

REPORT

4th Quarter 2006

Presented in compliance with the International
Financial Reporting Standards

1 October 2007

Introduction

This consolidated quarterly report of ACTION S.A. for Quarter 4 of 2006 ("Report") comprises the following:

- an abbreviated consolidated financial report as of 31 July 2007 as well as for the 3-month period ending on 31 July 2007, prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- an abbreviated individual financial statement as of 31 July 2007 as well as for a 3-month period ending on 31 July 2007, prepared in accordance with the Accounting Act;
- additional information to supplement the abbreviated consolidated financial report and other information required by the Ordinance of the Minister of Finance of 19 October 2005 on current and periodical information published by issuers of securities.

Pursuant to section § 87 point 1 of the Ordinance of the Minister of Finance of 19 October 2005, ACTION S.A. does not publish a separate quarterly individual report; this quarterly individual report of ACTION S.A. complements the consolidated quarterly report of ACTION S.A.

I. Abbreviated quarterly financial statement as of July 31, 2007 and for the period of 3 months ended on July 31, 2007, prepared in compliance with International Financial Reporting Standards

I.1. Selected financial data – consolidated statement

SELECTED CONSOLIDATED FINANCIAL DATA	in PLN M		in EUR M	
	Quarter 4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Quarter 4 incrementally (previous year) from 08-01-2005 to 07-31-2006	Quarter 4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Quarter 4 incrementally (previous year) from 08-01-2005 to 07-31-2006
I. Net sales revenue (on sales of finished goods, goods and materials)	1,797,520	1,436,782	465,510	366,414
II. Operating profit	30,363	22,501	7,863	5,738
III. Gross profit	28,346	21,468	7,341	5,475
IV. Net profit due to company Shareholders	22,024	15,878	5,704	4,049
V. Net cash flows from operating activities	-29,252	4,448	-7,575	1,134
VI. Net cash flows from investing activities	-24,036	-4,716	-6,225	-1,203
VII. Net cash flows from financial activities	53,563	3,689	13,871	941
VIII. Net increase (decrease) of cash	275	3,421	71	872
IX. Total assets	405,643	320,676	107,030	81,553
X. Liabilities	261,014	199,023	68,869	50,615
XI. Long-term liabilities	8,919	459	2,353	117
XII. Short-term liabilities	252,095	198,564	66,516	50,498
XIII. Equity due to shareholders of the Company	137,746	118,794	36,345	30,211
XIV. Share capital	1,641	1,641	433	417
XV. Number of shares *	16,410,000	16,410,000	16,410,000	16,410,000
XVI. Earnings per share of common stock **(in PLN / EUR)	1.34	0.97	0.35	0.25
XVII. Book value of one share **(in PLN / EUR)	8.39	7.24	2.21	1.84

(*)The number of shares allows for the change in nominal value of series A shares from 1 PLN to 0.10 PLN occasioned by the division of each 1 PLN share into 10 shares of a nominal value of 0.10 PLN each. The change was made on the 04/11/2006 by resolution of the Extraordinary General Meeting of Shareholders.

(**) Profit per ordinary share is the quotient of net profit and the number of shares.

(***) Book value per share is the quotient of equity capital and the number of shares.

The selected financial data presented in the financial statements has been converted into euro as follows:

- the items related to the profit-loss account and the cash flow statement have been calculated using the exchange rate obtained as the arithmetic mean of the average exchange rates announced by the National Bank of Poland (NBP) as of the last day of each month of the quarter. For the four quarters of 2006, that exchange rate was equal to EUR 1.00 = PLN 3.8614, and for the four quarters of 2005: EUR 1.00 = PLN 3.9212;
- the balance sheet items have been calculated using the average exchange rate announced by NBP as of the balance issue date; on 31 July 2007 according to that rate EUR 1.00 = PLN 3.7900; as of 31 July 2006, EUR 1.00 = PLN 3.9321.

I.2. Consolidated balance sheet statement

	As of 07-31-2007 end of quarter (current year)	As of 04-30-2007 end of quarter (current year)	As of 07-31-2006 end of quarter (previous year)	As of 04-30-2006 end of quarter (previous year)
ASSETS				
Non-current assets				
Tangible fixed assets	70,679	60,194	40,999	41,367
Intangible assets	27,387	25,003	8,218	9,010
Investment real estate	0	925	0	0
Long-term investments	7	7	74	74
Deferred tax assets	481	400	523	216
Trade receivables and other receivables	678	877	0	0
	99,232	87,406	49,814	50,667
Current assets				
Inventory	140,722	141,515	112,108	86,894
Trade receivables and other receivables	157,892	163,894	150,985	138,135
Financial assets held to maturity	0	0	103	0
Derivative financial instruments	10	0	154	0
Cash and cash equivalents	7,787	9,655	7,512	4,416
	306,411	315,064	270,862	229,445
Total assets	405,643	402,470	320,676	280,112
EQUITY CAPITAL				
Equity due to shareholders of the Company				
Share capital	1,641	1,641	1,641	1,191
Surplus from the sale of shares above nominal value	55,745	55,745	55,768	4,695
Retained profit	80,360	70,025	61,385	61,991
	137,746	127,411	118,794	67,877
Minority shares	6,883	2,447	2,859	2,266
Total equity capital	144,629	129,858	121,653	70,143
LIABILITIES				
Long-term liabilities				
Loans and credits				
Trade liabilities and other	8,776	0	0	0
Deferred tax reserves	143	372	305	0
Employee benefit liabilities	0	0	154	0
	0	0	0	0
	8,919	372	459	0
Short-term liabilities				
Trade liabilities and other	190,850	216,117	180,945	156,066
Loans and credits and other financial obligations	59,131	49,774	16,348	52,725
Derivative financial instruments	0	2,753	0	0
Employee benefit liabilities	585	797	238	95
Reserves for remaining obligations and other charges	769	2,336	0	50
Deferred tax reserves	760	463	1,033	1,033
	252,095	272,240	198,564	209,969
Total liabilities	261,014	272,612	199,023	209,969
Total liabilities and equity	405,643	402,470	320,676	280,112
Dariusz Jacek Krawiec President	Piotr Bieliński Vice President	Kazimierz Lasecki Vice President		

Warsaw, 1 October 2007

I.3. Consolidated profit and loss statement

	Q4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Q4 (current year) period from 05-01-2007 to 07-31-2007	Q4 incrementally (current year) period from 08-01-2005 to 07-31-2006	Q4 (current year) period from 05-01-2006 to 07-31-2006
Revenue from sales	1,797,520	422,991,	1,436,782	307,628
Cost of sales of products, goods and materials	-1,679,457	-390,969	-1,347,862	-287,102
Gross profit	118,063	32,022	88,920	20,526
Cost of sales and marketing	-78,967	-21,010	-54,265	-14,400
General administrative costs	-22,457	-7,862	-20,084	-6,684
Other net revenue and operational profit	18,312	8,011	18,963	5,509
Remaining costs and losses	-4,588	-1,117	-11,033	-3,257
Operating profit	30,363	10,044	22,501	1,694
Net financial costs	-2,017	-614	-3,814	-325
Profit/Loss on disposal of subsidiaries	0	0	2,781	2,781
Profit before tax	28,346	9,430	21,468	4,150
Corporate income tax	-6,176	-1,161	-4,730	-1,171
Net Profit	22,170	8,269	16,738	2,979
Including:				
due to shareholders of the Company	22,024	8,115	15,878	2,999
due to minority shares	146	154	860	-20
	22,170	8,269	16,738	2,979
Profit due to shareholders of the Company per ordinary share * (expressed in PLN per one share)				
– basic	1.34	0.49	0.97	0.18
– diluted	1.28	0.47	0.92	0.17
Number of shares	16,410,000	16,410,000	16,410,000	16,410,000
Diluted number of shares	17,230,500	17,230,500	17,230,500	17,230,500

The basic number of shares includes 11,910,000 series A shares and 4,500,000 of series B shares. The diluted number of shares includes an additional planned issue of 820,500 series C shares.

The basic profit per share is calculated by dividing the profit due to shareholders of the Company by the weighted average number of ordinary shares throughout the period. The diluted profit per share is calculated by dividing the profit due to shareholders of the Company and the weighed average number of ordinary shares, including the planned issue of 820,500 shares of series C as part of a conditional increase in share capital pursuant to a resolution passed by the Extraordinary General Meeting of Shareholders of the Company of 15 November 2006.

The weighed average number of ordinary shares in the periods: 08/01/2006 – 07/31/2007 and 05/01/2007 – 04/30/2007 allows for the change of the nominal value of the series A shares from 1 PLN to 0.10 PLN. The change of the nominal value of shares of series A was made by resolution of the Extraordinary General Meeting of Shareholders of 11 April 2006. In addition, the weighed average number of ordinary shares in the period 08/01/2006 – 01/31/2007 was increased by the planned issue of 820,500 series C shares.

All revenue and costs stated apply to the continued activities.

Dariusz Jacek Krawiec
President

Piotr Bieliński
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 1 October 2007

I.4. Statement of changes in equity capital - consolidated report

	Due to shareholders of the Company			Due to minority shares	Total equity capital
	Share capital	Surplus from the sale of shares above nominal value	Retained profit		
Position as of 1 August 2005	1,191	4,695	50,029	1,427	57,342
Net Profit/Loss	0	0	15,878	860	16 738
Total Revenue	1,191	4,695	65,907	2,287	74,080
Share Issue	450	51,073	0	0	51,523
Other	0	0	-4,522	572	-3,950
Position as of 31 July 2006	1,641	55,768	61,385	2,859	121,653
Position as of 1 August 2006	1,641	55,768	61,385	2,859	121,653
Net Profit	0	0	22,024	146	22,170
Total Revenue	1,641	55,768	83,409	3,005	143,823
Share Issue	0	0	0	0	0
Transaction Costs of Share Issue	0	-23	0	0	-23
Dividends Paid	0	0	-2,461	0	-2,461
Other	0	0	-588	3,878	3,290
Position as of 31 July 2007	1,641	55,745	80,360	6,883	144,629

Dariusz Jacek Krawiec
 President

Piotr Bieliński
 Vice President

Kazimierz Lasecki
 Vice President

Warsaw, 1 October 2007

I.5. Cash flow statement – consolidated statement

	Quarter 4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Quarter 4 (current year) period from 05-01-2007 to 07-31-2007	Quarter 4 incrementally (current year) period from 08-01-2005 to 07-31-2006	Quarter 4 (current year) period from 05-01-2006 to 07-31-2006
Cash Flow from Operational Activity				
Net Profit	22,024	8,115	15,878	2,999
Adjustments:	-51,276	-31,921	-11,430	-3,237
– Income-tax	5,565	686	4,730	1,928
– Depreciation of Fixed Assets and Intangibles	7,334	2,115	6,554	1,709
– Profit from Investment	-4,814	-4,856	-113	2,714
– Interest Revenue	-184	-51	-370	-594
– Interest Costs	1,882	579	3,814	1,138
– Remaining	-19,852	-12,377	-3,539	-9,762
Changes in trading capital position:				
– Reserves	-32,273	-4,946	-698	-24,910
– Payables due to deliveries and services and remaining dues	-46,217	7,122	-18,322	1,282
– Liabilities due to deliveries and services and remaining liabilities	37,283	-20,193	-3,486	23,258
Net Cash Flow from Operational Activity	-29,252	-23,806	4,448	-238
Cash Flow from Investment Activity				
Acquisition of Tangible and Intangible Assets	-30,268	-2,489	-3,744	-727
Earnings from Sales of Tangible Assets	7,465	7,352	636	48
Remaining inflows/expenses	-1,233	-2,130	-1,608	-240
Net cash flows from investing activities	-24,036	2,733	-4,716	-919
Cash Flow from Financial Activity				
Earnings from the issue of privileged shares subject to redemption	0	0	51,523	51,523
Loans and borrowed money received	57,110	18,933	420	420
Payment of loans and borrowed money	0	236	-44,072	-46,585
Interest paid	-1,925	-590	-3,837	-789
Dividends Paid to Shareholders	-2,461	-2,461	0	0
Repayment of finance lease liabilities	-68	0	0	74
Remaining inflows/expenses	907	3,087	-345	-390
Net cash flows from financial activities	53,563	19,205	3,689	4,253
Net increase (decrease) of cash	275	-1,868	3,421	3,096
Financial Position at the Beginning of the Year	7,512	9,655	4,091	4,416
Financial Position at the End of the Period	7,787	7,787	7,512	7,512

Dariusz Jacek Krawiec
President

Piotr Bieliński
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 1 October 2007

II. Abbreviated quarterly unit financial statement as of 31 July 2007 as well as for the three month period ending on 31 July 2007 drawn up according to the Accounting Act

II.1. Selected financial data – individual statements

Due to the registered merger of ACTION S.A. with California Computer S.A. on 9 February 2007, the Company calculated the summary data of the merger and converted the comparative data for the respective periods of the previous year.

SELECTED INDIVIDUAL FINANCIAL DATA	in PLN M		in EUR M	
	Quarter 4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Quarter 4 incrementally (previous year) from 08-01-2005 to 07-31-2006	Quarter 4 incrementally (current year) period from 08-01-2006 to 07-31-2007	Quarter 4 incrementally (previous year) from 08-01-2005 to 07-31-2006
I. Sales revenue	1,721,401	1,452,743	445,797	370,484
II. Operating profit	22,793	12,363	5,903	3,153
III. Gross profit	27,172	14,330	7,037	3,654
IV. Net profit	22,163	10,353	5,740	2,640
V. Net cash flows from operating activities	-22,853	3,588	-5,918	915
VI. Net cash flows from investing activities	-34,398	-4,521	-8,908	-1,153
VII. Net cash flows from financial activities	52,740	3,770	13,658	961
VIII. Net increase (decrease) of cash	-4,511	2,837	-1,168	724
IX. Total assets	402,718	298,494	106,258	75,912
X. Liabilities	263,976	180,938	69,651	46,016
XI. Long-term liabilities	8,776	0	2,316	0
XII. Short-term liabilities	251,650	179,060	66,398	45,538
XIII. Shareholders' equity	138,742	117,556	36,607	29,896
XIV. Share capital	1,641	1,641	433	417
XV. Number of shares *	16,410,000	16,410,000	16,410,000	16,410,000
XVI. Earnings per share of common stock **(in PLN / EUR)	1.35	0.63	0.35	0.16
XVII. Book value of one share **(in PLN / EUR)	8.45	7.16	2.23	1.82

(*) Profit per ordinary share is the quotient of the *net profit payable to the shareholders of the Company and the number of shares*. The number of shares includes the change of the nominal value of shares series A from 1 PLN to 0.10 PLN with the simultaneous division of 1 share of value of 1 PLN into 10 shares of a nominal value of 0.10 PLN. The change was made on the 04/11/2006 by resolution of the Extraordinary General Meeting of Shareholders.

(**) Profit per ordinary share is the quotient of net profit and the number of shares.

(***) Book value per share is the quotient of equity capital and the number of shares.

The selected financial data presented in the financial statements has been converted into euro as follows:

- the items related to the profit-loss account and the cash flow statement have been calculated using the exchange rate obtained as the arithmetic mean of the average exchange rates announced by the National Bank of Poland (NBP) as of the last day of each month of the quarter. For the four quarters of 2006, that exchange rate was equal to EUR 1.00 = PLN 3.8614, and for the four quarters of 2005: EUR 1.00 = PLN 3.9212;
- the balance sheet items have been calculated using the average exchange rate announced by NBP as of the balance issue date. On 31 July 2007, that rate was EUR 1.00 = PLN 3.7900; on 31 July 2006, EUR 1.00 was equal to PLN 3.9321.

II.2. Balance sheet – individual statement

	as of	as of	as of	as of
	07-31-2007			