

ABC Data S.A.

**CONDENSED INTERIM FINANCIAL STATEMENT
FOR THE 3-MONTH AND 9-MONTH PERIODS ENDED 30 SEPTEMBER 2017**

The logo for ABC Data S.A. features the word "ABC DATA" in a bold, black, sans-serif font. A red diagonal line is positioned to the left of the letter "A", extending from the top left towards the middle of the letter.

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CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

for the 3-month and 9-month periods ended 30 September 2017

		<i>3 months ended 30.09.2017</i>	<i>9 months ended 30.09.2017</i>	<i>3 months ended 30.09.2016</i>	<i>9 months ended 30.09.2016</i>
	<i>Notes</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenues		849 664	2 319 018	922 389	2 797 675
Cost of sales		(798 378)	(2 174 262)	(872 722)	(2 656 094)
Gross profit on sales		51 286	144 756	49 667	141 581
Other operating income		(60)	2 832	1 187	9 568
Selling expenses		(36 697)	(114 716)	(43 008)	(122 949)
Administrative expenses		(5 689)	(18 743)	(6 426)	(19 192)
Other operating expenses		(134)	(669)	(326)	(564)
Gross profit on operations		8 706	13 460	1 094	8 444
Financial income	5	1	21 779	9	22 486
Financial expenses		(1 874)	(5 506)	(1 981)	(5 394)
Net financial expenses		(1 873)	16 273	(1 972)	17 092
Profit before tax		6 833	29 733	(878)	25 536
Income tax	8	(1 470)	(1 946)	(66)	(1 087)
Net profit for the period		5 363	27 787	(944)	24 449
Items that may be subsequently reclassified to profit or loss					
Net change in fair value of cash flow hedges	16	(2 892)	170	1 284	1 284
Income tax on other comprehensive income		550	(32)	2 823	(244)
Total other comprehensive income		(2 342)	138	4 107	1 040
Total comprehensive income for the period		3 021	27 925	3 163	25 489
Profit (loss) per share in PLN:					
– basic profit for the reporting period		0,04	0,23	(0,01)	0,20
– diluted profit for the reporting period		0,04	0,23	(0,01)	0,20

Ilona Weiss	Andrzej Kuźniak	Maciej Kowalski	Konrad Pyrz	Ewa Gawryszewska
<i>President of the Management Board</i>	<i>Vice-President of the Management Board</i>	<i>Vice-President of the Management Board</i>	<i>Financial Director</i>	<i>Financial Statement prepared by:</i>

Warsaw, 09 November 2017

CONDENSED INTERIM BALANCE SHEET

as at 30 September 2017

	30.09.2017	30.06.2017	31.12.2016	30.09.2016
Noty	(unaudited)			(unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment	9	6 641	6 267	6 619
Intangible assets	9	31 315	30 313	30 442
Long term investments	10	52 835	52 835	52 835
Deferred tax assets		10 620	11 540	12 598
		101 411	100 955	102 494
Current assets				
Inventories	11	369 414	345 951	369 649
Short-term financial assets		17 639	17 076	17 080
Income tax receivables		6 219	4 227	5 047
Trade and other receivables		439 509	324 174	491 778
Cash and cash equivalents	6	4 706	2 783	58 543
		837 487	694 211	942 097
		938 898	795 166	1 044 591
TOTAL ASSETS				
EQUITY AND LIABILITIES				
Equity				
Share capital	15	125 267	125 267	125 267
Share premium		39 825	39 825	39 825
Treasury shares		(10 065)	(10 065)	(10 065)
Other reserve capital		(921)	1 418	(1 070)
Retained profit		105 355	99 992	77 568
		259 461	256 437	231 525
Long-term liabilities				
Provisions for employee benefits		642	642	642
Provisions	12	381	385	463
		1 023	1 027	1 105
Short-term liabilities				
Current portion of interest-bearing bank and other borrowings	13	132 235	98 758	137 987
Liabilities due to employee benefits		8 487	10 586	9 911
Other financial liabilities	14	18 754	14 811	21 933
Trade and other liabilities		517 093	411 684	639 756
Provisions	12	1 845	1 863	2 374
		678 414	537 702	811 961
		679 437	538 729	813 066
Total liabilities				
TOTAL EQUITY AND LIABILITIES				
		938 898	795 166	1 044 591
		1 003 035		

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Warsaw, 09 November 2017

CONDENSED INTERIM STATEMENT OF CASH FLOWS for the 3-month and 9-month periods ended 30 September 2017

	<i>3 months ended 30.09.2017</i>	<i>9 months ended 30.09.2017</i>	<i>3 months ended 30.09.2016</i>	<i>9 months ended 30.09.2016</i>
<i>Notes</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Cash flow from operating activities				
Gross profit	6 833	29 733	(878)	25 536
Adjusted by:				
Amortization / Depreciation	849	2 439	495	1 497
Share base expenses	3	11	19	49
(Profit)/loss on investing activities	1	(11)	(1)	(21)
(Increase)/ decrease in receivables	(115 335)	52 269	(40 930)	7 791
(Increase)/ decrease in inventories	(23 463)	235	8 993	(13 660)
Increase/ (decrease) in liabilities, except for borrowings	105 409	(122 663)	66 755	6 319
Financial income	(1)	(21 779)	(9)	(22 486)
Financial expenses	1 874	5 506	1 981	5 394
Increase/(decrease) in liabilities to employees	(2 099)	(1 424)	(418)	(697)
Change in provisions	12 (22)	(611)	(896)	(1 231)
Income tax paid	(1 992)	(1 172)	(1 372)	(6 226)
Other/*	(3 493)	(482)	3 936	(4 542)
Net cash flow from operating activities	(31 436)	(57 949)	37 675	(2 277)
Cash flow from investing activities				
Sales of property, plant and equipment and intangible assets	9 -	37	2	32
Acquisition of property, plant and equipment and intangible assets	9 (2 225)	(3 359)	(2 539)	(3 510)
Dividends received from subsidiaries	5 -	21 668	5 224	22 457
Interest received	1	110	9	29
Net cash flow from investing activities	(2 224)	18 456	2 696	19 008
Cash flow from financing activities				
Change in overdrafts	13 33 477	(5 752)	25 303	57 582
Inflows/(outflows) due to cash pooling	3 947	(2 715)	2 054	(3 799)
Dividend paid	7 -	-	(47 812)	(47 812)
Interest paid	(1 841)	(5 878)	(2 053)	(5 705)
Other financial inflows	-	1	-	-
Net cash flow from financing activities	35 583	(14 344)	(22 508)	266
Net increase/(decrease) in cash and cash equivalents	1 923	(53 837)	17 863	16 997
Opening balance of cash	2 783	58 543	3 868	4 734
Closing balance of cash	6 4 706	4 706	21 731	21 731

* The item named "Other" includes changes in the fair value of cash flow hedges and changes in the fair value of FX futures. Also, the 9-month period ended 30 September 2016 includes an adjustment for valuation of intangible assets issued in exchange for shares in BiznesLinCO company.

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Warsaw, 09 November 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the 3-month period ended 30 September 2017

	Note	Share capital	Share premium	Treasury shares	Other reserve capital	Retained profit	Net profit	Total equity
3 months 2017								
As at 1 January 2017		125 267	39 825	(10 065)	1 418	77 568	22 424	256 437
Net profit for the period		-	-	-	-	-	5 363	5 363
Other net comprehensive income for the period		-	-	-	(2 342)	-	-	(2 342)
Comprehensive income for the period		-	-	-	(2 342)	-	5 363	3 021
Purchase of treasury shares		-	-	-	-	-	-	-
Share-based payments		-	-	-	3	-	-	3
Dividend payment		-	-	-	-	-	-	-
As at 30 September 2017		125 267	39 825	(10 065)	(921)	77 568	27 787	259 461

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Warsaw, 09 November 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the 9-month period ended 30 September 2017

	<i>Note</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Other reserve capital</i>	<i>Retained profit</i>	<i>Net profit</i>	<i>Total equity</i>
9 months 2017								
As at 1 January 2017		125 267	39 825	(10 065)	(1 070)	77 568	-	231 525
Net profit for the period		-	-	-	-	-	27 787	27 787
Other net comprehensive income for the period		-	-	-	138	-	-	138
Comprehensive income for the period		-	-	-	138	-	27 787	27 925
Purchase of treasury shares		-	-	-	-	-	-	-
Share-based payments		-	-	-	11	-	-	11
Dividend payment	7	-	-	-	-	-	-	-
As at 30 September 2017		125 267	39 825	(10 065)	(921)	77 568	27 787	259 461

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Warsaw, 09 November 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the 12-month period ended 31 December 2016

	<i>Note</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Other reserve capital</i>	<i>Retained profit</i>	<i>Net profit</i>	<i>Total equity</i>
12 months 2016								
As at 1 January 2016		125 267	39 825	(10 065)	-	105 844	-	260 871
Net profit for the period		-	-	-	-	-	19 536	19 536
Other net comprehensive income for the period		-	-	-	(1 131)	-	-	(1 131)
Comprehensive income for the period		-	-	-	(1 131)	-	19 536	18 405
Share-based payments		-	-	-	61	-	-	61
Dividend payment		-	-	-	-	(47 812)	-	(47 812)
As at 31 December 2016		125 267	39 825	(10 065)	(1 070)	58 032	19 536	231 525

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Warsaw, 09 November 2017

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the 9-month period ended 30 September 2016

	<i>Note</i>	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Other reserve capital</i>	<i>Retained profit</i>	<i>Net profit</i>	<i>Total equity</i>
9 months 2016								
As at 1 January 2016		125 267	39 825	(10 065)	-	105 844	-	260 871
Net profit for the period		-	-	-	-	-	24 449	24 449
Other net comprehensive income for the period		-	-	-	1 040	-	-	1 040
Comprehensive income for the period		-	-	-	1 040	-	24 449	25 489
Purchase of treasury shares		-	-	-	-	-	-	-
Share-based payments		-	-	-	49	-	-	49
Dividend declared	7	-	-	-	-	(47 812)	-	(47 812)
As at 30 September 2016		125 267	39 825	(10 065)	1 089	58 032	24 449	238 597

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Warsaw, 09 November 2017

Notes to the Condensed Interim Financial Statement on pages 9 to 21 form an integral part thereof

FURTHER EXPLANATORY NOTES

1. General information

ABC Data S.A. (the “Company”) is a publicly traded joint-stock company with its registered office in Warsaw. The Interim Condensed Financial Statement of the Company covers the 3-month and 9-month periods ended 30 September 2017. The total income statement and the cash flows statement as well as notes to the total income statement cover figures for the 3-month and 9-month periods ended 30 September 2017 and comparative figures for the 3-month and 9-month periods ended 30 September 2016. The comparative figures in the balance sheet include the balance as at December 31 2016, as at September 30 2016 and June 30 2017. The statement of changes in equity presents as comparative figures the data for the 9-month period ended 30 September 2016 and for the full year 2016.

The Company was established by a notarial deed dated 25 July 2007 under the name ABC Data Holding S.A. Since 4 January 2010, the Company has been operating under the name ABC Data S.A.

The Company is entered in the Register of Entrepreneurs of the National Court Register kept by the District Court, 13th Commercial Division of the National Court Register, under number KRS 0000287132. The Company was assigned the following statistical number REGON: 141054682.

The duration of the Company is unlimited.

The Company’s core business includes:

- wholesale of computers, peripherals and software,
- wholesale of electronic and telecommunication equipment,
- manufacture of computers and peripherals,
- software-related activities,
- data processing, hosting and similar activities,
- repair and maintenance of computers and peripherals,
- other IT and computer services,
- IT equipment administration,
- other non-school forms of education,

On 9 November 2017, this separate interim financial statement of the Company for the the 3-month and 9-month periods ended 30 September 2017 was approved for publication by the Management Board.

The Company also prepared a condensed interim consolidated financial statement for the the 3-month and 9-month periods ended 30 September 2017, which was approved for publication by the Management Board on 9 November 2017.

2. Basis for preparation of the condensed interim financial statement

This condensed interim financial statement has been prepared in accordance with the International Accounting Standard 34 approved by the EU. As at the date of approval of these financial statement for publication, considering the IFRS implementation process taking place in the EU and the activities carried out by the Company, as regards the accounting principles applied by the Company, the IFRS which came into force do not differ from those endorsed by the EU.

IFRS consist of standards and interpretations approved by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”).

This condensed interim financial statement has been presented in Polish zlotys (PLN) and all figures are in PLN thousand, unless stated otherwise.

This condensed interim financial statement has been prepared based on the assumption that the Company will continue as a going concern in the foreseeable future. As at the date of approval of this financial statement, there were no circumstances found that would indicate a risk to the Company’s ability to continue as a going concern.

The condensed interim financial statement does not include all the information and disclosures required for the annual financial statement and it should be read together with the Company's financial statement for the year ended 31 December 2016.

The interim financial result may not fully reflect the realizable financial result for the financial year.

3. Relevant accounting policies

The accounting policies followed when preparing the financial statement are consistent with those applied when in the preparation of the Company's financial statement for the year ending on 31 December 2016.

Amendments to existing standards first applied in the Company's financial statement for 2017

No amendments have been made to the existing standards that have been issued by the IASB and approved for use in the EU and which should first enter into force in the Company's financial statement for 2017.

New standards and amendments to existing standards that have already been issued by the IASB and approved by the EU, but which have not yet entered into force

The following new standards have been issued by the IASB and approved for use in the EU without yet entering into force:

- **IFRS 9 „Financial Instruments”** – approved in the EU on 22 November 2016 (applicable to annual periods starting on or after 1 January 2018),
- **IFRS 15 „Revenue from the Contracts with Clients”** and amendments to IFRS 15 „Effective Date of IFRS 15” – approved in the EU on 22 September 2016 (applicable to annual periods starting on or after 1 January 2018).

New standards and amendments to existing standards issued by the IASB, but not yet approved for use in the EU

Currently, the IFRS in the form approved by the EU do not significantly differ from the regulations issued by the International Accounting Standards Board (IASB), except for new standards, amendments to standards and new the interpretation as below, which have not yet been approved for use in the EU as at the date of publication of this financial statement (the effective dates below relate to the standards in their full version).

- **IFRS 14 „Deferred Budget Balance of Regulated Activities”** (applicable to annual periods starting on or after 1 January 2016) – the European Commission has decided not to initiate the approval process of this provisional standard for use inside the EU pending the issuance of the final IFRS 14,
- **IFRS 16 „Leasing”** – (applicable to annual periods starting on or after 01 January 2019),
- **IFRS 17 „Insurance Contracts”** – (applicable to annual periods starting on or after 01 January 2021),
- **Amendments to IFRS 2 „Share-based payments”** – Classification and valuation of share-based payments (applicable to annual periods starting on or after 01 January 2018),
- **Amendments to IFRS 4 „Insurance Contracts”** – Application of IFRS 9 „Financial Instruments” together with IFRS 4 „Insurance Instruments” (applicable to annual periods starting on or after 1 January 2018 or at the time of the first application of IFRS 9 „Financial Instruments”),
- **Amendments to IFRS 10 „Consolidated Financial Statements” and IAS 28 „Investments in Associated Companies and Joint Ventures”** – Sale or transfer of assets between the investor and its associated company or joint venture and subsequent amendments (the effective date of the amendments has been deferred until the investigation of the equity method is completed),
- **Amendments to IFRS 15 „Revenue from Contracts with Clients”** – Clarification to IFRS 15 “Revenue from Contracts with Clients (applicable to annual periods starting on or after 01 January 2018),
- **Amendments to IAS 7 „Cash Flow Statement”** – Initiative concerning disclosures (applicable to annual periods starting on or after 01 January 2017),
- **Amendments to IAS 12 „Income Tax”** – Recognition of assets for deferred income tax on unrealized loss (applicable to annual periods starting on or after 01 January 2017),

- **Amendments to IAS 40 „Investment Property”** – Transfers of investment property (applicable to annual periods starting on or after 01 January 2018),
- **Amendments to various standards „Amendments to the IFRSs (the 2014-2016 cycle)”** – amendments implemented as part of the procedure of the introduction of yearly amendments to the IFRSs (IFRS 1, IFRS 12 and IAS 28) aimed in particular at resolving inconsistencies and clarifying vocabulary (amendments to IFRS 12 are applicable to annual periods starting on or after 1 January 2017, while amendments to IFRS 1 and IAS 28 are applicable to annual periods starting on or after 1 January 2018),
- **Interpretation of IFRIC 22 „Transactions in Foreign Currencies and Advance Payments”** – (applicable to annual periods starting on or after 01 January 2018),
- **Interpretation of IFRIC 23 „Uncertainty regarding Income Tax Accounting”** – (applicable to annual periods starting on or after 01 January 2019),

According to the Company's estimates, the new standards listed above, amendments to existing standards and their interpretation would have no significant impact on the financial statement if applied by the Company at the balance sheet date.

The hedge accounting of the financial assets and liabilities portfolio, whose rules have not been approved for use in the EU remain external to the regulations approved by the EU.

According to the Company's estimates, the application of the hedge accounting of the financial assets and liabilities portfolio in accordance with **IAS 39 „Financial Instruments: Recognition and valuation”** would have no significant impact on the financial statement if applied for use at the balance sheet date.

The Company has not opted for an early application of any standard, interpretation or amendment that has been published, but has not yet entered into force.

4. Seasonality of operations

Sales of computers and electronic appliances are subject to seasonal fluctuations. Higher revenue and operating profit is usually generated in the second half of the year. The sales level is the highest in November and December. This cycle directly translates into trade receivable amounts and the use of bank loans and credit facilities.

5. Financial revenue

	<i>3 months ended 30.09.2017 (unaudited)</i>	<i>9 months ended 30.09.2017 (unaudited)</i>	<i>3 months ended 30.09.2016 (unaudited)</i>	<i>9 months ended 30.09.2016 (unaudited)</i>
Bank interest income	1	110	9	29
Dividend income from subsidiaries	-	21 668	-	22 457
Other	-	1	-	-
	1	21 779	9	22 486

6. Cash and cash equivalents

For purposes of the condensed interim statement of cash flows, cash and cash equivalents include:

	30.09.2017 <i>(unaudited)</i>	30.09.2016 <i>(unaudited)</i>
Cash at bank and in hand	4 706	21 731
Other cash	-	-
	4 706	21 731

7. Dividends paid

The General Meeting of Shareholders of the Company on 28 June 2017, passing a resolution on the distribution of profit for 2016, resolved to retain the entire profit within the Company.

On 31 May 2017, the Management Board of the Company passed a resolution (the "Resolution") on conditional payment of an advance towards the expected dividend for 2017. If the conditions specified in the Resolution are met, an advance of PLN 10,021 thousand PLN (PLN 0.08 per share) will be paid by 31 December 2017.

The dividend from ordinary shares for 2015 was paid on 11 July 2016 and amounted to PLN 47,812 thousand . The dividend per share paid for 2015 was PLN 0.39.

8. Income tax

Key tax charge components in the profit or loss account are as follows:

	3 months ended 30.09.2017 <i>(unaudited)</i>	9 months ended 30.09.2017 <i>(unaudited)</i>	3 months ended 30.09.2016 <i>(unaudited)</i>	9 months ended 30.09.2016 <i>(unaudited)</i>
Current income tax charge	-	-	(3 301)	(3 971)
Deferred income tax	(1 470)	(1 946)	3 235	2 884
Income tax charged to net profit for the current period	(1 470)	(1 946)	(66)	(1 087)

9. Fixed tangible assets and intangible assets

9.1. Acquisition and sale of fixed tangible assets

Over the 9-month period ended 30 September 2017, the Company purchased tangible fixed assets with a value of PLN 1,381 thousand (over the 9-month period ended 30 September 2016 it was PLN 1,707 thousand).

Over the 9-month period ended 30 September 2017, the Company sold or liquidated tangible fixed assets with a net value of PLN 26 thousand (over the 9-month period ended 30 September 2016 it was PLN 11 thousand).

9.2. Acquisition and sale of intangible assets

Over the 9-month period ended 30 September 2017, the Company purchased intangible assets with a value of PLN 1,978 thousand (over the 9-month period ended 30 September 2016 it was PLN 1,803 thousand).

Over the 9-month period ended 30 September 2017, and over the 9-month period ended 30 September 2016, the Company did not sell any intangible assets.

10. Long-term investment

	<i>30.09.2017</i> <i>(unaudited)</i>	<i>30.06.2017</i> <i>(unaudited)</i>	<i>31.12.2016</i>	<i>30.09.2016</i> <i>(unaudited)</i>
Investments in subsidiaries	52 835	52 835	52 835	46 314
Investments in other entities	-	-	-	6 383
Total	52 835	52 835	52 835	52 697

11. Inventories

As at 30 September 2017, the value of write-down of inventories to net realizable selling prices amounted to PLN 11,882 thousand PLN (as at 31 December 2016: PLN 13,118 thousand) and as at 30 September 2016: PLN 13,321 thousand). Changes in the provision amount are recognized in “Costs of goods sold”.

12. Provisions

<i>(unaudited)</i>	<i>Guarantee</i> <i>costs</i>	<i>Onerous</i> <i>contracts</i>	<i>Total</i>
Amount as at 1 January 2017	2 315	522	2 837
Recognized	-	322	322
Derecognized	(411)	(522)	(933)
Amount as at 30 September 2017	1 904	322	2 226
Long-term portion	381	-	381
Short-term portion	1 523	322	1 845

<i>(unaudited)</i>	<i>Guarantee</i> <i>costs</i>	<i>Onerous</i> <i>contracts</i>	<i>Total</i>
Amount as at 1 January 2016	3 593	380	3 973
Recognized	-	-	-
Derecognized	(1 219)	(12)	(1 231)
Amount as at 30 September 2016	2 374	368	2 742
Long-term portion	475	-	475
Short-term portion	1 899	368	2 267

Warranty costs

The Company recognizes a provision for costs of complaints related to warranties and guarantees given with regard to goods sold. The provision is estimated based on the sales volume, duration of warranty periods, historical data regarding faulty goods and the associated losses as well as current operating costs of the service department. According to the estimations of the Company, the provision of PLN 1,523 thousand is going to be used up within 12 months by 30 September 2018, while the remaining portion will be used up after 30 September 2018.

Onerous contracts

Also, the Company recognizes a provision related to goods purchase orders pending at the balance sheet date, which will be fulfilled at prices higher than the realizable net selling price. The Company estimates the volume of the provision based on a detailed analysis of goods sales price trends after the balance sheet date. Both the creation and termination of the provision are recognized under other operating expenses. The Company expects that the total provision will be used up by 2017.

13. Interest-bearing bank loans and credit facilities

Information on loans and changes in their balances in particular banks is provided in the table below:

in thousand PLN	Currency	Interest	Maturity date	30.09.2017	31.12.2016	30.09.2016
Overdraft facility - Bank Polska Kasa Opieki S.A.	PLN	Wibor 1M+margin	15.12.2017	4 918	4 433	44 232
Overdraft facility - Bank Polska Kasa Opieki S.A.	EUR	Euribor 1M+margin	15.12.2017	33 632	414	6 160
Overdraft facility - Bank Polska Kasa Opieki S.A.	USD	Libor 1M+margin	15.12.2017	132	638	-
Overdraft facility - Bank Millennium S.A.	PLN	Wibor 1M+margin	28.04.2018	297	12 553	20 876
Overdraft facility - Bank Millennium S.A.	EUR	Euribor 1M+margin	28.04.2018	-	1 899	12 613
Overdraft facility - Bank Millennium S.A.	USD	Libor 1M+margin	28.04.2018	224	1 318	483
Credit facility- cash pool account -Bank ING Bank Śląski S.A.	PLN	Wibor 1M+margin	09.10.2025	6 083	-	1 248
Overdraft facility - Bank ING Bank Śląski S.A.	EUR	Euribor 1M+margin	09.10.2025	22 176	12 912	3 725
Overdraft facility - Bank ING Bank Śląski S.A.	USD	Libor 1M+margin	09.10.2025	3 058	9 764	-
Overdraft facility - Bank ING Bank Śląski S.A.	CZK	Pribor 1M+margin	09.10.2025	2 469	-	5 989
Overdraft facility -Societe General SA	PLN	Wibor 1M+margin	n/d	-	42 252	4 116
Overdraft facility -Societe General SA	EUR	Euribor 1M+margin	n/d	-	455	30 908
Overdraft facility -Societe General SA	USD	Libor 1M+margin	n/d	-	9 309	-
Overdraft facility -Societe General SA	HUF	Bubor 1M+margin	n/d	-	3 322	2
Overdraft facility -BGŻ BNP Paribas	PLN	Wibor 1M+margin	01.12.2025	5 151	6 583	896
Overdraft facility -BGŻ BNP Paribas	EUR	Euribor 1M+margin	01.12.2025	12 680	14 426	17 381
Overdraft facility -BGŻ BNP Paribas	USD	Libor 1M+margin	01.12.2025	-	1 682	201
Overdraft facility -Bank Handlowy w Warszawie	PLN	Wibor 1M+margin	n/d	-	16 027	1 471
Overdraft facility -Bank Handlowy w Warszawie	EUR	Euribor 1M+margin	n/d	-	-	3 574
Overdraft facility - mBank S.A.	PLN	Wibor overnight +margin	13.07.2018	41 411	-	-
Overdraft facility - mBank S.A.	EUR	Euribor overnight +margin	13.07.2018	4	-	-
Totak				132 235	137 987	153 875

Bank loan guarantees take form of a written statement on submission to enforcement under Art. 97 sections 1-2 of the Banking Act together with the authorization for banks to issue a bank enforcement title or statement of submission to enforcement filed in the form of a notarial deed under Art. 777 § 1(5) of the Code of Civil Procedure or a blank promissory note with promissory note agreement.

Interest liabilities are usually settled monthly over the entire financial year.

14. Other financial liabilities

	30.09.2017 (unaudited)	30.06.2017	31.12.2016	30.09.2016 (unaudited)
Cash pooling liability	18 436	14 488	21 150	17 322
Currency forward contracts-liabilities	-	39	94	-
Accrued interest on factoring	318	284	689	196
Total	18 754	14 811	21 933	17 518

15. Equity

Share capital

As at 30 September 2017, the shareholding structure was as follows:

	Number of shares	Number of votes at GSM	Percentage of votes held
MCI Venture Projects sp. z o.o. VI S.K.A.	76 060 378	76 060 378	60.72%
OFE PZU "Złota Jesień"	9 650 000	9 650 000	7.70%
Pozostali Akcjonariusze	39 556 521	39 556 521	31.58%
Total	125 266 899	125 266 899	100.00%

16. Hedge accounting

The Company hedges the foreign currency risk associated with sales indexed to EUR and USD exchange rates and denominated in these currencies using foreign currency monetary items, i.e. trade liabilities less trade receivables and cash, and FX forwards and FX swaps relating to foreign currency sales/purchases plus/less the nominal value. The Company identifies designated foreign currency monetary items as hedging instruments in the cash flow hedge model and recognizes them in accordance with the hedge accounting principles.

The tables below present the key parameters of foreign currency monetary items allocated for hedging instruments, including periods where cash flows will occur arising from the cash flow hedges and where they will affect the financial result, as well as their fair value in PLN thousand as at 30 September 2017.

Hedging instruments – EUR

Instrument type	Nominal amount		Fair value*		Expected maturity of hedged position	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Trade liabilities	(124 586)	(198 775)	(124 586)	(198 775)	October/ November 2017	October/ November 2016
Trade receivables	95 835	95 837	95 835	95 837	October/ November 2017	October/ November 2016
Cash	(68 247)	(74 241)	(68 247)	(74 241)	October/ November 2017	October/ November 2016
FX Forward EUR	(20 037)	6 468	(16)	7	October/ November 2017	October/ November 2016
Total monetary items:	(117 035)	(170 711)	(97 014)	(177 172)		

Hedging instruments – USD

Instrument type	Nominal amount		Fair value*		Expected maturity of hedged position	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Trade liabilities	(43 696)	(92 331)	(43 696)	(92 331)	October/ November 2017	October/ November 2016
Trade receivables	8 484	11 515	8 484	11 515	October/ November 2017	October/ November 2016
Cash	(3 214)	(27)	(3 214)	(27)	October/ November 2017	October/ November 2016
FX Forward USD	38 345	23 135	826	7	October/ November 2017	October/ November 2016
Total monetary items:	(81)	(57 708)	(37 600)	(80 836)		

* For items other than FX forward derivative transactions, the carrying value has been presented. In the opinion of the Company, the carrying value of these items does not differ considerably from their fair value.

Changes in the fair value of cash flow hedges recognized in equity are presented below.

	9 months ended 30.09.2017	9 months ended 30.09.2016
Opening balance	(1 467)	(71)
Effective portion of profit/loss on the hedging instrument	14 606	(1 903)
Amounts charged to profit or loss, including:	14 436	(3 188)
- Adjustment of sales revenue	14 436	(3 188)
- Adjustment arising from hedge ineffectiveness	-	-
Closing balance	(1 297)	1 214

17. Capital management

The key objective of the Management Board is to maintain a capital structure that would enable the Company's growth, guarantee return on investment for the shareholders, and ensure that the lenders' opinion on the Company is positive.

The Company monitors the capital structure on the basis of the net debt / EBITDA ratio.

Net debt includes facilities, loans and debt less the value of cash and cash equivalents. EBITDA is defined as the financial result determined in accordance with IFRS-EU, plus depreciation, impairment losses on tangible fixed asset and intangible assets, net financial costs and income tax.

As at 30 September 2017, the above ratio was as follows:

	30.09.2017 (unaudited)	30.09.2016 (unaudited)
Net debt	145 965	149 466
EBITDA *	19 999	18 960
Net debt ratio	7.3	7.9

*/EBITDA for the 12 months' periods ended 30 September 2017 and 30 September 2016.

The Company aims to maintain the ratio at the maximum level of 4, calculated based on the consolidated data.

The growth strategy adopted by the ABC Data Capital Group assumes an amplification of regional operations while maintaining the leading position of the Company when dealing with the suppliers. This will allow the Company to maximize benefits from the existing vendor contracts to which ABC Data SA is part, boosted by local resources depending on the needs or the perceived potential of a particular offer. Such an approach results in an increased demand for working capital at the Company, which, combined with the contribution of regional operations, results in maintaining a low level of the ratio as calculated based on consolidated data in accordance with the growth strategy pursued by the Group.

The Management Board pro-actively shapes the ratio by implementing and enforcing procedures aimed at optimizing the demand for working capital loan. Furthermore, the ratio is adjusted by means of changing the dividend level or issuing shares.

Additionally, in accordance with the Code of Commercial Companies, the Company is obliged to create supplementary capital by appropriating at least 8% of profit for each financial year, until its balance corresponds to at least one third of the share capital.

18. Contingent liabilities

18.1. Guarantees and sureties issued for the subsidiaries' liabilities

Under the tripartite loan agreement of 16 March 2015 including subsequent annexes concluded between ING Bank Śląski, ABC Data S.A., iSource S.A., S4E SA and ABC DATA Marketing Sp. z o.o., the borrowers are jointly and severally liable for the liabilities due to the bank.

ABC Data S.A. and its subsidiaries ABC Data Marketing Sp. z o.o. and iSource S.A are parties to the agreement of 30 September 2015, together with subsequent annexes, concluded with ING Bank Śląski SA for the provision of cash pooling services as daily limits. Since 3 March 2017 the company SPV Sail Sp. z o. o. is also part to this agreement. Pursuant to the provisions of the agreement, each Participant undertakes to repay the debt arising from non-payment of the daily limit by any of the Participants.

ABC Data S.A. issues guarantees and sureties for the liabilities of its subsidiaries to their suppliers and financial institutions. As at 30 September 2017, the contingent liabilities related to the above amounted to:

- PLN 50,000 thousand and PLN 75,000 thousand for the liabilities of iSource S.A.
- USD 2,500 thousand , EUR 1,500 thousand and PLN 30,000 thousand for the liabilities of ABC Data Distributie SRL
- CZK 364,455 thousand for the liabilities of ABC Data s.r.o in the Czech Republic
- EUR 2,500 thousand and PLN 54,000 thousand for the liabilities of ABC Data Kft.
- PLN 35,500 thousand for the liabilities of S4E S.A.

18.2. Contingent liabilities for reprographic fees

Pursuant to the Act on Copyright and the Related Rights of 4 February 1994, the Company, as an importer of copiers, scanners and other similar reprographic equipment enabling the copying of published works, as well as blank data carriers enabling the recording of works for personal use, pays fees to organizations dealing in collective management of copyrights or the related rights. Following an inspection carried out by an auditor appointed by these organizations, the latter have claimed significant additional amounts from the Company. According to the Company, the auditor's calculations include a number of errors, and the claims based thereon are groundless. Currently, a dispute of the Company with one of the organizations is pending. Due to doubts regarding the interpretation of legal regulations and discrepancies in previous court decisions, the Company has recognized a provision for the amount which, in its opinion, fully covers the risk related to the possibility of an unfavourable ruling.

Since the first quarter of 2016, an action for payment of PLN 19,206 thousands is pending filed by an organization dealing in collective management of copyrights. of fees allegedly due for the Company's sale of equipment and blank data carriers. According to the company and a third-party legal adviser, the calculation methodology used in the suit contains a number of errors and the claims based thereon are groundless.

18.3. Contingent liability to make an additional payment for the shares in SPV Sail Sp. z o.o.

Under the investment agreement, the Company is obliged to make an additional payment for the shares taken up in SPV Sail, proportional to the financial performance of S4E (Conditional Payment II). The amount of this payment has been determined at PLN 3,359 thousand based on the estimates prepared by an independent appraiser at the date of control being taken over by the Company. .

18.4. Tax returns

Corporate income tax for the fiscal year 2010

In 2011, inspection proceedings were instituted by the Director of the Tax Inspection Office in Warsaw against the Company with respect to corporate income tax for 2010. The proceedings were terminated by a decision issued on 5 June 2014, which determined the Company's corporate income tax liability for 2010. Despite the Company's appeal, the aforesaid decision was upheld by the Director of the Tax Chamber in Warsaw. The Company filed an appeal with the Regional Administrative Court in Warsaw, opposing the decision of the Director of the Tax Chamber in Warsaw in its entirety.

In its non-final judgement of 19 April 2016, the Regional Administrative Court in Warsaw repealed the decision that the Company appealed against. The Company agrees with the decision of the first-instance court, whereby the decision was repealed. However, it opposes the substantiation of the judgement in a number of respects. Therefore, on 12 July 2016, it filed a last resort appeal with the Supreme Administrative Court. The decision is pending.

Tax on goods for the 2nd quarter of 2014

In September 2014, inspection proceedings were instituted against the Company following the authorization of the Director of the Tax Inspection Office in Warsaw to examine the validity of the tax bases declared by the Company as well as correctness of calculation and payment of value added tax for the 2nd quarter of 2014. The proceedings has not been closed by the date of this statement.

Several years ago, the Company implemented strict quality and vendor control procedures aimed to minimize the risk of irregularities in its accounting. As the procedures are followed with due care, the Management Board finds that payments of public law liabilities are fulfilled as appropriate. Therefore, the probability of an unfavourable outcome of the inspections conducted is considered to be low and it is not necessary to estimate any associated provision.

19. Related-party transactions

The table below presents cumulative amounts of transactions concluded with related parties during the 9 months' periods ended 30 September 2017 and 30 September 2016, respectively, as well as balances of liabilities and receivables as at 30 September 2017 and 31 March 2016.

Purchase and sales transactions of goods and materials

<i>Related party</i>		<i>Sales to related parties</i>	<i>Purchases from related parties</i>	<i>Receivables from related parties</i>	<i>Liabilities to related parties</i>
<u>MCI Capital S.A. Group companies</u>					
MCI Capital S.A.	2017	7	-	-	-
Morele Net Sp. z o.o.	2017	76 411	2 943	14 445	379
MCI Capital S.A.	2016	-	-	-	-
Morele Net Sp. z o.o.	2016	58 326	6 503	15 039	353

<i>Related party</i>		<i>Sales to related parties</i>	<i>Purchases from related parties</i>	<i>Receivables from related parties</i>	<i>Liabilities to related parties</i>
<u>Subsidiaries</u>					
ABC Data Marketing Sp. z o.o.	2017	1 228	16 686	267	2 935
ABC Data s.r.o. - Czechy	2017	114 757	4 546	32 989	1 135
ABC Data s.r.o. - Słowacja	2017	65 247	-	20 773	-
UAB ABC Data Lietuva - Litwa	2017	159 947	-	15 546	-
ABC Data Hungary Kft.	2017	73 954	102	46 313	77
ABC Data Distributie SRL	2017	110 288	180	40 281	73
ABC Data GmbH - Niemcy	2017	(2)	-	2 061	-
iSource S.A.	2017	332	23	18	-
ABC Data Finanse Sp. z o.o.	2017	15	-	2	-
S4E S.A.	2017	829	35	372	-
ABC Data Marketing Sp. z o.o.	2016	331	17 438	1 943	3 381
ABC Data s.r.o. - Czechy	2016	140 215	9 241	35 028	1 683
ABC Data s.r.o. - Słowacja	2016	76 840	805	19 830	28
UAB ABC Data Lietuva - Litwa	2016	154 513	-	22 903	-
ABC Data Hungary Kft.	2016	92 132	661	45 564	449
ABC Data Distributie SRL	2016	124 998	14	39 861	145
ABC Data GmbH - Niemcy	2016	(4)	7	2 118	-
iSource S.A.	2016	406	6	74	-
ABC Data Finanse Sp. z o.o.	2016	15	-	-	-
S4E S.A.	2016	-	-	2 960	-

Cash pooling transactions

<i>related party</i>		<i>Interest expense</i>	<i>Interest income</i>	<i>Assets</i>	<i>Liabilities</i>
<u>Subsidiaries</u>					
ABC Data Marketing Sp. z o.o.	2017	187	-	-	18 212
Isource S.A.	2017	3	-	-	224
SPV Sail Sp.z o.o.	2017	-	-	1	-
ABC Data Marketing Sp. z o.o.	2016	139	-	-	21 088
Isource S.A.	2016	2	15	-	62

Dividend revenue for ABC Data S.A. from subsidiaries

Dividend income from subsidiaries 2017

ABC Data Marketing Sp. z o.o.	10 570
iSource S.A.	9 283
UAB "ABC Data" - LT	1 815
Total	21 668

Dividend income from subsidiaries 2016

ABC Data Marketing Sp. z o.o.	13 729
iSource S.A.	5 224
UAB "ABC Data" - LT	3 504
Total	22 457

Remuneration paid to the Management and Supervisory Board members

	<i>9 months ended 30.09.2017 (unaudited)</i>	<i>9 months ended 30.09.2016 (unaudited)</i>
<u>Management Board</u>		
Short-term employee benefits	2 909	3 070
<u>Supervisory Board</u>		
Short-term employee benefits	262	269
	3 171	3 339

20. Events after the balance sheet date

No events that would have a material effect on this statement without being reflected herein occurred after the balance sheet date.

Ilona Weiss	Andrzej Kuźniak	Maciej Kowalski	Konrad Pyrz	Ewa Gawryszewska
<i>President of the Management Board</i>	<i>Vice-President of the Management Board</i>	<i>Vice-President of the Management Board</i>	<i>Financial Director</i>	<i>Financial Statement prepared by:</i>

Warsaw, 09 November 2017