2.01
Diluted book value per share (in PLN/EUR)	7.98	8.57	1.87	2.01
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

Principles for translating basic items of the quarterly consolidated financial statements into EUR

Translations of selected consolidated financial data into EUR in the consolidated statement of comprehensive income and in the consolidated cash flow statement 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.

Translations of selected consolidated financial data into EUR in the consolidated statement of financial position and the consolidated statement of changes in equity use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement date.

Period	Average exchange rate in the period	Exchange rate on the last day of the period
2016	4,3559	4,2684
2015	4,1489	4,2615

SELECTED FINANCIAL DATA including basic items of the quarterly separate financial statements	PLN '000		EUR '000	
	from	from	from	from
	01.01.2016 to 31.03.2016	01.01.2015 to 31.03.2015	01.01.2016 to 31.03.2016	01.01.2015 to 31.03.2015
Net revenue from sale of products, goods and materials	261	259	60	62
Operating profit (loss)	23	-36	5	-9
Gross profit (loss)	23	-36	5	-9
Net profit (loss)	85	-13	20	-3
Net operating cash flow	101	247	23	60
Net cash flow from investing activities	-	-	-	-
Net cash flow from financing activities	-	-	-	-
Total net cash flows	101	247	23	60
	01.01.2016 to 31.03.2016	01.01.2015 to 31.12.2015	01.01.2016 to 31.03.2016	01.01.2015 to 31.12.2015
Total assets	10,594	10,342	2,482	2,427
Liabilities and provisions for liabilities	424	257	99	60
Long-term liabilities	-	-	-	-
Short-term liabilities	424	257	99	60

Equity	10,170	10,085	2,383	2,367
Share capital	740	740	173	174
Number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Diluted number of shares	1,480,757	1,480,757	1,480,757	1,480,757
Earnings (loss) per ordinary share (in PLN/EUR)	0.06	-0.01	0.01	0.00
Diluted earnings (loss) per ordinary share (in PLN/EUR)	0.06	-0.01	0.01	0.00
Book value per share (in PLN/EUR)	6.87	6.81	1.61	1.60
Diluted book value per share (in PLN/EUR)	6.87	6.81	1.61	1.60
Declared or paid dividend per share (in PLN/EUR)	-	-	-	-

Principles for translating basic items of the quarterly separate financial statements into EUR

Translations of selected separate financial data into EUR in the separate statement of comprehensive income and in the separate cash flow statement 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.

Translations of selected separate financial data into EUR in the consolidated statement of financial position and the consolidated statement of changes in equity use the average exchange rate of the National Bank of Poland (NBP) applicable on the statement date.

Period	Average exchange rate in the period	Exchange rate on the last day of the period
2016	4,3559	4,2684
2015	4,1489	4,2615

Basic principles of preparing financial statements

These Consolidated Financial Statements of Quantum software S.A.'s Capital Group for Q1 2016 have been prepared in accordance with IAS 34 and comply with the International Financial Reporting Standards (IFRS) approved by the European Union, including the standards and interpretations published or adopted by the International Accounting Standards Board and by the standing Interpretations Committee of the IASB. These financial statements of Quantum software S.A.'s Capital Group have been prepared pursuant to Article 55 section 6a of the Accounting Act.

The data included in the report was prepared in line with the principles for the measurement of assets, equity and liabilities, and the measurement of the net financial result specified as of the balance sheet date, in line with the materiality principle. The Consolidated Financial Statements for Q1 2016 have been prepared under the going concern assumption.

The Consolidated Financial Statements for Q1 2016 have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union. The statements' presentation is based on IAS 34 Interim Financial Reporting, using the same principles for the current period and the comparative period.

The Consolidated Financial Statements for Q1 2016 have been prepared in PLN with figures rounded to full thousand.

Postings follow the historical cost principle. The company did not make any adjustments that would reflect the influence of inflation on the individual items of the balance sheet or of the profit and loss account. The company prepares a profit and loss account in a multiple-step variant. The cash flow statement uses the indirect method.

Accounting principles adopted for the preparation of the financial statements

The Company's financial statements have been prepared in thousands of PLN (unless specified otherwise), pursuant to entries made in the Company's accounting books maintained in accordance with the basic accounting principles:

- 1) reliability,
- 2) correctness,
- 3) going concern,
- 4) completeness,
- 5) comparability,
- 6) income and cost matching,
- 7) consistency of accounting principles.

Intangible assets, and Property, plant and equipment

Methods for measuring intangible assets and PP&E: Intangible assets and PP&E are measured according to the going concern principle, as specified in the International Accounting Standards; however:

- 1) Intangible assets are recognised at their purchase price, including their accumulated amortisation. The Company recognises amortisation/depreciation using the straight

line method, and adopts the following accumulated amortisation/depreciation periods (useful lives):

- 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) PP&E are measured at their purchase prices or manufacturing costs, less depreciation, proportionally to their periods of use. PP&E are depreciated throughout their useful economic life. PP&E, despite being used for more than one year, do not include items of low initial unit value up to PLN 3,500.00, except for PP&E classified under group 4 (machines and equipment). When these items are purchased, they are reported on a single basis as tax-deductible expenses in the month when they were purchased or in the following month. These items are not subject to recognition in the balance sheet. Cars are depreciated on a straight-line basis for 5 years based on their initial value, less their residual value in the amount of 20% of the initial value. All equipment included in group 4, regardless of its initial value, is depreciated on a straight-line basis as per individual rates defined in accordance with their expected useful lives, i.e.
- a) desktop computers: 4 years,
 - b) laptops: 3 years,
 - c) servers, printers, projectors, UPS, routers, switches, computer networks: 5 years,
 - d) UPS batteries: 2 years.

The company verifies the adopted useful lives of intangible assets and PP&E every year.

Financial instruments

Methods of measuring financial instruments: Financial instruments are measured in accordance with the going concern principle, in the manner defined in the International Accounting Standards; however:

Receivables are recognised in the books at their nominal value as of their accrual date, and at the payable amount as of the balance sheet date. For mark-to-market purposes, receivables are decreased by write-downs on doubtful receivables. Receivables in foreign currencies are measured as of the balance sheet date according to the average exchange rate of the National Bank of Poland (NBP), and the foreign exchange gains/losses are recognised in financial revenues or expenses.

Interests are measured at their purchase prices, less impairment losses.

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

Cash in hand and cash in bank as well as interest on financial assets calculated on an accrual basis are measured at their nominal value, while cash in foreign currencies is measured at the bank's buying and selling exchange rates, and for the balance sheet measurement it is measured at the average NBP exchange rate.

Liabilities are recognised in the books at their nominal value on the day when they arise, and at the payable amount as of the balance sheet date. Liabilities in foreign currencies are measured according to the average NBP exchange rate.

Main types of financial instruments:

- standard financial instruments, such as trade receivables and liabilities, are measured at the purchase price (according to par. 29 IFRS 7, section a), taking account of impairment losses and unrecoverability (according to par. 58 IAS 39),
- cash is measured at the purchase price, according to par. 29 IFRS 7, section a,
- borrowings, loans and lease: measurement at amortised cost is required but, in the opinion of the Management Board, the company presents these items at the purchase price (at the payable amount) because such measurement does not affect the company's financial situation.

Investments

The Company classifies its investments into the following categories:

- 1) Interests in subsidiaries.

Interests in subsidiaries include interests in consolidated companies. Interests in subsidiaries are measured at the purchase price adjusted for impairment losses. Impairment losses on interests in subsidiaries are disclosed in the statement of comprehensive income as financial expenses.

Write-downs on non-current assets

PP&E, intangible assets and financial assets are tested for impairment if certain events and changes take place which may cause impairment.

Impairment losses are recognised in other operating expenses in the periods in which such losses are made.

Inventory

Inventory includes goods which are measured, as of the balance sheet date, at the purchase price in accordance with the prudence principle, less write-downs.

Trade and other receivables

Trade receivables are recognised in the amount payable, less write-downs on doubtful receivables. Write-downs are estimated based on the recoverability of receivables, once the recovery of the full amount of receivables becomes unlikely.

Cash and cash equivalents

Cash in the balance sheet includes cash in hand and cash in bank.

Provision for retirement and similar benefits

The Company creates provisions for employee benefits. The provisions are measured not less frequently than on each balance sheet date at the credibly estimated value. The provisions for employee benefits include retirement gratuities. As of the balance sheet date, the Company creates a provision for the current value of retirement gratuities to which the employees became entitled by that date, with classification into short-term and long-term provision, using the actuarial method. The provision is recognised in other operating expenses. The provisions are released at the end of each reporting period based on the payments made, in correspondence to liabilities.

Provisions

The Company creates provisions if, as a result of economic events, certain or highly probable liabilities occur whose value can be credibly determined.

Prepayments/accruals

To observe the cost and income matching principle, the Company recognises prepayments, accruals and deferred revenue.

The Company maintains prepayments, which are the costs attributable to the following reporting period.

The Company's accruals is the amount of liabilities attributable to the current period based on services provided to the Company.

Deferred revenue includes in particular the amount of invoiced services to be performed in the following periods.

Revenue from the sale of products, services, materials and goods

Net sales revenue includes economic benefits in the course of the reporting period which occurred as a result of the company's business operations and have a credibly determined value, resulting in an increase in equity through an increase in or a decrease in liabilities in a manner other than contribution of funds by the shareholders. In particular, this includes revenue from the sale of products, services, goods and materials.

Revenue includes amounts due for the sold products and services performed as part of the core and auxiliary business, and for the sold materials and goods, determined based on the net price and adjusted for discounts and reductions granted.

The adjustments of sales revenue are recognised in the period in which they are made.

Other operating revenue

Other operating revenue is revenue related to the company's operating activities. They include:

- 1) profit on PP&E and intangible assets,
- 2) profit on liquidation of PP&E,
- 3) received damages,
- 4) release of provisions which encumbered operating expenses at the time of creation,
- 5) written-off, expired and remitted liabilities.

Financial revenue

Revenue from interest calculated on counterparties is recognised at the date when the counterparty makes the payment.

Revenue from interest on cash on bank accounts is recognised when the bank credits the account.

Operating expenses

All sales, marketing, administrative and management expenses incurred during the reporting period. Value of goods and materials sold during the reporting periods at the purchase price.

Other operating expenses

Other operating expenses include expenses related to the company's operating activities.

They include:

- 1) loss on PP&E and intangible assets,
- 2) penalties and damages paid,
- 3) created provisions,
- 4) court fees.

Financial expenses

The expenses of interest paid are recognised directly in the profit and loss account for the period in which they were incurred.

Income tax

Statutory appropriations of the result include:

- 1) CIT,
- 2) deferred tax.

The current tax burden is calculated based on the tax result (tax base) for a given financial year. The tax profit (loss) differs from the booked profit (loss) due to the exclusion of non-taxable revenue and expenses. The tax burden on the result is calculated based on tax rates applicable in a given tax year.

Deferred income tax

The company establishes deferred income tax provisions and assets in connection with temporary positive differences between the value of assets, equity and liabilities disclosed in the accounting books and their tax value. Deferred income tax assets are recognised when it is likely that the taxable income to be generated in the future will allow for the use of temporary differences. Deferred income tax assets are also disclosed with respect to tax losses which may be deducted in subsequent year, but only when it is probable that taxable income will be generated in the future which would allow for using these tax losses. The company does not create deferred income tax assets if there is doubt concerning the possibility of their use in subsequent periods.

Earnings per share

Net earnings per share are calculated by dividing profit attributable to the shareholders by the weighted average number of ordinary shares.

Foreign currency transactions

Business transactions denominated in foreign currencies that result in liabilities and receivables are recognised in the accounting books according to the average exchange rate published for a given currency by the National Bank of Poland.

As of the balance sheet date, receivables and liabilities in foreign currencies are measured according to the average exchange rate published for a given currency by the National Bank of Poland.

Foreign exchange gains/losses related to settlements in foreign currencies which occurred at the date of measurement or at the payment date of receivables and liabilities are recognised in financial expenses or revenue.

Lease

Property, plant and equipment used based on finance lease agreements under which all benefits and risks of using such PP&E is transferred to the Company are disclosed in the Company's balance sheet according to the present value of prospective minimum lease fees. The lease fees are distributed for the reduction of unpaid liabilities and financial expenses posted directly in the financial result.

I. Notes to the consolidated financial statements for Q1 2016

1) General information

The parent company of the Capital Group is Quantum software S.A., with its registered office in Kraków, ul. Walerego Sławka 3A. The Company was entered into the Register of Entrepreneurs of the National Court Register (KRS) Kraków – Śródmieście, 11th Economic Department, on 30 October 2002, under KRS No. 0000136768; PKD 62.01Z (Polish Classification of Activities) “Software business”. The Issuer’s core business mainly involves holding operations.

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

Management Board:

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

Supervisory Board:

Chairman of the Supervisory Board	Leopold Kutyla
Vice-Chairwoman 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	Marcin Buczkowski

The quarterly financial statements were prepared with the assumption that member companies of Quantum software S.A.’s Capital Group would continue as a going concern in foreseeable future.

2) Organisational structure of the Group as of 13.05.2016 – details of subsidiaries and related parties:

1. Company's name: Quantum East Sp. z o.o. – subsidiary

Registered office: Kraków
Address: Walerego Sławka 3a
National Court Register (KRS): 0000294284
Shareholders: 6
Share capital fully paid up: 3.74% of interests held by Quantum Qguar sp. z o.o.
PLN 282,500.00

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

Registered office: Kiev
Address: Prospect Moskovskij
certificate no. 100107724
Shareholders: 100% of interests held by Quantum East
Share capital fully paid up: USD 76,200

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

Registered office: Moscow
Address: Letnikovskaja 10, building no. 11
certificate no. 1117746038035
Shareholders: 99% of interests held by Quantum East
Share capital: 1,200,000.00 roubles, fully paid

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

Registered office: Kraków
Address: Walerego Sławka 3A
National Court Register (KRS): 0000331050
Shareholders: 100% of interests held by Quantum Qguar sp. z o.o.
Share capital fully covered by a contribution in kind: PLN 1,500,000.00

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

Registered office: Kraków
Address: Walerego Sławka 3A
National Court Register (KRS): 0000335987
Shareholders: 59.20% of interests held by Quantum software S.A.
Share capital fully paid up: PLN 150,000.00

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

Registered office: Kraków
Address: Walerego Sławka 3a
National Court Register (KRS): 0000297249
Shareholders: 100% of interests held by Quantum I - Services Sp. z o.o.
Share capital fully paid up: PLN 6,000.00

7. Company's name: Quantum Brasil 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: 11.795.637/0001-38 and NIRE No. 53201627870

Shareholders: 85% of interests held by Quantum Qguar sp. z o.o.

Share capital fully paid up: BRL 340,000.00

8. Company's name: EQ System East – associate

Registered office: Kraków

Address: Walerego Sławka 3A

National Court Register (KRS): 0000486510

Shareholders: 48% of interests held by Quantum software S.A.

Share capital fully paid up: PLN 53,500.00

9. Company's name: Quantum Qguar sp. z o.o. – subsidiary

Registered office: Kraków

Address: Walerego Sławka 3A

National Court Register (KRS): 0000516717

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

Share capital paid for with a contribution in kind in the amount of PLN 3,995,000.00, and with a contribution in cash in the amount of PLN 5,000.00.

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

Product structure of the Quantum Group

	01.01 - 31.03.2016	% share	01.01 - 31.03.2015	% share
Own licences and Qguar services	4,213	72.7%	4,199	72.7%
Goods	780	13.4%	742	12.9%
Other sales	806	13.9%	831	14.4%
Total	5,799	100%	5,772	100%

Data in PLN '000

Sales by markets

	01.01 - 31.03.2016	% share	01.01 - 31.03.2015	% share
Domestic	4,577	78.9%	4,728	81.9%
Export	1,222	21.1%	1,044	18.1%
Total	5,799	100%	5,772	100%

Data in PLN '000

3) Organisation of the capital group, indication of consolidated companies and any changes in the group's structure

The Group is composed of the following companies:

Quantum software S.A. – the Group's parent company. After the incorporation of Quantum Qguar Sp. z o.o., it mainly acts as a holding company.

Quantum East Sp. z o. o. – the Group's subsidiary, in which Quantum Qguar sp. z o.o. holds 63.74% of interests (holding nature). Full consolidation method.

Quantum International Sp. z o.o. (Ukraine) – the Group's subsidiary, in which Quantum East Sp. z o.o. holds 100% of interests. Its business consists in the sales and implementation of Quantum software S.A.'s IT solutions in Russian-speaking countries. Full consolidation method.

Quantum International Sp. z o.o. (Russia) – a subsidiary of the Group; Quantum East Sp. z o.o. holds 99% of its interests; 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. – the Group's subsidiary, in which Quantum Qguar sp. z o.o. holds 100% of interests. Its business consists in the sale of licences, hardware and IT services that are not directly related to Quantum software S.A.'s own products (at present, the Qguar series). Full consolidation method.

Edisonda Sp. z o.o. – the Group's subsidiary, in which Quantum software S.A. holds 59.20% of interests. The company was established to focus on interaction design and research into the communicative effectiveness of websites (or other electronic media) and use the research findings for commercial purposes. Full consolidation method.

Quantum Mobile Solutions Sp. z o.o. – the Group's subsidiary, in which Quantum I - Services Sp. z o.o. holds 100% of interests. The business focus of the company consists in the development and sales of IT solutions for mobile devices.

Quantum Brasil Engenharia em Software Ltda- ME. – the Group's subsidiary, in which Quantum Qguar sp. z o.o. holds 85% of interests. The purpose of the company is to introduce the Quantum offer to the Federative Republic of Brazil.

EQ System East Sp. z o.o. – the Group's associate, in which Quantum Software S.A. holds 48% of interests. The purpose of the company is to introduce a system for the automatic planning of manufacturing processes to the Eastern European market (Russia, Ukraine and Belarus). Consolidation method: equity method.

Quantum Qguar sp. z o.o. – the Group's subsidiary, in which Quantum Software S.A. holds 100% of interests. The company develops and implements IT systems.

4) Identification of the effects of changes in the structure of companies, including effects resulting from business combinations, acquisitions or sale of the member companies of the issuer's capital group, long-term investments, division, restructuring and discontinuation of operations:

In Q1 2016, there were no changes in the business entity's structure.

5) Material changes in estimates, including adjustments in provisions, deferred income tax provisions and assets, and any recognised write-downs on assets.

In Q1 2016, the company did not make any adjustments on account of deferred income tax.

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

In Q1 2016, the Capital Group generated total sales revenue in the amount of PLN 5,799 thousand, which means that it has maintained the level of revenue compared to the same period a year earlier (PLN 5,772 thousand). The sales of licenses and services related to the Qguar package are also at a level similar to Q1 of the previous year (PLN 4,213 thousand, compared to PLN 4,199 thousand). While there was an increase in the core sales of the operating company Quantum Qguar in this segment, the revenues of the Ukrainian and Russian companies decreased.

The Capital Group ended Q1 2016 with a net profit in the amount of PLN 158 thousand.

7) Description of the Issuer's significant achievements or failures in the period covered by the report, and a list of major related events:

➤ **New customers acquired in Poland and abroad:**

- Alupol Packaging S.A. (Quantum Qguar)

➤ **New contracts/implementations for existing customers:**

- Delicpol sp. z o.o. (Quantum Qguar)
- Agros Nova Brands sp. z o.o. (Quantum Qguar)
- Convert PL sp. z o.o. (Quantum Qguar)
- Pacaro s.r.l. (Quantum Qguar)
- Correct – K. Błaszczuk I Wspólnicy sp. k. (Quantum Qguar)
- Zakłady Tłuszczowe Kruszwica S.A. (Quantum Qguar)

8) Description of factors and events, in particular unusual factors and events, with a considerable influence on the financial results:

There were no such factors and events.

9) Explanations of the seasonal or cyclic nature of the issuer's business in the period presented:

The influence of seasonality on the Issuer's and the Group's performance remains as insignificant as in the previous periods.

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

In Q1 2016, Quantum software S.A. and its subsidiaries did not perform any issue of shares and they did not redeem or repay debt or equity securities.

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

In the discussed Q1 2016, the Company did not pay any dividend to its shareholders.

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

There have been no unusual events after 31 March 2016 which could have a significant influence on the Group's financial performance and which were not included in these statements.

13) Information concerning changes in contingent liabilities or contingent assets which have occurred after the end of the last financial year

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

14) Position of the Management Board concerning the possibility of meeting previously published profit/loss forecasts for a given year, in the light of the results presented in the quarterly report in relation to the forecast profit/loss:

The Company did not publish a results forecast for Q1 2016.

15) Identification of shareholders holding, directly or indirectly through their subsidiaries, at least 5 % of the total number of votes at the Issuer's General Meeting as of the date of submission of the quarterly report, 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 number of votes at the general meeting, as well as identification of changes in the structure of ownership of substantial shareholdings of the issuer since the submission of the previous quarterly report:

According to knowledge available to the Company, as of 13 May 2016, which is the publication date of the quarterly report, Minvesta sp. z o.o., with its registered office in Kraków, holds 675,421 series A registered preference shares, which account for a total of

45.61% of the Company's share capital and are vested with 1,350,842 votes at the Company's General Meeting, representing 60.56% of the total number of votes, and holds 222,979 of the Company's series B bearer shares, which account for a total of 15.06% of the Company's share capital and are vested with 222,979 votes at the Company's General Meeting, representing 9.99% of the total number of votes.

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

Management Board (as of 13 May 2016)

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

**Supervisory Board Members holding the Company's shares
(as of 13 May 2016)**

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

In the reporting period, neither the Company nor its subsidiaries or related parties instituted or were a party to the proceedings before court or 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 parties, 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 the issuer's or its subsidiaries' credit or loan guarantees or warranties granted jointly to a single entity or its subsidiary, if the total value of the existing guarantees or warranties is equivalent to at least 10 % of the issuer's equity capital.

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 period from 29 December 2015 to 15 January 2016, the brokerage firm BDM S.A. announced a tender offer for the repurchase of Quantum software S.A.'s equity shares. As a result of the announcement, the subsidiary Quantum Qguar sp. z o.o. purchased 150,386 of the Issuer's equity shares. The purchase of the equity shares by the subsidiary Quantum Qguar sp. z o.o. was based on resolution no. 19 of Quantum software S.A.'s Ordinary GSM of 25 June 2015, which authorises Quantum software S.A.'s Management Board to repurchase the equity shares, and based on Article 362 § 4 of the Commercial Companies Code, which authorises the subsidiary to purchase the Issuer's equity shares. Detailed purchase terms are presented in current report no. 2/2016.

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

The factors which will affect the growth of the Quantum Group in the next year include external and internal factors as well as factors dependent on and independent from the Group companies.

External factors include:

- economic growth and growth in investments by businesses in Poland,
- situation in the European Union (e.g. refugee crisis, Brexit and the ECB's policy),
- Ukrainian and Russian crisis, and its effect on sales in other countries of the Commonwealth of Independent States,
- economic situation in Brazil and other Latin American countries,
- companies' decisions on budgets for IT expenditures,
- access of Polish companies to structural funds, which, to a certain extent, will be used for the development of IT systems and for financing R&D,
- risk related to significant fluctuations of the PLN exchange rate against euro,
- concentrated competitor activity in the Group's main business area.

Internal factors include:

- punctual completion of works as part of implementing the commenced contracts in accordance with the planned budgets and contractual terms,
- effective HR policy so as to eliminate the risk of turnover of qualified and skilled employees, while maintaining profitability (payroll is the main cost item),
- success of marketing efforts in acquiring new contracts,
- success of capital expenditures.

Management Board:

Kraków, 13 May 2016

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

II. Consolidated financial statements of Quantum Software S.A. for Q1 2016

Consolidated statement of financial position	2016-03-31	2015-12-31	2015-03-31
ASSETS			
Non-current assets	2,544	2,679	4,135
Property, plant and equipment	1,560	1,520	1,731
Investment property	-	-	-
Biological assets	-	-	-
Goodwill of subordinates	-	-	-
Intangible assets	609	845	1,389
Investments in associates measured with equity method	20	20	21
Financial assets available for sale	-	-	-
Borrowings granted	-	-	169
Other financial assets	-	-	-
Deferred income tax assets	355	292	811
Other long-term receivables and prepayments	-	2	14
Current assets	12,862	13,616	11,525
Inventory	190	127	62
Trade receivables	3,891	4,016	4,407
Other short-term receivables and prepayments	1,311	2,547	1,184
Income tax receivables	13	-	-
Financial assets measured at fair value through the financial result	-	-	-
Financial assets available for sale	-	-	-
Borrowings granted	533	546	232
Other financial assets	-	-	-
FX futures	-	-	-
Cash and cash equivalents	6,924	6,380	5,640
Non-current assets classified as held for sale	-	-	-
TOTAL ASSETS	15,406	16,295	15,660
EQUITY AND LIABILITIES			
Equity	11,818	12,692	12,197
Equity attributable to shareholders of the parent	11,945	12,672	12,241
Share capital	740	740	740
Share premium	9,677	9,677	10,466
Equity shares	-1,082	-102	-102
Reserve and supplementary capital	51	51	862

Revaluation reserve	-	-	-
Amounts recognised directly in equity and related to assets classified as held for sale	-	-	-
Foreign exchange gains/losses on translation	54	66	-34
Profit/loss on sale of subsidiary	-	-	-
Profit/loss brought forward	2,221	777	381
Profit/loss in current year	284	1,463	-72
Non-controlling interests	-127	20	-44
LIABILITIES	3,588	3,603	3,463
Long-term liabilities	745	748	816
Provisions	229	229	230
Deferred income tax provision	217	273	479
Long-term bank loans and borrowings	152	152	-
Other long-term financial liabilities	147	94	105
Other long-term liabilities and accruals	-	-	2
Short-term liabilities	2,843	2,855	2,647
Provisions	6	6	6
Short-term bank loans and borrowings	-	-	146
Short-term portion of long-term bank loans and borrowings	-	-	-
Other short-term financial liabilities	43	134	165
Trade liabilities	1,778	1,864	1,439
Other short-term liabilities and accruals	911	810	827
Income tax liabilities	105	41	64
FX futures	-	-	-
Liabilities related to non-current assets classified as held for sale	-	-	-
TOTAL EQUITY AND LIABILITIES	15,406	16,295	15,660

Consolidated income statement (by function)	2016-03-31	2015-03-31
Continued operations		
Revenue from sale of products, goods and materials	5,799	5,772
Costs of products, goods and materials sold	4,180	3,892
Movement in products – subsidy received for intangible assets and PP&E	-	-
Gross profit/loss on sales	1,619	1,880
Selling costs	521	492
General administrative expenses	856	952
Sales profit/loss	242	436
Other operating revenue	23	2
Other operating expenses	135	2
Operating profit/loss	130	436
Financial revenue	39	35
Financial expenses	22	519
Share in profit/loss of associates	-	-
Profit/loss on sale of interests in associate	-	-
Gross profit/loss	147	-48
Income tax	-11	80
Net profit/loss on continued operations	158	-128
Discontinued operations		
Profit/loss on discontinued operations for the financial year	-	-
Net profit/loss for the reporting period	158	-128
Net profit/loss attributable to:	158	-128
<i>Shareholders of the parent</i>	284	-72
<i>Non-controlling interests</i>	-126	-56
Other comprehensive income	-13	36
Profit/loss on revaluation of PP&E	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-
Profit/loss on cash flow hedges (effective portion)	-	-
FX gains/losses on measurement of foreign operations	-13	36
Income tax related to items presented in other comprehensive income	-	-
Acquisition of capital from non-controlling interests	-	-
Total comprehensive income	145	-92
Comprehensive income attributable to:	145	-92

<i>Shareholders of the parent</i>	272	-52
<i>Non-controlling interests</i>	-127	-40
Earnings/loss per share (in PLN):	-	-
On continued operations	-	-
<i>Basic</i>	0.00	0.00
<i>Diluted</i>	0.00	0.00
On continued and discontinued operations	-	-
<i>Basic</i>	0.00	0.00
<i>Diluted</i>	0.00	0.00

income													
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	284	284	-127	157	
Other movements in equity	-	-	-980	-	-	-	-	-	-18	-998	-20	-1,018	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	
Distribution of financial result	-	-	-	-	-	-	-	-	-	-	-	-	
Purchase of equity shares	-	-	-980	-	-	-	-	-	-	-980	-	-980	
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	
Reclassification of reserve capital to share capital	-	-	-	-	-	-	-	-	-	-	-	-	
Reclassification of reserve capital to supplementary capital	-	-	-	-	-	-	-	-	-	-	-	-	
Supplementary capital	-	-	-	-	-	-	-	-	-18	-18	-20	-38	
Profit/loss on sale of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	
Closing balance	740	9,677	-1,082	51	-	-	54	-	2,505	11,945	-127	11,818	

from capital													
Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign exchange gains/losses disclosed in comprehensive income and attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	-72	-72	-56	-128	
Other movements in equity	-	-	-	44	-	-	-	-	72	116	-22	94	
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of financial result	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplementary capital	-	-	-	44	-	-	-	-	72	116	-22	94	
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	740	10,466	-102	862	-	-	-34	-	309	12,241	-44	12,197	

Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-	1,463	1,463	37	1,500
Other movements in equity	-	-789	-	-764	-	-	-	-	468	-1,085	-61	-1,146
Issue of share capital	-	-	-	17	-	-	-	-	-	17	10	27
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of financial result	-	-1,676	-	283	-	-	-	-	1,392	-1	-	-1
Purchase of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to share capital	-	887	-	-887	-	-	-	-	-	-	-	-
Supplementary capital	-	-	-	-177	-	-	-	-	-924	-1,101	-71	-1,172
Closing balance	740	9,677	-102	51	-	-	66	-	2,240	12,672	20	12,692

Consolidated Cash Flow Statement (indirect method)	2016-03-31	2015-03-31
Gross profit/loss	147	-48
Adjustments for:	1,597	1,256
Share in net profit/loss of associates and joint ventures accounted for using the equity method	-	-
Non-controlling interests	-	-
Depreciation/amortisation	281	350
Goodwill impairment	-	-
Foreign exchange gains/losses	19	156
Expenses and revenue due to interest	-39	-20
Dividends revenue	-	-
Profit/loss on investing activities	80	-
Movement in provisions	-	-
Movement in inventory	-64	36
Movement in receivables and prepayments	932	949
Movement in liabilities and accruals	407	-112
Income tax paid/returned	-27	-40
Other adjustments	8	-63
Net operating cash flow	1,744	1,208
<i>Cash flow from investing activities</i>		
Inflows from sale of PP&E and intangible assets	12	-
Net inflows from sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	-	-
Inflows from interest	21	3
Inflows from dividends	-	-
Repayment of borrowings granted	93	19
Expenditures on acquisition of property, plant and equipment, and intangible assets	180	210
Net expenditures on acquisition of subsidiaries and associates	-	-
Expenditures on acquisition of short-term financial assets	-	-
Borrowings granted	77	5
Other	-980	-
Net cash flow from investing activities	-1,111	-193
<i>Cash flow from financing activities</i>		
Inflows from loans and borrowings	-	-
Net inflows from the issue of shares	-	-
Net inflows from the issue of bonds, bills and bills of exchange	-	-
Repayment of loans and borrowings	-	-
Payment of liabilities under finance lease agreements	55	75

Dividends paid to the Company's shareholders	-	-
Dividends paid to shareholders holding non-controlling interests	-	-
Purchase of equity shares	-	-
Interest paid	1	14
Other	-	-
Net cash flow from financing activities	-56	-89
Increase/decrease in cash and cash equivalents	577	926
Opening balance of cash and cash equivalents, and overdrafts	6,380	4,802
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents, and overdrafts</i>	-33	-88
Closing balance of cash and cash equivalents, and overdrafts	6,924	5,640

III. Separate financial statements of Quantum software S.A. for Q1 2016

Separate statement of financial position	2016-03-31	2015-12-31	2015-03-31
ASSETS			
Non-current assets	9,969	9,906	9,906
Property, plant and equipment	-	-	-
Intangible assets	-	-	-
Investments in associates measured with equity method	24	24	24
Financial assets available for sale	9,791	9,791	9,791
Borrowings granted	-	-	-
Deferred income tax assets	154	91	91
Other long-term receivables and prepayments	-	-	-
Current assets	625	436	778
Inventory	-	-	-
Trade receivables	334	227	285
Other short-term receivables and prepayments	58	77	168
Income tax receivables	-	-	-
Financial assets measured at fair value through the financial result	-	-	-
Financial assets available for sale	-	-	-
Borrowings granted	-	-	-
Other financial assets	-	-	-
Cash and cash equivalents	233	132	325
TOTAL ASSETS	10,594	10,342	10,684
EQUITY AND LIABILITIES			
Equity	10,170	10,085	10,408

Equity attributable to shareholders of the parent	10,170	10,085	10,408
Share capital	740	740	740,
Share premium	9,948	9,948	10,466
Equity shares	-102	-102	-102
Reserve and supplementary capital	-	-	887
Profit/loss brought forward	-501	-165	-1,570
Profit/loss in current year	85	-336	-13
Non-controlling interests	-	-	-
LIABILITIES	424	257	276
Long-term liabilities	-	-	-
Provisions	-	-	-
Deferred income tax provision	-	-	-
Long-term bank loans and borrowings	-	-	-
Other long-term financial liabilities	-	-	-
Other long-term liabilities and accruals	-	-	-
Short-term liabilities	424	257	276
Provisions	-	-	-
Short-term bank loans and borrowings	-	-	-
Short-term portion of long-term bank loans and borrowings	-	-	-
Other short-term financial liabilities	-	-	-
Trade liabilities	384	249	243
Other short-term liabilities and accruals	40	8	33
TOTAL EQUITY AND LIABILITIES	10,594	10,342	10,684

Separate statement of comprehensive income (multi-step variant)	2016-03-31	2015-03-31
Continued operations		
Revenue from sale of products, goods and materials	261	259
Costs of products, goods and materials sold	98	187
Movement in products – subsidy received for intangible assets and PP&E	-	-
Gross profit/loss on sales	163	72
Selling costs	-	-
General administrative expenses	99	106
Sales profit/loss	64	-36
Other operating revenue	-	-
Other operating expenses	41	-
Operating profit/loss	23	-36
Financial revenue	-	1
Financial expenses	-	1
Share in profit/loss of associates	-	-
Profit/loss on sale of interests in associate	-	-
Gross profit/loss	23	-36
Income tax	-62	-23
Net profit/loss on continued operations	85	-13
Discontinued operations		
Profit/loss on discontinued operations for the financial year	-	-
Net profit/loss for the reporting period	85	-13
Net profit/loss attributable to:	85	-13
<i>Shareholders of the parent</i>	85	-13
<i>Non-controlling interests</i>	-	-
Other comprehensive income	-	-
Profit/loss on revaluation of PP&E	-	-
Profit/loss on measurement of investments available for sale recognised in equity	-	-
Profit/loss on cash flow hedges (effective portion)	-	-
FX gains/losses on measurement of foreign operations	-	-
Income tax related to items presented in other comprehensive income	-	-
Total comprehensive income	85	-13
Earnings/loss per share (in PLN):	-	-
On continued operations	-	-
<i>Basic</i>	0.06	-0.01

<i>Diluted</i>	0.06	-0.01
On continued and discontinued operations	-	-
<i>Basic</i>	0.06	-0.01
<i>Diluted</i>	0.06	-0.01

financial year recognised directly in equity												
Profit/loss for the period 01.01.2016-31.030.2016	-	-	-	-	-	-	-	85	85	-	85	
Other movements in equity	-	-	-	-	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of financial result	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to share capital	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	740	9,948	-102	-	-	-	-	-416	10,170	-	10,170	

Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the period 01.01.2015-31.030.2015	-	-	-	-	-	-	-	-13	-13	-	-	-13
Other movements in equity	-	-	-	-	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of financial result	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to share capital	-	-	-	-	-	-	-	-	-	-	-	-
Closing balance	740	10,466	-102	887	-	-	-	-1,583	10,408	-	-	10,408

Total revenues and expenses for the financial year recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Profit/loss for the financial year	-	-	-	-	-	-	-	-336	-336	-	-336
Corrections of fundamental errors	-	-	-	-	-	-	-	-	-	-	-
Other movements in equity	-	-518	-	-887	-	-	-	1,405	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-
Distribution of financial result	-	-1,405	-	-	-	-	-	1,405	-	-	-
Purchase of equity shares	-	-	-	-	-	-	-	-	-	-	-
Sale of equity shares	-	-	-	-	-	-	-	-	-	-	-
Reclassification of reserve capital to share capital	-	887	-	-887	-	-	-	-	-	-	-
Reversal of actuarial measurement – suspension of incentive scheme	-	-	-	-	-	-	-	-	-	-	-
Closing balance	740	9,948	-102	-	-	-	-	-501	10,085	-	10,085

Separate Cash Flow Statement (indirect method)	2016-03-31	2015-03-31
Operating cash flows		
Gross profit/loss	23	-36
Adjustments for:	78	283
Share in net profit/loss of associates and joint ventures accounted for using the equity method	-	-
Non-controlling interests	-	-
Depreciation/amortisation	-	-
Goodwill impairment	-	-
Foreign exchange gains/losses	-	-
Expenses and revenue due to interest	-	-
Dividends revenue	-	-
Profit/loss on investing activities	-	-
Movement in provisions	-	-
Movement in inventory	-	-
Movement in receivables and prepayments	-89	774
Movement in liabilities and accruals	167	-533
Income tax paid/returned	-	42
Other adjustments	-	-
Net operating cash flow	101	247
Cash flow from investing activities		
Inflows from sale of PP&E and intangible assets	-	-
Net inflows from sale of associates and subsidiaries	-	-
Inflows from the sale of financial assets	-	-
Inflows from interest	-	-
Inflows from dividends	-	-
Repayment of borrowings granted	-	-
Expenditures on acquisition of property, plant and equipment, and intangible assets	-	-
Net expenditures on acquisition of subsidiaries and associates	-	-
Expenditures on acquisition of short-term financial assets	-	-
Borrowings granted	-	-
Other	-	-
Net cash flow from investing activities	-	-
Cash flow from financing activities		
Inflows from loans and borrowings	-	-
Net inflows from the issue of shares	-	-
Net inflows from the issue of bonds, bills and bills of exchange	-	-
Repayment of loans and borrowings	-	-

Payment of liabilities under finance lease agreements	-	-
Dividends paid to the Company's shareholders	-	-
Dividends paid to shareholders holding non-controlling interests	-	-
Purchase of equity shares	-	-
Interest paid	-	-
Other	-	-
Net cash flow from financing activities	-	-
Increase/decrease in cash and cash equivalents	101	247
Opening balance of cash and cash equivalents, and overdrafts	132	78
<i>Foreign exchange gains/losses related to measurement of cash and cash equivalents, and overdrafts</i>	-	-
Closing balance of cash and cash equivalents, and overdrafts	233	325