

Financial Supervisory Authority

Quarterly report SA-Q

1	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 First quarter of the financial year 2011, that is for the period from 01.01.2011 to 31.03.2011

publishing date: 16.05.2011

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	
	1 quarter(s), Cumulatively/ 2011, from 01.01.2011 until 31.03.2011	1 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 31.03.2010	1 quarter(s), Cumulatively/ 2011, from 01.01.2011 until 31.03.2011	1 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 31.03.2010
I. Net revenues from sales of products, goods and materials	14,725	11,863	3,705	2,990
II. Profit (loss) from operation activities	-2,350	-1,766	-591	-445

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III. Gross profit (loss)	-2,211	-1,697	-556	-428
IV. Net profit (loss)	-2,271	-1,710	-571	-431
V. Net cash flows from operating activities	-8,618	-14,192	-2,168	-3,578
VI. Net cash flows from investment activities	-816	3,337	-205	841
VII. Net cash flows from financial activities	-213	-234	-54	-59
VIII. Total net cash flows	-9,647	-11,089	-2,427	-2,795
IX. Total assets (at the end of the current quarter and the end of the previous financial year)	56,120	48,021	13,988	12,434
X. Liabilities and provisions for liabilities (at the end of the current quarter and the end of the previous financial year)	14,508	8,092	3,616	2,095
XI. Long-term liabilities (at the end of the current quarter and the end of the previous financial year)	786	645	196	167
XII. Short-term liabilities (at the end of the current quarter and the end of the previous financial year)	11,587	6,963	2,888	1,803
XIII. Shareholder's equity (at the end of the current quarter and the end of the previous financial year)	41,612	39,929	10,372	10,338
XIV. Share capital (at the end of the current quarter and the end of the previous financial year)	3,000	3,000	748	777
XV. Number of shares (pcs) (at the end of the current quarter and the end of the previous financial year)	3,000.092	3,000.092	3,000.092	3,000.092
XVI. Profit (loss) per one common share (PLN/EUR)	0.56	-0.82	0.14	-0.21
Diluted profit (loss) per one common share (PLN/EUR)				
XVII. Book value per share (PLN/EUR) (at the end of the current quarter and the end of the previous financial year)	13.87	13.31	3.46	3.00
Diluted book value per share (PLN/EUR) (at the end of the current quarter and the end of the previous financial year)				
Declared or paid dividend per share (PLN/EUR)				

Rules for conversion of the basic financial items into EURO. 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:

The first quarter of 2011

the average exchange rate in the period 3.9742

the minimum rate for the period 3.8403

the maximum rate for the period 4.0800

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rate on the last day of the period	4.0119
The first quarter of 2010	
the average exchange rate in the period	3.9669
the minimum rate for the period	3.8622
the maximum rate for the period	4.1109
rate on the last day of the period	3.8622

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 31.03.2011 end of quarter / 2011	As of the end of the previous quarter /	As of 31.12.2010 end of the previous year / 2010	As of 31.03.2010 end of quarter / 2010
ASSETS				
I. Fixed assets	25,916		26,088	21,288
1. Intangible assets including:	1,174		541	68
2. Tangible fixed assets	24,312		25,032	20,890
3. Long-term receivables	217		217	114
3.1. From other entities	217		217	114
4. Long-term investments	0			
5. Deferred tax assets	213		298	216
5.1. Deferred income tax	83		144	77
5.2. Other prepayments	130		154	139
II. Current assets	30,204		38,832	26,733
1. Inventories	12,026		1,860	11,187
2. Short-term receivables	7,895		16,873	8,716
2.1. From other entities	7,895		16,873	8,716
3. Short-term investments	7,895		16,873	8,716
3.1. Short-term financial assets	9,791		19,438	6,461
a) Monetary assets and cash equivalents			19,438	6,461
4. Prepayments and accrued income	9,791		19,438	6,461
Total assets	492		64,920	48,021
LIABILITIES				
I. Equity	41,612		43,883	39,929
1. Share capital	3,000		3,000	3,000
2. Reserve capital	38,639		38,639	41,419
3. Net Profit (loss) from previous years	2,244			-2,780
1. Net Profit (loss)	-2,271		2,244	-1,710
II. Liabilities and provisions for liabilities	14,508		21,037	8,092
1. Provisions for liabilities	340		575	376
1.1. Deferred income tax provision	1		1	1

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1.2. Provision for retirement benefits and related obligations	310		310	293
a) Long-term			310	293
1.3. Other provisions	29		264	82
a) Short-term	29		264	82
2. Long-term liabilities	786		982	645
2.1. To other entities	786		982	645
3. Short term liabilities	11,587		17,540	6,963
3.1 To other entities	11,587		17,540	6,963
4. Prepayments and accrued income	1,795		1,940	109
4.1. Other prepayments and accrued income	1,795		1,940	109
a) Long-term	1,249		1,355	
a) Short-term	546		585	109
Total liabilities	56,120		64,920	48,021
Book value	41,612		63,883	39,929
Number of shares	3,000.092		3,000.092	3,000.092
Book value per share (PLN)	13.87		14.63	13.31

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 31.03.2011 end of quarter / 2011	As of the end of the previous quarter /	As of 31.12.2010/ end of the previous year / 2010	As of 31.03.2010 end of quarter /2010
1. Contingent liabilities	5,675		5,459	2,788
1.1. To other entities (on account of)	5,675		5,459	2,788
- received guarantees and securities	5,675		5,459	2,788
Off-balance items in total	5,675		5,459	2,788

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 first quarter 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			
	1 st quarter/ 2011, from 01.01.2011 until 31.03.2011	quarters Cumulatively/ from until	1st quarter/ 2010, from 01.01.2010 until 31.03.2010	quarters, Cumulatively/ from until

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I. Net income from sales of products, goods and materials, including:	14,725		11,863
1. Net income from sales of products	6,749		5,566
2. Net income from sales of goods and materials	7,976		6,297
II. Costs of sold products, goods and materials, including:	14,116		10,818
1. Manufacturing cost of sold products	6,368		4,670
2. Value of sold goods and materials	7,748		6,148
III. Gross profit (loss) on sales	609		1,045
IV. Sales costs	1,104		895
V. General and administrative costs	1,989		1,896
VI. Profit (loss) on sales	-2,484		-1,746
VII. Remaining operating revenues	163		21
1. Profit on disposal of non-financial fixed assets	2		3
2. Subsidies	122		14
3. Other operating revenues	39		4
VIII. Remaining operating expenses	29		41
1. Loss on disposal of fixed assets	0		
2. Updating values of non-financial assets	0		3
3. Other operating costs	29		38
IX. Profit (loss) on operation activity	-2,350		-1,766
X. Financial revenues	177		191
1. Dividends and profit sharing, including:	0		
2. Interest, including:	127		81
3. Gain on disposal of investments			78
4. Other	50		32
XI. Financial costs	38		122
1. Loss on disposal of investments	0		
2. Revaluation on investments			85
3. Other	38		37
XII. Profit (loss) on business activities	-2,211		-1,697
XIII. The results of extraordinary events	0		
1. Extraordinary profit	0		
2. Extraordinary loss	0		
XIV. Gross profit (loss)	-2,211		-1,697
XV. Income tax	60		13
a) Deferred value	60		13
XVI. Other obligatory decrease in profit (increase in loss)	0		
XVII. Share in profits (losses) of subsidiaries evaluated by equity method	0		
XVIII. Net profit (loss)	-2,271		-1,710
Net profit (loss) (annual)	1,682		-2,467
Weighted average number of common shares	3,000.092		3,000.092
Profit (loss) per common share (PLN)	0.56		-0.82

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Diluted weighted average number of shares and diluted earnings per share are not counted because of the unpredictability of changes in the number of shares.

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY	PLN in thds			
	1st quarter/ 2011, from 01.01.2011 until 31.03.2011	quarter(s), Cumulatively/ from until	Year 2010, from 01.01.2020 until 31.03.2010	quarter(s), Cumulatively/ from until
I. Shareholders' equity at the beginning of the period (BO)	43,883		41,639	41,639
I.a. Restated equity at the beginning of the period (BO)	43,883		41,639	41,639
1. Share capital at the beginning of the period	3,000		3,000	3,000
1.1. Share capital at the end of the period	3,000		3,000	3,000
2. Supplementary capital at the beginning of the period	38,639		41,419	41,419
2.1. Changes in supplementary capital			-2,780	
a) decrease (due to)			-2,780	
- cover of losses			-2,780	
2.2. Supplementary capital at the end of period	38,639		41,419	41,419
3. Profit (loss) from previous years at the beginning of the period	2,244		-2,780	-2,780
transfer to reserve capital				
dividend				
3.1. Profit from previous years at the end of the period	2,244			
3.2 Loss from previous years at the beginning of the period			2,780	2,780
3.3 Loss from previous years at the beginning of the period, restated			2,780	2,780
b) decrease (due to)			2,780	
-			2,780	
3.4 Loss from previous years at the end of the period				-2,780
3.5. Profit (loss) from previous years at the end of the period	2,244			-2,780
4. Net result	-2,271		2,244	-1,710
a) net profit			2,244	
b) net loss	2,271			1,710
II. Shareholders' equity at the end of the period (BZ)	41,612		43,883	
III. Shareholders' equity at the end of the period after proposed profit distribution (loss coverage)	41,612		43,883	39,929

CASH FLOW STATEMENT

CASH FLOW STATEMENT	PLN in thds			
	1st quarter/2011, from 01.01.2011 until 31.03.2011	quarters, Cumulatively/ from until	1st quarter/2010, from 01.01.2010 until 31.03.2010	quarters, Cumulatively/ from until
A. Cash flows from operating activities				
I. Net profit (loss)	-2,271		-1,710	
II. Total adjustments	-6,347		-12,482	
1. Amortization	903		615	
2. Foreign exchange profits (losses)	0			
3. Interest and shares in profit	0		-3	
4. (Profit) loss on investment activity	-124		16	
5. Changes to reserves	-235		-20	
6. Changes to inventories	-10,166		-9,036	
7. Changes to receivables	8,978		-206	
8. Changes to short-term liabilities, excluding borrowings and bank loans	-5,935		-3,893	
9. Changes in prepayments	232		45	
III. Net cash flows from operating activities (I+/-II) - indirect method	-8,618		-14,192	
B. Cash flows from investment activities				
I. Inflows	2		3,698	
1. Disposal of intangible assets and tangible fixed assets	2		3	
2. From financial assets, including			3,695	
a) in other entities			3,695	
-disposal of financial assets			3,695	
- interest			3	
II. Outflows	818		361	
1. Purchase of intangible assets and tangible fixed assets	818		189	
2. For financial assets, including:			160	
a) in other entities			160	
- purchase of financial assets			160	
3. Other investment expenses			12	
III. Net cash flow from financial activities (I-II)	-816		3,337	
C. Cash flows from financial activities				
I. Outflows	213		234	
1. Payments of dues resulting from financial leasing contracts	213		234	
II. Net cash flow from financial activities (I-II)	-213		-234	
D. Total net cash flows (A.III+/-B.III+/- C.III)	-9,647		-11,089	
E. Balance sheet change in financial assets, including:	-9,647		-11,089	
F. Monetary assets at the beginning of the period	19,438		17,550	
G. Monetary assets at the end of the period (F+/- D), including	9,791		6,461	

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ADDITIONAL INFORMATION

File	Description
Information in accordance with par. 87. 3 and 4 SAQ 1 2010_tlx.pdf (included)	

OTHER INFORMATION

File	Description
Information in accordance with par.87 ust. 7 i 9 SAQ 1 2010_tlx.pdf (included)	

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Name and last name	Position/Function	Signature
2011-05-16	Janusz Gocątek	President of the Management Board	
2011-05-16	Jacek Klauziński	Vice President of the Management Board	
2011-05-16	Andrzej Różga	Vice President of the Management Board	
2011-05-16	Rafał Szalek	Member of the Management Board	
2011-05-16	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 first 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:

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:

I quarter 2011, from 01.01.2011 to 31.03.2011

I quarter 2010, from 01.01.2010 to 31.03.2010

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. Account books are kept using the computer technique based on the integrated financial and accounting program IRBIS created by TALEX SOFTWARE Ltd. - the company bought on

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 - 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. **Stocks** including materials, commercial goods, finished products and work in progress are valued according to the following rules:
 - a) **raw materials and goods** according to real purchase prices increased by duty in case of imports. Expenditure in the year is valued according to the following principles:
 - goods identified by serial numbers according to the purchase price of those goods;
 - materials and goods not identified by serial numbers according to the FIFO principle „first in, first out“.
 - b) **finished products** according to the real and direct manufacturing costs.
Within the reporting period, the turnover of finished products takes place according to book-keeping prices. At the end of the reporting period the evaluation is corrected for deviations in relation to real and direct manufacturing costs.
 - c) **production in progress** is valued according to real and direct manufacturing costs of particular orders.
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: .
 - brought before the court - 100% write-off;
 - receivables from entities in liquidation - 100% write-off;
 - 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** comprise the costs of future commitments concerning economic transactions for which the income were 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.

Special funds – do not appear.

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 the 31st December
 - cash in hand - as of the 31st December
- b) balance confirmation
 - cash at bank and bank credits - as of the 31st December
 - settlements with recipients and suppliers - every year in IV quarter
- c) verification of balances
 - other assets and liabilities - as of the 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;
 - value of liquidated, economically useless warehouse stocks
 - 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;
 - unjustified indirect costs;
 - 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 I quarter of 2011:

in PLN

Title of the provisions and accruals	Increase	Decrease
1. Provision for deferred income tax, including that on account of:	11,00	-
- tax amortization	11,00	-
1. Other provisions:		234,818.12
- Provision for remuneration costs	-	188,784.00
- Provision for Social Insurance Institution costs	-	1,283.91
- Provision for services costs of goods sold	-	44,750.21
3. Accruals for deferred income tax, including those on account of:		
- unpaid Social Insurance Institution	16,305.00	76,804.00
- unpaid fines for delay in the performance of services	-	1,046.00
- deduction of updating amounts due	-	1,663.00
- unpaid remunerations	-	1,181.00
- increase of provisions for future costs	14,984.00	22,74.00
- the paid sale of future periods	-	44,616.00
	1,321.00	5,524.00

Title of the revaluation write-off of assets	Increase in value	Decrease in value
1. Revaluation write-offs of short-term receivables:	43.15	-

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.

Data provided by the companies doing market research indicate that the IT market is overcoming the crisis. A significant increase in orders for IT solutions highlighted in particular in the public sector and financial sector. The study shows that as many as 83% of companies surveyed expected growth of the IT market and the respondents forecast a double-digit growth rate in 2011, and that the market will grow faster than the forecasts indicate because many IT investments, which after 2009 were halted due to the global crisis, are and will be implemented soon

In the first quarter of 2011 the revenues from sales amounted to PLN 14,725 thousand and they are higher by about 24% compared to the first quarter of the previous year. In the first quarter, the share of products sales in total sales remained at similar level as compared to the same period of the previous year (45.8% compared to 46.9%), so the share of goods and materials sales in total sales was equal to 54.1% (53% in the first quarter of 2010). Additionally, in the I quarter of 2011 there is a growth of margin in goods and materials sales compared to the I quarter of 2010 – then the margin in goods and materials sales was 2.4%, while in the reported period it was 2.9%. However, the margin in products sales decreased from 16.1% in I quarter of 2010 to 5.6% in the I quarter of 2011. The company completed the I quarter of 2011 with the net loss in the amount of PLN 2.271 thousand.

A decline in the profitability of services sales is the consequence of the activities undertaken by the Company with the aim to broaden the scope of services for key clients of Talex. These activities are connected, inter alia, with the increase in the employment in the Company. The financial result has been also affected by not completed and outstanding development projects for which the Company incurred expenses in the first quarter of the present year.

On February 2011 the Company concluded an agreement with Polish Financial Supervision Authority with its seat in Warsaw. The subject of the agreement is the delivery of the software, carried out by the Company in the period of 3 years. The estimated net value of the agreement expressed in euro is equal to PLN 2.7 million.

On March 2011 Talex concluded the agreement with Lukas Bank S.A. with its seat in Wroclaw. The subject of the agreement is to provide IT hardware and software maintenance services and other IT services aimed at proper functioning of the Bank's outlets across the country. The agreement has been signed for 3 years. Remuneration due to the Company for providing maintenance services depends on the number of devices subjected to servicing – their list will be updated periodically. Remuneration due to the Company for providing services is presently assessed at 2 million PLN gross.

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 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;

Similar to the results of the first quarter of the previous year, the results for the first quarter of this year show the lower value of sales of goods and products. Traditionally the Company records the highest sales in the last quarter of the year, which is connected to executing 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. The Management Board of the Company proposed on 16 May 2011 to pay dividend in the amount of PLN 0.50 per share to the General Assembly of Shareholders as well as to give the profit change for supplementary capital.

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 day for which the abridged quarterly financial statement was drawn up, it is on 31.03.2011, no events that could substantially influence the future financial results of the issuer took place.

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 31.03.2011 the value of guarantees issued by banks on the order of TALEX S.A. in relation with the executed agreements amounted to PLN 5,672 thousand. Contingent liabilities included performance bonds, bid bonds, bonds on account of warranty and guarantee and payment guarantees. Performance bonds comprised about 87.66% of the guarantees issued on 31.03.2011. The purpose of those bonds is to secure the claims which could arise in the case of improper performance of an agreement. Nearly 3% comprised of payment guarantees, whose purpose is to guarantee the timely payment of monetary liabilities, about 6% comprised of bonds on account of warranty and guarantee, and about 9%, for the last day of March 2011, 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	
	1 quarter 2011, from 01.01.2011 until 31.03.2011	1 quarter 2010, from 01.01.2010 until 31.03.2010	1 quarter 2011, from 01.01.2011 until 31.03.2011	1 quarter 2010, from 01.01.2010 until 31.03.2010
I. Net revenues from sales of products, goods and materials	14 725	11 863	3 705	2 990
II. Profit (loss) from operating activities	-2 350	-1 766	-591	-445
III. Gross profit (loss)	-2 211	-1 697	-556	-428
IV. Net profit (loss)	-2 271	-1 710	-571	-431
V. Net cash flows from operating activities	-8 618	-14 192	-2 168	-3 578
VI. Net cash flows from investment activities	-816	3 337	-205	841
VII. Net cash flows from financial activities	-213	-234	-54	-59
VIII. Total net cash flows	-9 647	-11 089	-2 427	-2 795
IX. Total assets	56 120	48 021	13 988	12 434
X. Liabilities and provisions for liabilities	14 508	8 092	3 616	2 095
XI. Long-term liabilities	786	645	196	167
XII. Short-term liabilities	11 587	6 963	2 888	1 803
XIII. Equity	41 612	39 929	10 372	10 338
XIV. Share capital	3 000	3 000	748	777
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)	0,56	-0,82	0,14	-0,21
XVII. Book value per share (PLN/EUR)	13,87	13,31	3,46	3,00
XVIII. Declared or paid dividend per one share (PLN/EUR)		0,5		0,13

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. Currency 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
1 quarter of 2011	3,9742	3,8403	4,0800	4,0119
1 quarter of 2010	3,9669	3,8622	4,1109	3,8622

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 Rózga - 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 Rózga - holding 756,556 shares of the Company, which constitute 25.22 % of the total number of shares

According to the knowledge of the Management, there were no changes in the structure of shares since the previous quarterly report.

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 Gocałek - 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 Wesółowski, Member of the Management Board and Members of the Supervisory Board do not hold any shares of the Company.

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

- 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 value constituting at least 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 were no other events relevant to the assessment of the headcount, assets, financial standing and results as well as the possibility of fulfillment 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 revenue 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. In the previous quarter Lukas Bank SA joined the group of customers of the Company's IT infrastructure services.

Also the co-financing agreement from March 2010 concluded by Talex with the Polish Agency for Enterprise Development with its registered office in Warsaw will have an influence on the Company's future financial results. The subject matter of the agreement was to provide subsidies towards the project carried out by the Company and concerning the creation of an application supporting the exchange of information between the computer systems of the Company and its customers. The maximum value of the granted subsidy 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.

A factor that may affect the Company's future results is the realization 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 abridged financial statement has not been examined or reviewed by an entity entitled to examination of financial statements.