

# Polish Financial Supervisory Authority

## Quarterly report SA-Q

3	2011
Quarter	Year

(in accordance with par. 82 section 1 (1) of the Regulation of the Minister of Finance of 19th February 2009, Journal of Laws No 33, item 259)

(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

For the Third quarter of the financial year 2011, that is for the period from 01.07.2011 to 30.09.2011

publishing date: 14.11.2011

TALEX SA (Full name of the issuer)		
TALEX (Abbreviated name of the issuer)		Informatyka (inf) (sector in accordance with classification of Warsaw Stock Exchange)
61-619 (postal code)	Poznań (city)	
Karpia (street)		27 d (number)
061 827 55 00 (phone no)	061 827 55 99 (fax)	
biuro@talex.pl (e-mail)	www.talex.com.pl (www)	
782-00-21-045 (taxpayer registration number)	004772751 (Company registration number)	

### SELECTED FINANCIAL DATA

SELECTED FINANCIAL DATA	PLN in thds		EUR in thds	
	3 quarters, Cumulatively/ 2011, from 01.01.2011 until 31.09.2011	3 quarters, Cumulatively/ 2010, from 01.01.2010 until 31.09.2010	3 quarters, Cumulatively/ 2011, from 01.01.2011 until 31.03.2011	3 quarters, Cumulatively/ 2010, from 01.01.2010 until 31.09.2010
I. Net revenues from sales of products, goods and materials	95, 101	53,970	23,532	13,483
II. Profit (loss) from operation activities	-2,061	-1,487	-510	-371

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III. Gross profit (loss)	-1,875	-1,580	-464	-395
IV. Net profit (loss)	-1,939	-1,603	-480	-400
V. Net cash flows from operating activities	-3,216	-5,030	-796	-1,257
VI. Net cash flows from investment activities	-3,673	-1,937	-909	-484
VII. Net cash flows from financial activities	-1,825	-674	-452	-168
VIII. Total net cash flows	-8,714	-7,641	-2,156	-1,909
IX. Total assets	61,764	50,498	14,002	12,666
X. Liabilities and provisions for liabilities	21,320	10,463	4,833	2,624
XI. Long-term liabilities	297	1,186	67	297
XII. Short-term liabilities	19,012	8,888	4,310	2,229
XIII. Shareholder's equity	40,444	40,035	9,168	10,041
XIV. Share capital	3,000	3,000	680	752
XV. Number of shares	3,000.092	3,00.092	680,108	3,000.092
XVI. Profit (loss) per one common share (PLN/EUR)	-0.65	-0.53	-0.16	-0.13
Diluted profit (loss) per one common share (PLN/EUR)				
XVII. Book value per share (PLN/EUR)	13.48	13.34	3.06	3.35
Diluted book value per share (PLN/EUR)				
XVIII. Declared or paid dividend per share (PLN/Eur)				

The conversion into EURO took place in the following manner:

Positions from I to VIII were calculated according to the average exchange rate for a given period, used as the arithmetic mean of the NBP exchange rates of the last day of a month during the period.

For items from IX to XIV the NBP exchange rate of the last day of the period was used. EURO courses accepted to calculate the selected financial data:

3 quarters of 2011:

the average exchange rate in the period 01.01.2011-30.09.2011..... 4.0413

rate on the last day of the period (30.09.2011) ..... 4.4112

3 quarters of 2010:

the average exchange rate in the period 01.01.2010-30.09.2010..... 4.0027

rate on the last day of the period (30.09.2010).....3.9870

The report should be forwarded to the Financial Supervision Commission, a company engaged in the regulated market and to the public via news agency in accordance with the law.

## ABBREVIATED BALANCE REPORT

# BALANCE SHEET

BALANCE SHEET	PLN in thds		EUR in thds	
	As of 30.09.2011 end of quarter / 2011	As of 30.06.2011 end of previous quarter /2011	As of 31.12.2010 end of previous year / 2010	As of 30.09.2010end of quarter / 2010
<b>ASSETS</b>				
I. Fixed assets	27,017	25,384	26,088	26,521
1. Intangible assets including:	1,301	1,292	541	343
2. Tangible fixed assets	25,346	23,719	25,032	25,768
3. Long-term receivables	207	190	217	216
3.1. From other entities	207	190	217	216
4. Long-term prepayments and accrued income	163	183	298	194
4.1. Deferred tax assets	79	82	144	66
4.2. Other prepayments	84	101	154	128
II. Current assets	34,74	37,025	38,832	23,977
1. Inventories	14,544	11,562	1,860	5,992
2. Short-term receivables	8,998	9,093	16,873	7,618
2.1. From other entities	8,998	9,093	16,873	7,618
3. Short-term investments	10,723	15,843	19,438	9,909
3.1. Short-term financial assets	10,723	15,843	19,438	9,909
a) In other entities	10,723	15,843	19,438	9,909
4. Short-term prepayments and accrued income	482	527	661	458
Total assets	61,764	62,409	64,920	50,498
<b>LIABILITIES</b>				
I. Equity	40,444	40,153	43,883	40,035
1. Share capital	3,000	3,000	3,000	3,000
2. Reserve capital	39,383	39,383	38,639	36,638
3. Net Profit (loss) from previous years	-1,939	-2,230	2,244	-1,603
II. Liabilities and provisions for liabilities	21,320	22,256	21,037	10,463
1. Provisions for liabilities	348	348	575	355
1.1. Deferred income tax provision			1	
1.2. Provision for retirement benefits and related obligations	348	348	310	301
a) Long-term	348		310	301
1.3. Other long-term provisions			264	54
a) Short-term			264	54
2. Long-term liabilities	297	648	982	1,186
2.1. To other entities	297	648	982	1,186
3. Short term liabilities	19,012	19,605	17,540	8,888
3.1 To other entities	19,012	19,605	17,540	8,888
4. Prepayments and accrued income	1,663	1,655	1,940	34
4.1. Other prepayments and accrued income	1,663	1,655	1,940	34
a) Long-term	830	1,212	1,355	
b) Short-term	830	443	585	34
Total liabilities	61,764	62,409	64,920	50,498
Book value	40,444	40,153	43,883	40,035
Number of shares	3,000.092	3,000.092	3,000.092	3,000.092
Book value per share (PLN)	13.48	13.38	14.63	13.34

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The Company does not provide the following data: diluted number of shares and diluted book value per share due to impossibility of anticipation of changes in the number of shares.

Note! In case of reports for the first quarter of the financial year, only the first column (data for the end of the first quarter of the current financial year), the third column (data for the end of the previous financial year) and the fourth column (data for the end of the first quarter of the previous financial year) should be filled in.

## OFF-BALANCE SHEET ITEMS

OFF-BALANCE SHEET ITEMS	PLN in thds			
	As of 30.09.2011 end of quarter / 2011	As of 30.06.2011 end of previous quarter /2011	As of 31.12.2010 end of previous year / 2010	As of 30.09.2010 end of quarter /2010
1. Contingent liabilities	3,343	3,036	5,459	3,994
1.1. To other entities (on account of)	3,343	3,036	5,459	3,994
- received guarantees and securities	3,343	3,036	5,459	3,994
Off-balance items in total	3,343	3,036	5,459	3,994

The issuer's contingent liabilities consist of given guarantees of performance bond, payment, warranty and one guarantee of security deposit.

Note! In case of reports for the first quarter of the financial year, only the first column (data for the end of the first quarter of the current financial year), the third column (data for the end of the previous financial year) and the fourth column (data for the end of the first quarter of the previous financial year) should be filled in.

## PROFIT AND LOSS ACCOUNT

PROFIT AND LOSS ACCOUNT	PLN in thds			
	3rd quarter/ 2011 from 01.07.2011 until 30.03.2011	3 quarters Cumulatively/ 2011 from 01.01.2011 until 30.09.2011	1st quarter/ 2010, from 01.01.2010 until 30.09.2010	3 quarters, Cumulatively/ 2010 from 31.07.2010 until 30.09.2010
I. Net income from sales of products, goods and materials, including:	47,909	95,101	14,734	53,970
1. Net income from sales of products	6,653	20,395	6,737	22,403
2. Net income from sales of goods and materials	41,256	74,706	7,997	31,567
II. Costs of sold products, goods and materials, including:	44,816	87,707	12,842	46,861
1. Manufacturing cost of sold products	6,154	18,111	5,373	17,252
2. Value of sold goods and materials	38,662	69,596	7,469	29,609
III. Gross profit (loss) on sales	3,093	7,394	1,892	7,109
IV. Sales costs	1,131	4,163	1,268	3,335
V. General and administrative costs	1,962	6,021	1,749	5,714
VI. Profit (loss) on sales	0	-2,790	-1,125	-1,940
VII. Remaining operating revenues	397	817	411	586

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1. Profit on disposal of non-financial fixed assets	1	3	233	267
2. Subsidies	296	541	15	52
3. Other operating revenues	100	273	163	267
VIII. Remaining operating expenses	39	88	31	133
1. Updating values of non-financial assets			6	9
2. Other operating expenses	39	88	25	124
IX. Profit (loss) on operation activity	358	-2061	-745	-1,487
X. Financial revenues	128	320	88	292
1. Interest, including:	128	320	88	214
2. Profit from investments' disposal				78
XI. Financial costs	193	134	89	385
1. Revaluation on investments				85
2. Other	193	134	89	300
XII. Profit (loss) on business activities	293	-1,875		1,580
XIII. Gross profit (loss)	293	-1,875	-746	-1,580
XIV. Income tax	2	64	3	23
a) Deferred value	2	64	3	23
XV. Net profit (loss)	291	-1,939	-749	1,603
Net profit (loss) (annual)	4,138		-1,189	
Weighted average number of common shares	3,000.092		3,00.092	
Profit (loss) per common share (PLN)	1.40		-0.40	

The Company does not provide the following data: diluted number of shares and diluted book value per share due to impossibility of anticipation of changes in the number of shares.

## STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY	PLN in thds			
	3rd quarter/ 2011, from 01.07.2011 until 30.09.2011	3 quarters, Cumulatively/ 2011 from 01.01.2011 until 30.09.2011	Year 2010, from 01.01.2010 until 30.09.2010	3 quarters, Cumulatively/ 2010 from 01.01.2010 until 30.09.2010
I. Shareholders' equity at the beginning of the period (BO)	40,153	43,883	41,639	41,638
I.a. Restated equity at the beginning of the period (BO)	40,153	43,883	41,639	41,638
1. Share capital at the beginning of the period	3,000	3,000	3,000	3,000
1.1. Share capital at the end of the period	3,000	3,000	3,000	3,000
2. Reserve capital at the beginning of the period	39,383	38,639	41,419	41,418
2.1. Changes of reserve capital		744	-2,780	-2,780

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- from profit-sharing above the statutory minimum		744		
2.2. Reserve capital at the end of the period	39,383	39,383	39,639	39,638
3.Profit (loss) from previous years at the beginning of the period		2,244	-2,780	-2,780
a) reduction due to		2,244		
- contribution to supplementary capital		744		
- dividend		1,500		
3.1. Profit (loss) from previous years at the beginning of the period			2,780	2,780
3.2. Loss from previous years at the beginning of the period, restated			2,780	
a) reduction due to			2,780	2,780
-			2,780	2,780
3.3 Profit (loss) from previous years at the end of the period				
4. Net result	291	-1,939	2,244	-1,603
a) net profit	291		2,224	
n) net loss		1,939		1,603
II. Shareholders' equity at the end of the period (BZ )	40,444	40,444	43,883	40,035
III. Shareholders' equity at the end of the period after proposed profit distribution (loss coverage)	40,444	40,444	43,883	40,035

## CASH FLOW STATEMENT

CASH FLOW STATEMENT	PLN in thds			
	3rd quarter/2011, from 01.07.2011 until 30.09.2011	3 quarters, Cumulatively/ 2011 from 01.01.2011 until 30.09.2011	3rd quarter/2010, from 01.07.2010 until 30.09.2010	3 quarters, Cumulatively/ 2010 from 01.01.2010 until 30.09.2010
<b>A. Cash flows from operating activities</b>				
I. Net profit (loss)	291	-1,939	-749	-1,603
II. Total adjustments	-1,510	-1,277	5,238	-3,427
1. Amortization	872	2,682	895	2,192
2. Interest and shares in profit (dividends)				-3
3. (Profit) loss on investment activity	-209	-454	-233	-248
4. Changes to reserves	0	-227	3	-40
5. Changes to inventories	-2,981	-12,684	-2,192	-3,842
6. Changes to receivables	77	7885	7838	913
7. Changes to short-term liabilities, excluding borrowings and bank loans	781	1,362	-1,078	-2,302
8. Changes in prepayments	-50	159	5	-97`

III. Net cash flows from operating activities (I+/-II) - indirect method	-1,219	-3,216	4,489	-5,030
<b>B. Cash flows from investment activities</b>				
I. Inflows	1	3	239	3,969
1. Disposal of intangible assets and tangible fixed assets	1	3	239	274
2. From financial assets, including				3,695
a) in other entities				3,695
-disposal of financial assets				3,692
- Interest				3
II. Outflows	2,508	3,676	1,054	5,906
1. Purchase of intangible assets and tangible fixed assets	2,508	2,846	1,054	5,734
2. For financial assets, including:				160
a) in other entities				160
- purchase of financial assets				160
3. Other investment expenses		830		12
III. Net cash flow from financial activities (I-II)	-2,507	-3,673	-815	-1,937
<b>C. Cash flows from financial activities</b>				
I. Incomes	330	330	10	10
Other financial incomes	330	330	10	10
II. Outflows	1,724	2,156	239	684
1. Dividends and other payments for owners	1500	1500		
2. Payment's obligations under finance leases	224	656	239	684
III. Net cash flow from financial activities (I-II)	-1,394	-1,825	-229	-674
D. Total net Cash flows (A.III+/-B.III+/-C.III)	-5,120	-8,714	3,445	-7,641
E. Balance sheet change in financial assets, including:	-5,120	-8,714	3445	-7,641
- change in cash and cash equivalents due to exchange rate differences	0			
F. Monetary assets at the beginning of the period	15,843	19,437	6,464	17,550
G. Monetary assets at the end of the period (F+/- D), including	10,723	70,723	9,909	9,909

## ADDITIONAL INFORMATION

File	Description
Informacja zgodnie z par. 87 ust. 3 i 4 SAQ 1 2011_tlx.pdf (included)	

## OTHER INFORMATION

File	Description
Informacje zgodnie z par.87 ust. 7 i 9 SAQ 1 2011_tlx.pdf (included)	

<b>SIGNATURES OF PERSONS REPRESENTING THE COMPANY</b>			
Date	Name and last name	Position/Function	Signature
2010-05-14	Janusz Gocałek	President of the Management Board	
2010-05-14	Jacek Klauziński	Vice President of the Management Board	
2010-05-14	Andrzej Różga	Vice President of the Management Board	
2010-05-14	Rafał Szalek	Member of the Management Board	
2010-05-14	Radosław Wesółowski	Member of the Management Board	

**Information in accordance with par. 87 section 3 and 4 of the Regulation of the  
Minister of Finance of 19th February 2009  
(Journal of Laws No 33, item 259)**

**In the third quarter of 2011, the Company did not make any changes to the rules of assets and liabilities valuation, or to the financial result measurement.**

**Additional information, presenting the principles applied during the preparation of the report, particularly the information on the changes to the accounting principles (policy) applied, and information on the significant changes of estimated values, including corrections on account of deferred income tax reserve and assets, which are described in the accounting act, and revaluation write-offs of the elements of assets:**

**I. Field of activity:**

TALEX S.A. was entered into the register of entrepreneurs kept by the District Court in Poznan - Nowe Miasto and Wilda in Poznan, VIII Economy Department of National Court Register under No 0000048779 (date of register in the NCR: 3rd October 2001).

TALEX S.A. does not consist of internal organizational units which draw up their own financial statements. As a consequence, the financial statement contains only unitary data.

Talex S.A. operates in the information technology sector. The Company's activity focuses on the computer market and includes designing, trade and production activities. The Company offers comprehensive services in the field of enterprises and institutions informatization, in which equipment and software deliveries play a crucial part. The primary activity of the Company, according to the Polish Classification of Activities, is "wholesale of computers, computer peripheral equipment and software"-46.51.Z

**Periods which the presented financial data concern:**

- III quarter 2011, from 01.07.2011 to 30.09.2011
- 3 quarters of 2011, from 01.01.2011 to 30.09.2011
- III quarter 2010, from 01.07.2010 to 30.09.2010
- 3 quarters of 2010, from 01.01.2010 to 30.09.2010

**Accounting principles.**

1. TALEX S.A. draws up the financial statement on the basis of provisions contained in the Accounting Act of 29th September 1994. Due to the fact, that the Company does not draw up consolidated financial statements, a separate financial statement according to MSR or US GAAP has not been drawn up. Reliable indication of differences in the value of the revealed data, particularly those concerning equity, net financial result and substantial differences regarding the adopted accounting principles, is not possible.
2. According to article 3 section 1 point 9 of the Accounting Act the calendar year is considered **the financial year**.
3. According to article 3 section 1 point 8 of the Accounting Act the calendar month is considered **the reporting period**. A balance of the general ledger accounts is drawn up at the end of every reporting period.
4. Record and allocation of operating expenses are kept according to kinds on accounts under group 4 and at the same time according to types of activities and functions on accounts under group 5, with further reference to the costs of products sold or the financial result.
5. Financial statements are drawn up using the profit and loss account by function of expenses.
6. Cash flow account, in the part concerning operating activity, is drawn up using indirect method, in the part concerning investment and financial activities using the direct method.
7. It is assumed that **substantial** for the assessment of the property and financial situation and the financial result is the event resulting in the change of total assets of more than 1%.
8. Till the day of 31 August 2011 the Company kept account books using the computer technique based on the integrated financial and accounting program IRBIS created by TALEX SOFTWARE Ltd. - the company bought on 1.06.1998. With the date of the 1 September 2011 the Company has started to use the integrated system of Microsoft Dynamics AX.

## Methods of assets and liabilities valuation

1. **Fixed assets and intangible assets** are covered by the analytical quantity and value register. They are valued according to acquisition prices or manufacturing cost decreased by depreciation and amortization write-offs in proportion to the period of their utilization, and also by the permanent impairment write-offs. Fixed assets and intangible assets with the initial value of PLN 3,500 and below PLN 3,500 are amortized once, in the month following the month in which they were put into use. Fixed assets and intangible assets with the initial value of more than PLN 3,500 are amortized using the straight-line method, starting from the month following the month in which they were put into use according to the following rules:
  - computer software - 2 years
  - cost of completed research and development works - 3 years
  - goodwill - 5 years
  - other intangible assets - 5 years
  - computer equipment as subject to technical progress is amortized at the rate increased by the coefficient of 2.0
  - means of transport as exploited more intensively in relation to average conditions and requiring special technical efficiency are amortized at the rate increased by coefficient of 1.4
  - fixed assets exploited on the basis of a leasing agreement are amortized at the rate resulting from the duration of the agreement
  - other fixed assets according to tax rates.
2. **Fixed assets under construction** are valued according to real costs incurred for the construction, assembly, adjustment and improvement of future fixed assets, decreased by the permanent impairment write-offs.
3. **Long term investments** are valued according to acquisition prices decreased by the permanent impairment write-offs.
4. **Reserves** covering materials, commodities, finished products and production in progress are appraised as follows:
  - a. **materials and commodities** according to absolute purchase prices increased by import duty (in case of import). Yearly consumption is appraised as follows:
    - commodities identified by serial numbers according to their price of purchase
    - commodities and materials not identified by a serial number according to the FIFO principle "First in, first out".
  - b. **ready products** according to real, direct production costs.

During the reporting period the turnover of ready products proceeds by fixed prices. At the end of the reporting period the appraisal is adjusted with the deviation from absolute production cost.
  - c. **production in progress** is appraised according to real, absolute production cost of a particular order.
5. **Domestic receivables** are valued according to the nominal value set at their beginning. Receivables in foreign currencies at balancing date are valued at the average exchange rate set for a given currency by the National Bank of Poland. At balancing date the receivables and claims are indicated in the value corrected by revaluation write-offs in the following cases:
  - a. brought before the court – 100% write-off;
  - b. receivables from entities in liquidation – 100% write-off;
  - c. receivables that have been overdue for over half a year - 100% write-off.
6. **Short-term financial assets** are priced at market value. Results of the differences between the priced value at the balancing day and the acquisition price regard revenues or financial costs. Domestic cash is valued at nominal value. Cash in foreign currencies at the balancing day is valued at the average exchange rate set for a given currency by the National Bank of Poland.
7. **Primary capital (share capital)** is valued at the nominal value, in accordance with the entry in the National Court Register.
8. **Supplementary capital** is priced at the nominal value resulting from capital increases and decreases.
9. **Revaluation capital** is valued at nominal value resulting from capital increases and decreases.
10. **Provisions for liabilities** include:
  - a) **Provisions for retirement benefits** valued at the balancing day according to the following formula: the number of employees without the settled right to retirement at the balancing day x average monthly salary in the company x likelihood indicator of retirement severance payment, differentiated by the employee's age:

up to 25 years	5%
26-30 years	10%

31-35 years	20%
36-40 years	35%
41-45 years	50%
46-50 years	70%
51-55 years	80%
56-60 years	90%
over 60 years	100%

**b) provision for deferred income tax** created to the amount of income tax payable in the future in relation to the occurrence of positive transient differences between the book value and the tax value of assets and liabilities. The amount of income tax resulting from negative transient differences is shown in **the prepayments and accrued income on account of deferred income tax.**

**c) other provisions** include the costs of future solutions for business transactions for which revenues have been accrued before the balance sheet date.

11. **Domestic liabilities** are priced in the amount requiring payment.

Liabilities in foreign currencies at the balancing day are valued at the average rate set for a given currency by the National Bank of Poland.

12. **Special funds** – do not occur.

Despite changes in the accounting system, in the period covered by the report the rules concerning the valuation of assets and liabilities and financial result measurement were not changed.

### Stocktaking

Assets and liabilities shown in account books at the balancing day are covered by stocktaking conducted by means of:

a) the physical inventory

- fixed assets – once every 4 years
- materials, goods and products – every year in IV quarter
- production in progress – as of 31st December
- cash in hand – as of 31st December

b) balance confirmation

- cash at bank and bank credits – as of 31st December
- settlements with recipients and suppliers – every year in IV quarter

c) verification of balances

- other assets and liabilities – as of 31st December

### Profit and loss account

1. **Net revenues from the sale of goods and products** include amounts due on this account from the recipients, decreased by the value added tax due. The transfer of goods to the recipient, or reception of the service by them, is considered the moment of sale. Revenues from sales are accrued for the reporting periods they concern.
2. **Costs of operating activity** include the value of sold products, goods and materials priced at the production costs or acquisition prices, increased by the overall general costs of management and sales incurred from the beginning of the financial year. Costs include VAT only in that part, in which according to the provisions in force, this tax is not subject to deduction. Costs are included in the period they concern, regardless of the day when the invoice was received or the payment made.
3. **Other revenues and operating costs** include revenues and costs not related directly to the Company's normal activity, but having an influence on the financial result.
  - a) Revenues include:
    - gain on disposal of non-financial fixed assets;
    - grants, subventions and after-payments;
    - gain from liquidation of fixed assets;

- surpluses of fixed and current assets, whose source of origin was not established;
- negative goodwill write-offs;
- received compensations and contractual penalties;
- written off, outdated or abandoned liabilities;
- non-utilized reserves for future costs and losses;
- decrease of liability revaluation write-offs;
- remuneration of the tax payer;
- assets received free of charge;

b) Costs include:

- loss on disposal of the non-financial fixed assets;
- write-offs on account of loss of value of non-financial assets;
- net value of liquidated fixed assets;
- amortization of goodwill;
- revaluation write-offs of stocks of tangible current assets as a result of depreciation of their value-in-use or commercial value;
- value of the elements of assets transferred free of charge and of cash;
- non-culpable shortages and damages to elements of property, not resulting from random events;
- costs of removal of damages to the elements of property;
- paid contractual compensations;
- costs of legal and execution proceedings;
- costs of obtaining grants;
- provisions created for probable costs and losses in operating activities;
- revaluation write-offs of liabilities.

4. **Revenues and financial costs** include revenues and costs of financial operations.

a) Revenues include:

- received dividends and shares in the profits of other companies;
- gained and accrued interest on assets on bank accounts (excluding interest on assets of the Company Social Benefits Fund), on loans granted, deposits, bid securities, on delay in the payment of receivables, on securities;
- gain on disposal of investments;
- increase in the investment value;
- positive exchange rate differences;
- release of created reserves in the encumbrance of financial operations costs

b) Costs include:

- paid and accrued interest and commissions on incurred credits and loans and for delay in the payment of liabilities;
- loss on disposal of investments;
- decrease in the value of investment;
- negative exchange rate differences;
- creation of reserves for certain and probable costs and financial losses;
- surplus of issuance costs or increase of share capital, above the difference between the issue value and the nominal value of shares sold,
- leasing charges,
- costs of portfolio management.

5. **Extraordinary gains and losses** include the value of events difficult to predict, apart from the operating activity of the company and not related to the general risk of running the Company.

a) Extraordinary gains include:

- received compensations for the loss or damage to the fixed and current assets as a result of random events, such as a fire, flood, hurricane, robbery etc.;
- revenues from the sale of elements of property damaged due to random events.

b) Extraordinary losses include:

- net value of fixed and current assets lost or damaged due to random events;
- costs of removal of random events effects.

6. **Obligatory encumbrance of financial result** includes:

- a) the legal persons income tax is calculated according to The Legal Persons Income Tax Act of 15 February 1992, from the gross balance sheet profit, corrected by the revenues not subject to tax and costs not constituting the costs of revenue acquisition;
- b) decrease in income tax by accruals for deferred income tax;

c) increase in income tax by the reserve created for deferred income tax.

**Net financial result** is set according to the provisions of the Accounting Act as a difference of revenues, costs and obligatory encumbrances of financial result.

**Information on corrections on account of reserves and revaluation write-offs of elements of assets in III quarter of 2011:**

Title of the provision	Increase	Decrease
<b>1. Provision for deferred income tax, including that on account of:</b>	<b>11.00</b>	-
- tax amortization	11.00	-
<b>2. Accruals for deferred income tax, including those on account of:</b>	<b>19,402.00</b>	<b>21,858.00</b>
- write-offs to receivables	1,900.00	1,900.00
- unpaid remunerations	16,946.00	14,157.00
- the prepaid sale of future periods	556.00	5,713.00
- unpaid, accrued contractual penalties	-	88.00
Title of the revaluation write-off of assets	Increase in value	Decrease of value
- write-offs to doubtful accounts	10,000.00	10,000.00

**Remaining information:**

**1. A concise description of important achievements or failures of the issuer during the period which this report concerns, including the list of the most important events regarding them.**

Revenues from product sales in the third quarter of this year amounted to PLN 95,101 thousand, and they are 76% higher compared to the third quarter of 2010.

After three quarters of this year the Company achieved highest level of revenues from sales of goods and materials in comparison with the analogous period in the previous year. However, the level of revenues from products sales slightly decreased ( for about 9%). The share of sale from products in total sales for the third quarter of this year was 21.5% (41.5% in the third quarter of the previous year). Therefore, the significant increase in the revenues from sales is primarily affected by the turnover from sales of goods and materials, which in comparison with the previous year increased by 137% and their share in total sales for three quarters of 2011 years was about 78.5% (in the same period last year it amounted to 58.5%).

The margin on sales from goods and materials remained at a similar level as compared to the third quarter of the previous year - then the margin on goods and materials sales was 6.6%, while in the reported period it was 6.3%. The margin on product sale decreased from 20.2% in the third quarter of 2010 to 7.5% in the analogous period of 2011. A decrease in profitability on revenues from sales of services is, among others, the consequence of the increased employment in the Company in the third quarter due to the extension of the scope of services provided to the Company's key customers.

The financial result was also significantly affected by the incomplete and outstanding service projects to which the Company incurred expenses in the third quarter of this year.

The Company completed the third quarter of 2011 with the net loss equal to PLN 1,939 while only in the third quarter the Company has achieved the profit of PLN 291 thousand.

In the third quarter of 2011 the Company started the implementation of the agreement with the

Information Society Development Foundation (FRSI - Fundacja Rozwoju Społeczeństwa

Informacyjnego) with its seat in Warsaw (Foundation), the subject of which is the delivery of IT solutions to public libraries throughout the country as a part of the second round of the

Library Development Program of the Polish-American Freedom Foundation, as well as the

implementation of the agreement with the Polish Nationwide Foundation of Computer Education (OFEK Ogólnopolska Fundacja Edukacji Komputerowej) with its seat in Wrocław (Foundation), the subject of which is the delivery of IT hardware, software and other IT

services as part of the realization by the Opole Voivodeship of the project 'Opole e-School, a school to the future.'

In the third quarter of this year the Company announced the information on concluding the annex with Bank Handlowy S.A. in Warsaw (Bank). Under the signed annex the term of the agreement, the subject of which is the delivery of services of Bank's technological infrastructure, shall be extended for a period of subsequent 3 years. Also, the Company has received the information on the conclusion of the agreement with State Treasury represented by the Armaments Inspectorate (concluded by the consortium of Talex S.A and Fujitsu Technology Solutions sp. z o.o.), the subject of which is the delivery of IT solutions with a total gross value of PLN 18.7 million.

**2. A description of factors and events, particularly of untypical ones, having a significant influence on the financial results achieved;**

In the reported period there were no, other than the above mentioned, untypical events that might significantly influence the financial results.

**3. Explanations concerning the seasonality or periodicity of the issuer's activity in the presented period;**

Traditionally the Company records the highest sales in the last quarter of the year, which is connected to execution of investment budgets by the largest clients of the Company at the end of the year.

**4. Information concerning the issue, redemption and repayment of debt and capital securities;**

In the presented period no issue, redemption or repayment of debt and capital securities took place.

**5. Information concerning the paid (or declared) dividend, jointly and calculated per one share, with the division into ordinary and preference shares;**

In the presented period there was no payment of dividend.

**6. Indication of events, which took place after the day for which the abridged quarterly financial statement was drawn up, not included in this statement, but which could substantially influence the future financial results of the issuer.**

After the date this report has been done, that is after of 30 September 2011, there were no events that could significantly influence the future financial results of the Company.

**7. Information concerning changes in contingent liabilities or assets, which have taken place since the end of the last financial year.**

For the day of 30.09.2011 the value of guarantees issued by banks on the order of TALEX S.A. in relation with the executed agreements amounted to PLN 3,343 thousand. Contingent liabilities included performance bonds, bid bonds, bonds on account of warranty and guarantee and payment guarantees. Performance bonds comprised about 54% of the guarantees issued on 30.09.2011. The purpose of those bonds is to secure the claims which could arise in the case of improper performance of an agreement. Nearly 5% comprised of payment guarantees, the purpose of which is to guarantee the timely payment of monetary liabilities, about 40% comprised of bonds on account of warranty and guarantee, and about 1%, for the last day of September 201, comprised of bid bonds.

**Information in accordance with par. 87 section 7 of the Regulation of the  
Minister of Finance of 19th February 2009  
(Journal of Laws No 33, item 259)**

**Required information:**

**1. selected financial data containing basic items of abridged financial report  
(also converted into EUR);**

SELECTED FINANCIAL DATA	PLN in thds		EUR in thds	
	3 quarter(s), Cumulatively/ 2011, from 01.01.2011 until 30.09.2011	3 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 30.09.2010	3 quarter(s), Cumulatively/ 2011, from 01.01.2011 until 30.09.2011	3 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 30.09.2010
I. Net revenues from sales of products, goods and materials	95,101	53,970	23, 532	13,483
II. Profit (loss) from operating activities	-2,061	-1,487	-510	-371
III. Gross profit (loss)	-1,875	-1,580	-464	-395
IV. Net profit (loss)	-1,939	-1,603	-480	-400
V. Net cash flows from operating activities	-3,216	-5,030	-796	-1,257
VI. Net cash flows from investment activities	-3,673	-1, 937	-909	-484
VII. Net cash flows from financial activities	-1,825	-674	-452	-168
VIII. Total net cash flows	-8,714	-7,641	-2,156	-1,909
IX. Total assets	61,764	50,498	14,002	12,666
X. Liabilities and provisions for liabilities	21,320	10,463	4,833	2,624
XI. Long-term liabilities	297	1 186	67	297
XII. Short-term liabilities	19,012	8,888	4,310	2,229
XIII. Equity	40,444	40,035	9,168	10,041
XIV. Share capital	3,000	3,000	680	752
XV. Number of shares	3,000.092	3,000.092	3,000.092	3,000.092
XVI. Profit (loss) per one common share (PLN/EUR)	-0.65	-0.53	-0.16	-0.13
XVII. Book value per share (PLN/EUR)	13.48	13.34	3.06	3.35
XVII. Declared or paid dividend per one share (PLN/EUR)	-	-	-	-

**Rules of converting basic elements of financial report into EUR.**

Conversion into EURO has been carried out in the following way:

1. For items I to VIII and for item XV the mid-rate for a given period was applied; the mid-rate is calculated as an arithmetic mean of the NBP exchange rates effective on the last day of the month in the given period.
2. For items IX to XIV and XVI to XVII the NBP exchange rate for the last day of the period was used.

**Euro exchange rate has been adopted for the calculation of selected financial data:**

	Mid-rate during the period	Minimal exchange rate during the period	Maximal exchange rate during the period	Exchange rate of the last day of the period
3 quarters of 2011 year	4.0413	3.8403	4.4900	4.4112
3 quarters of 2010 year	4.0027	3.8356	4.1770	3.9870

**2. Organization of the capital group of the issuer with the indication of the units subject to consolidation;**

The Company is not a member of the capital group.

**3. Indicating the results of structural changes in the economic entity, including the results of merging economic entities, takeover or sales of members of the capital group of the issuer, long-term investments, division, restructuring and abandonment of business activity;**

During the presented period there were no changes in the structure of the economic entity.

**4. Opinion of the Management Board on the feasibility of executing the forecasted results published earlier for a given year in the light of the results presented in the quarterly report in reference to the forecasted results;**

The Board of the Company did not publish the forecast of the financial results for the year 2011.

**5. Shareholders holding, directly or indirectly, through controlled entities, at least 5% of the total votes in the General Meeting of Shareholders as of the day of publishing the report, including the number of shares held, their percentage share in the share capital, the number of votes the shares carry and their percentage share in the total votes in the General Meeting of Shareholders as well as the changes in the ownership structure of major blocks of shares of the issuer since the previous quarterly report was published;**

The following persons hold at least 5% of the total number of votes in the General Meeting of Shareholders:

- Janusz Gocałek - holding 892,556 votes, which constitute 26.19 % of the total number of votes
- Jacek Klauziński - holding 892,556 votes, which constitute 26.19 % of the total number of votes
- Andrzej Różga - holding 892,556 votes, which constitute 26.19 % of the total number of votes

The shareholders listed above hold the following numbers of shares of the Company:

- Janusz Gocałek - holding 756,556 shares of the Company, which constitute 25.22 % of the total number of shares
- Jacek Klauziński - holding 756,556 shares of the Company, which constitute 25.22 % of the total number of shares
- Andrzej Różga - holding 756,556 shares of the Company, which constitute 25.22 % of the total number of shares

According to the knowledge of the Management Board, since the day of publishing the previous quarterly report, there were no changes in the structure of the ownership of the issuer's major shares.

**6. List of shares of the issuer or rights to shares of the issuer (options) held by persons managing and supervising the issuer, as on the day of publishing the quarterly report along with the indicated changes of the state of ownership in the period following the publication of the previous report, separately for each person;**

Overview of the shares of the Company shared by the Management Board members:

- Janusz Gocalek - holding 756,556 shares of the Company,
- Jacek Klauziński - holding 756,556 shares of the Company,
- Andrzej Rózga - holding 756,556 shares of the Company.
- Rafał Szalek - holding 889 shares of the Company

Radosław Wesołowski, Member of the Management Board, and Members of the Supervisory Board do not hold any shares of the Company.

Since the day of publishing the previous quarterly report, there were no changes in the ownership state of the issuer's shares or rights to them by the persons supervising the issuer.

**7. Pending proceedings before courts, arbitration or public administration authorities;**

During the past quarter the Company did not commence and it was not a side in any court proceedings or public administration proceedings in relation to any liabilities of the total value constituting more than 10% of its equity capital.

**8. Information on conclusion of one or many transactions with related entities by the Issuer or its subsidiary, provided that the value of the transactions (the total value of all transactions concluded since the beginning of the financial year) exceeds the equivalent of EUR 500,000 in PLN;**

Since the beginning of the financial year, the Company has not concluded any transactions with related entities of total value exceeding the equivalent of EUR 500,000 in PLN.

**9. Information on credit and loans sureties or guarantees granted by the Issuer or its subsidiary, to one entity in total or to its subsidiary, if the total value of existing sureties or guarantees is equal to at least 10% of the equity capital of the Issuer;**

In the presented period, the Company did not grant any sureties, credit, guarantees or loans of value exceeding 10% of the equity capital of the Issuer.

**10. Other information which, in the opinion of the Issuer, is important for assessing its headcount, assets, financial standing and results, as well as movements therein, and information important to evaluate the fulfillment of the commitments the Issuer made;**

In the reporting period there was no other information important for the assessment of the headcount, assets, financial standing and results as well as the possibility of implementation of commitments by the Company.

**11. Factors which, in the opinion of the Issuer, will influence the results of the Issuer at least in the next quarter;**

The Company plans to continue to focus its activities on: outsourcing, integration services in the field of information technology and software production. Treating outsourcing services as one of the strategic directions of development, the Company is consistently, for already several years, developing the necessary skills and technical infrastructure. In addition, in this year the Company completed the project entitled "Establishing a modern Data Center to raise the level of competitiveness and innovation

of Talex S.A.”. Funding was granted to the Company under the Wielkopolska Regional Operational Programme for 2007-2013, co-financed by the European Regional Development Fund.

In the third quarter of this year the Company started commercial and service activities in the Republic Czech. the date of 5 September 2011 is the date of the entrance of a new branch of the Company into the appropriate register. In accordance with the relevant provisions of Polish and Czech law, the activity of the Company in the Czech Republic will be conducted in the form of a branch of a foreign entrepreneur with its seat in Prague.

Currently, the Company is in the process of implementation of the project entitled ‘Implementation of B2B electronic business by the implementation of a new system supporting the enterprise management in Talex’ which consists of the implementation of adjusted to the Talex ERP system’s needs - Microsoft Dynamics AX 2009, in particular the module AIF - Application Integration Framework, allowing for the integration with business partners of the Company. Furthermore, the system will support the processes in the area of accounting, trade including invoicing, logistics and warehouse management, project management, asset management and controlling. New solutions will also facilitate the expansion to foreign markets, the increase of the financial operations’ efficiency and strategic planning.

The revenues derived by the Company in the sale of services will mainly be affected by revenues from the implementation of permanent, long-term multi-annual contracts with the Company’s customers, in particular contracts for the provision of IT infrastructure maintenance and support services, as well as the Company's developing outsourcing services implemented on the basis of its own Data Center and outsourcing services of maintenance, management and administration of information systems of the clients.

The future financial results will also be affected by the incomes from the execution (not yet completed) of the agreements concluded in the third period of this year, in particular:

- the agreement with the Information Society Development Foundation (FRSI -

Fundacja Rozwoju Społeczeństwa Informacyjnego) with its seat in Warsaw. The subject of the agreement is the delivery of IT solutions to public libraries throughout the country as a part of the second round of the Library Development

Program of the Polish-American Freedom Foundation. Remuneration for

executing the subject of the agreement is estimated at PLN 7.2 million gross.

- the agreement with the Polish Nationwide Foundation of Computer Education (OFEK Ogólnopolska Fundacja Edukacji Komputerowej) with its seat in Wroclaw (Foundation). The subject of the agreement is the delivery of IT hardware, software and other IT services as part of the realization by the Opole Voivodeship

of the project 'Opole e-School, a school to the future.' Remuneration for

- executing the subject of the agreement is estimated at PLN 5.3 million gross.
- the agreement with State Treasury represented by the Armaments Inspectorate (concluded by the consortium of Talex S.A and Fujitsu Technology Solutions sp. z o.o.). The agreement was signed as a result of the completion of the process of public procurement procedure. The subject of the agreement is the delivery of IT solutions with a total gross value of PLN 18.7 million.

With the date of the 30 September 2011 the Company completed the project of creation the application supporting the exchange of information between the computer systems of the Company and its customers. The value of the subsidy granted to this project amounts to PLN 1.14 million net. The subsidy has been granted to the Company under the operation 8.2 " Providing a support for the implementation of B2B electronic business, priority axis 8: Information society – the increase of the innovativeness of the economy" from the Innovative Economy Operational Programme 2007-2013. In addition to the benefits arising from the implementation of the system, the Company's future financial results will also be affected by the settlement of this project under the co-financing agreement from 30 March 2010 concluded by Talex with the Polish Agency for Enterprise Development with its registered office in Warsaw.

**The abridged financial statement has not been examined or reviewed by an entity entitled to examination of financial statements.**