

Polish Financial Supervisory Authority

Quarterly report SA-Q

1	2010
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 2010, that is for the period from 01.01.2010 to 31.03.2010

publishing date: 14.05.2010

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/ 2010, from 01.01.2010 until 31.03.2010	1 quarter(s), Cumulatively/ 2009, from 01.01.2009 until 31.03.2009	1 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 31.03.2010	1 quarter(s), Cumulatively/ 2009, from 01.01.2009 until 31.03.2009
I. Net revenues from sales of products, goods and materials	11,863	13,480	2,990	2,931
II. Profit (loss) from operation activities	-1,766	-1,694	-445	-368

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III. Gross profit (loss)	-1,697	-1,968	-428	-428
IV. Net profit (loss)	-1,710	-2,023	-431	-440
V. Net cash flows from operating activities	-14,192	-12,950	-3,578	-2,815
VI. Net cash flows from investment activities	-3,337	-326	841	-71
VII. Net cash flows from financial activities	-234	-187	-59	-41
VIII. Total net cash flows	-11,089	-13,463	-2,795	-2,297
IX. Total assets	48,021	53,590	12,434	11,399
X. Liabilities and provisions for liabilities	8,092	8,194	2,095	1,743
XI. Long-term liabilities	645	804	167	171
XII. Short-term liabilities	6,963	6,930	1,803	1,474
XIII. Shareholder's equity	39,929	45,396	10,338	9,656
XIV. Share capital	3,000	3,000	777	638
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)	-0.82	0.93	-0.21	0.20
Diluted profit (loss) per one common share (PLN/EUR)				
XVII. Book value per share (PLN/EUR)	13.31	15.13	3.00	3.22
Diluted book value per share (PLN/EUR)				
XVIII. Declared or paid dividend per share (PLN/Eur)		1.00		0.21

ABBREVIATED BALANCE REPORT

BALANCE SHEET

BALANCE SHEET	PLN in thds		EUR in thds	
	As of 31.03.2010 end of quarter / 2010	As of end of previous quarter /	As of 31.12.2009 end of previous year / 2009	As of 31.03.2009 end of quarter / 2009
ASSETS				
I. Fixed assets	21,288		21,645	22,448
1. Intangible assets including:	68		80	245
- Goodwill				168
2. Tangible fixed assets	20,890		21,180	21,916
3. Long-term receivables	114		120	137
3.1. From other entities	114		120	137

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4. Long-term prepayments and accrued income	216		265	150
4.1. Deferred tax assets	77		107	139
4.2. Other prepayments	139		158	11
II. Current assets	26,733		32,264	31,142
1. Inventories	11,187		2,150	5,919
2. Short-term receivables	8,716		8,628	10,863
2.1. From other entities	8,716		8,628	10,863
3. Short-term investments	6,461		21,098	14,065
3.1. Short-term financial assets	6,461		21,098	14,065
a) In other entities			3,548	3,055
b) Monetary assets and cash equivalents	6,461		17,850	11,010
4. Short-term prepayments and accrued income	369		388	295
Total assets	48,021		53,909	53,590
LIABILITIES				
I. Equity	39,636		41,639	45,396
1. Share capital	3,000		3,000	3,000
2. Reserve capital	41,419		41,419	40,389
3. Net Profit (loss) from previous years	-2,780			4,030
1. Net Profit (loss)	-1,710		-2,780	-2,023
II. Liabilities and provisions for liabilities	8,092		12,270	8,194
1. Provisions for liabilities	376		395	280
1.1. Deferred income tax provision	1		17	9
1.2. Provision for retirement benefits and related obligations	293		293	271
a) Long-term	293		293	271
1.3. Other long-term provisions	82		85	
a) Short-term	82		85	
2. Long-term liabilities	645		759	804
2.1. To other entities	645		759	804
3. Short term liabilities	6,963		10,985	6,930
3.1 To other entities	6,963		10,985	6,930
4. Prepayments and accrued income	109		131	180
4.1. Other long-term prepayments and accrued income	109		131	180
a) Short-term	109		131	180
Total liabilities	48,021		53,909	53,590
Book value	39,929		41,839	45,396
Number of shares	3,000,092		3,000,092	3,000,092
Book value per share (PLN)	13.31		13.81	15.13

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 31.03.2010 end of quarter / 2010	As of end of previous quarter /	As of 31.12.2009 end of previous year / 2009	As of 31.03.2009 end of quarter /2009
1. Contingent liabilities	2,788		3,049	2,195
1.1. To other entities (on account of)	2,788		3,049	2,195
- received guarantees and securities	2,788		3,049	2,195
Off-balance items in total	2,788		3,049	2,195

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/ 2010, from 01.01.2010 until 31.03.2010	quarters Cumulatively/ from until	1st quarter/ 2009, from 01.01.2009 until 31.03.2009	quarters, Cumulatively/ from until
I. Net income from sales of products, goods and materials, including:	11,863		13,480	
1. Net income from sales of products	5,566		5,733	
2. Net income from sales of goods and materials	6,297		7,747	
II. Costs of sold products, goods and materials, including:	10,818		11,900	
1. Manufacturing cost of sold products	4,670		4,886	
2. Value of sold goods and materials	6,148		7,014	
III. Gross profit (loss) on sales	1,0445		1,580	
IV. Sales costs	895		1,136	
V. General and administrative costs	1,896		1,768	
VI. Profit (loss) on sales	-1,746		-1,554	
VII. Remaining operating revenues	21		38	
1. Profit on disposal of non-financial fixed assets	3		13	
2. Subsidies	14		5	
3. Other operating revenues	4		20	
VIII. Remaining operating expenses	41		178	
1.Updating values of non-financial assets	3			
2. Other operating expenses	38		178	
IX. Profit (loss) on operation activity	-1,766		-1,694	
X. Financial revenues	191		306	
1.Revaluation on investments			118	

2. Interest, including:	81		188
3. Gain on disposal of investments	78		
2. Other	32		
XI. Financial costs	122		580
1. Loss on disposal of investments			47
2. Revaluation on investments	85		
4. Other	37		533
XII. Profit (loss) on business activities	-1,697		-1,968
XIII. Gross profit (loss)	-1,697		-1,968
XIV. Income tax	13		55
a) Deferred value	13		55
XV. Net profit (loss)	-1,710		-2,023
Net profit (loss) (annual)	-2,467		2,780
Weighted average number of common shares	3,000,092		3,000,092
Profit (loss) per common share (PLN)	-0.82		0.93

STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY	PLN in thds			
	1st quarter/ 2010, from 01.01.2010 until 31.03.2010	quarter(s), Cumulatively/ from until	Year 2009, from 01.01.2009 until 31.03.2009	quarter(s), Cumulatively/ from until
I. Shareholders' equity at the beginning of the period (BO)	41,639		47,419	
I.a. Restated equity at the beginning of the period (BO)	41,639		47,419	
1. Share capital at the beginning of the period (BO)	3,000		3,000	
1.1. Share capital at end of period	3,000		3,000	
2. Reserve capital at the beginning of the period	41,419		40,389	
2.1. Reserve capital at end of period	41,419		40,389	
3. Profit (loss) from previous years at the beginning of the period	-2,780		4,030	
3.1. Profit from previous years at the beginning of the period			4,030	
3.2. Profit from previous years at the beginning of the period, restated			4,030	
3.3 Profit from previous years at the end of the period			4,030	
3.4 Loss from previous years at the beginning of the period	2,780			
3.5 Loss from previous years at the end of the period	2,780			
3.6 Loss from previous years at the end of the period	2,780			

3.7 Profit (loss) from previous years at the end of the period	-2,780		4,030	
4. Net result	-1,710		-2,023	
a) net loss	1,780		2,023	
II. Shareholders' equity at the end of the period (BZ)			45,396	
III. Shareholders' equity at the end of the period after proposed profit distribution (loss coverage)	39,929		42,396	

CASH FLOW STATEMENT

CASH FLOW STATEMENT	PLN in thds			
	1st quarter/2010, from 01.01.2010 until 31.03.2010	quarters, Cumulatively/ from until	1st quarter/2009, from 01.01.2009 until 31.03.2009	quarters, Cumulatively/ from until
A. Cash flows from operating activities				
I. Net profit (loss)	-1,710		-	
II. Total adjustments	-12,482		-10,927	
1. Amortization	615		867	
2. Interest and shares in profit (dividends)	-3		-32	
3. (Profit) loss on investment activity	16		-70	
4. Changes to reserves	-20		-11	
5. Changes to inventories	-9,036		-2,521	
6. Changes to receivables	-206		25,658	
7. Changes to short-term liabilities, excluding borrowings and bank loans	-3,893		-34,865	
8. Changes in prepayments	45		47	
III. Net cash flows from operating activities (I+/-II) - indirect method	-14,192		-12,950	
B. Cash flows from investment activities				
I. Inflows	3,698		332	
1. Disposal of intangible assets and tangible fixed assets	3		13	
2. From financial assets, including	3,695		318	
a) in other entities	3,695		319	
-disposal of financial assets	3,692		287	
- Interest	3		32	
II. Outflows	361		658	
1. Purchase of intangible assets and tangible fixed assets	189		430	
2. For financial assets, including:	160		214	
a) in other entities	160		214	
- purchase of financial assets	160		214	
3. Other investment expenses	12		14	
III. Net cash flow from financial activities (I-II)	3,337		-326	
C. Cash flows from financial activities				
I. Outflows	234		187	
1. Dividends and other payments for owners	234		187	

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II. Net cash flow from financial activities (I-II)	-234		-187	
D. Total net Cash flows (A.III+/-B.III+/-C.III)	-11,089		-13,463	
E. Balance sheet change in financial assets, including:	-11,089		-13,463	
F. Monetary assets at the beginning of the period	17,550		24,473	
G. Monetary assets at the end of the period (F+/- D), including	6,461		11,010	
- of limited disposability			98	

ADDITIONAL INFORMATION

File	Description
Informacja zgodnie z par. 87 ust. 3 i 4 SAQ 1 2010_tlx.pdf (included)	

OTHER INFORMATION

File	Description
Informacje zgodnie z 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
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 Wesolowski	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 2010, 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 2010, from 01.01.2010 to 31.03.2010

I quarter 2009, from 01.01.2009 to 31.03.2009

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 1.06.1998.

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 yearscomputer 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**.
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** include:
The Company Social Benefits Fund functioned until 31.12.2003. In 2004 it was decided that the fund would no longer be functioning.
The remaining write-offs from previous years have been used in the first six months of 2009

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
 - materials, goods and products
 - production in progress
 - cash in hand
 - b) balance confirmation
 - cash at bank and bank credits
 - settlements with recipients and suppliers
 - c) verification of balances
 - other assets and liabilities
- once every 4 years
- every year in IV quarter
- as of 31st December
- as of 31st December
- as of 31st December
- every year in IV quarter
- 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;
- 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 2010:

in PLN

Title of the provision	Increase	Decrease
1. Provision for deferred income tax, including that on account of:	3,348.00	19,489.00
- tax amortization	11.00	-
- increase in the value of short-term securities in circulation	3,337.00	19,489.00
2. Other provisions:		3,655.87
- Provision for future costs	-	3,655.87
3. Accruals for deferred income tax, including those on account of:	15,115.00	44,378.00
- decrease in value of securities	14.00	14.00
- deduction of updating amounts due	513.00	-
- unpaid remunerations	12,322.00	35,765.00
- unpaid ZUS (insurance)	-	4,731.00
- the paid sale of future periods	2,266.00	3,868.00

Title of the revaluation write-off of assets	Increase in value	Decrease in value
1. Revaluation write-offs of short-term receivables:	2,829.19	-

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.

In the first quarter of 2010 the revenues from sales amounted to PLN 11,863 thousand and they are lower by about 12% compared to previous year. Economic recession is still present on IT market. IT market is influenced by investment savings which can be seen in the reported period. In the first quarter, the share of products sales in total sales increased as compared to the same period of the previous year (46.9% compared to 42.5%), so the share of goods and materials sales in total sales was equal to 53.2% (57.5% in the first quarter of 2009). Additionally, in the I quarter of 2010 there is a drop of margin in goods and materials sales compared to the I quarter of 2009 – then the margin in goods and materials sales was 9.46%, while in the reported period it was 2.37%. However, the margin in products sales increased from 14.77% in I quarter of 2009 to 16.10% in I quarter of 2010. The company completed the I quarter of 2010 with the net loss lower compared to the same period of 2009 – it was equal to PLN -1,710 thousand.

In the last quarter the Company continued the activities related to development of software products for both external clients and own purposes connected to extending the scope of deployment and support services offered by the Company. The Company also continued the actions related to agreement signed in December 2009 with the Information Society Development Foundation with its seat in Warsaw (Foundation). The subject of the agreement is to provide IT solutions to public libraries all over Poland as a part of the Library Development Program of the Polish-American Freedom Foundation. Polish-American Freedom Foundation is a partner of Bill and Melinda Gates Foundation in an undertaking to facilitate the access to computers, Internet and trainings for Polish public libraries. Library Development Program in Poland is carried out by the Information Society Development Foundation. Remuneration for executing the subject of the agreement is estimated at PLN 9.7 mil. gross.

In February 2009 the Company signed an agreement with 3GNS limited partnership company with its seat in Warsaw (3GNS), the subject of capital group P4 sp. z o. o. with its seat in Warsaw, operator of PLAY mobile network.. The subject of the agreement is the delivery of IT services. Based on this agreement, the Company will provide outsourcing services of collocation for telecommunication devices in its Data Center. The agreement has been concluded for the period of 10 years. Remuneration for executing the subject of the agreement is estimated at PLN 6.7 mil. net.

In March 2010 the Company signed an agreement with the Polish Agency for Enterprise Development with its seat in Warsaw. The subject of the agreement is subsidizing the project carried out by the Company of building an application to support information exchange between IT systems of the Company and of its clients. The maximum value of granted subsidy is equal to PLN 1.14 million net. The subsidy has been granted to the Company as part of Measure 8.2 "Support for the implementation of electronic business of B2B type, Priority Axis 8: Information Society - increase of innovativeness of economy" from the Operational Programme - Innovative Economy, 2007 - 2013.

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. The drop in revenues of the Company in this period, particularly in the sales of good and materials, is mainly caused by economic recession which influences the decisions of traditional clients of the Company with respect to purchase of IT items.

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 highest sales in the last quarter of the year, what is connected to executing investment budgets by the largest clients of the Company at the end of the year. It should also be noted that the accuracy was disrupted last year due to the ongoing economic recession.

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 General Assembly of Shareholders held on 29 April 2010, due to the loss in 2009, decided to cover this loss from 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.

On 20 April 2010, that is after this report has been done, the agreement has been signed between the consortium of two companies: Talex S.A. located in Poznań and Biuro Informatyczne - Wdrożeniowe "Koncept" Sp. z o.o. located in Kraków and the Social Insurance Company located in Warszawa (ZUS). The subject of the agreement is the delivery of software of total net value PLN 24.8 mil. The agreement provides for contractual fines of 20% of the gross value of the agreement. Paying contractual fines does not exclude the possibility of demanding by ZUS compensation claims exceeding the amount of those fines.

Future financial results will be influenced also by agreement with Board of Wielkopolska Region, acting as the Managing Institution for Wielkopolska Regional Operational Programme for 2007 to 2013. The subject of the agreement is subsidizing the project carried out by the Company entitled "Creating a modern Data Center to increase the level of competitiveness and innovation of Talex S.A." Maximum value of the granted funding is equal to PLN 2,3 mil. net. Funding has been provided under the Wielkopolska Regional Operational Programme for 2007 to 2013, co-financed by the European Regional Development Fund.

the Company concluded an agreement with 3GNS limited liability company with its seat

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 31.03.2010 the value of guarantees issued by banks on the order of TALEX S.A. in relation with the executed agreements amounted to PLN 2,788 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 31.03.2010. The purpose of those bonds is to secure the claims which could arise in the case of improper performance of an agreement. Nearly 6.73% comprised of payment guarantees, whose purpose is to guarantee the timely payment of monetary liabilities, about 2.02% comprised of bonds on account of warranty and guarantee, and about 3.59%, for the last day of December 2009, 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(s), Cumulatively/ 2010, from 01.01.2010 until 31.03.2010	1 quarter(s), Cumulatively/ 2009, from 01.01.2009 until 31.03.2009	1 quarter(s), Cumulatively/ 2010, from 01.01.2010 until 31.03.2010	1 quarter(s), Cumulatively/ 2009, from 01.01.2009 until 31.03.2009
I. Net revenues from sales of products, goods and materials	11,863	13,480	2,990	2,931
II. Profit (loss) from operating activities	-1,766	-1,694	-445	-368
III. Gross profit (loss)	-1,697	-1,968	-428	-428
IV. Net profit (loss)	-1,710	-2,023	-431	-440
V. Net cash flows from operating activities	-14,192	12,950	-3,578	-2,815
VI. Net cash flows from investment activities	3,337	-326	841	-71
VII. Net cash flows from financial activities	-234	-187	-59	-41
VIII. Total net cash flows	-11,089	-13,463	-2,795	-2,297
IX. Total assets	48,021	53,590	12,434	11,399
X. Liabilities and provisions for liabilities	8,092	8,194	2,095	1,743
XI. Long-term liabilities	645	804	167	171
XII. Short-term liabilities	6,963	6,930	1,803	1,474
XIII. Equity	39,929	45,396	10,338	9,656
XIV. Share capital	3,000	3,000	777	638
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)	-0.82	0.93	-0.21	0.20
XVII. Book value per share (PLN/EUR)	13.31	15.13	3.00	3.22
XVII. Declared or paid dividend per one share (PLN/EUR)	-	1.00	-	0.21

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 2010	3.9669	3.8622	4.1109	3.8622
1 quarter of 2009	4.5994	3.9170	4.8999	4.7013

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 2009.

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 891,544 votes, which constitute 26.16 % of the total number of votes
- Jacek Klauziński - holding 891,544 votes, which constitute 26.16 % of the total number of votes
- Andrzej Rózga - holding 891,544 votes, which constitute 26.16 % of the total number of votes

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

- Janusz Gocałek - holding 755,544 shares of the Company, which constitute 25.18 % of the total number of shares
- Jacek Klauziński - holding 755,544 shares of the Company, which constitute 25.18 % of the total number of shares
- Andrzej Rózga - holding 755,544 shares of the Company, which constitute 25.18 % 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 755,544 shares of the Company,
- Jacek Klauziński - holding 755,544 shares of the Company,
- Andrzej Rózga - holding 755,544 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.

Management Board members adopted the manager option scheme regulations on the basis of resolution of General Meeting of Shareholders of 22.04.2008 and resolutions of Supervisory Board of 28.05.2008. In case of fulfilling the conditions specified in the rules of the scheme in regard to the first accounting period, each member of the Management Board will be offered the possession of the following number of shares of the new issuance:

- Janusz Gocałek - 30,000 shares of the Company,
- Jacek Klauziński - 30,000 shares of the Company,
- Andrzej Rózga - 30,000 shares of the Company,
- Rafał Szalek - 20,000 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;

On 24 March 2010 the Supervisory Board extended the Management Board and called Mr Radosław Wesółowski as the Member of the Management Board. Mr. Radosław Wesółowski is a graduate of Mathematics and Computer Science Faculty of Poznań University, Computer Science Program. In 2006 he completed managerial studies in Wielkopolska School of Business, obtaining the MBA diploma of Nottingham Trent University and Wielkopolska School of Business. He has been associated with the Company since 1996. At first he was employed in the sales department of the Company. From 2000 he worked as a Director of TALEX S.A. Branch in Wrocław. Between 2001 and 2003 he was a Member of the Management and the President of the Management of Zachodnie Systemy Teleinformatyczne – the subsidiary of TALEX S.A. From 2004 he was the Director of the Śląsk Region of TALEX S.A. and since 2008 he has been working as a Director of the Department of Financial Sector Support.

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

The ongoing economic recession is a significant factor influencing the results of the Company. Developments in this area, particularly the public perception of the Company and their investment decisions, may significantly affect the Company's revenues in the coming quarters, particularly in the revenues from the sale of goods and materials.

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 part of the policy of consistently developing services in this area, the Company launched other new service facilities in Krakow and Zielona Gora.

The company is also developing outsourcing services implemented on the basis of its own Data Center. Inter alia, the Company entered into an agreement with an entity of the group P4 - PLAY mobile operator. Its subject is to deliver outsourcing services for co-location of telecommunications equipment. The agreement was concluded for a period of 10 years. Remuneration for the execution of the subject contract is estimated at the net amount of PLN 6.7 million.

In December 2009, the Company reported a contract with the Foundation for Development of Information Society, based in Warsaw with a value of PLN 9.7 million. Completion of implementation and financial settlement of this agreement is foreseen for the second quarter of this year.

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