

REPORT

for Quarter 2 of 2007

Presented in compliance with the International
Financial Reporting Standards

17 March 2008

Introduction

This consolidated quarterly report of ACTION S.A. for Quarter 2 of 2007 ('Report') contains:

- an abbreviated consolidated financial report as of 31 January 2008 as well as for the 3-month period ended on 31 January 2008, prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- an abbreviated individual financial statement as of 31 January 2008 as well as for a 3-month period ended on 31 January 2008, 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; the quarterly individual report of ACTION S.A. complements the consolidated quarterly report of ACTION S.A.

I. Abbreviated quarterly financial statement as of 31 January 2008 and for the period of 3 months ended on 31 January 2008, 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 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 incrementally (previous year) period from 08/01/2006 to 01/31/2007	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 incrementally (previous year) period from 08/01/2006 to 01/31/2007
I. Net sales revenue (on sales of finished goods, goods and materials)	1 206 458	940 001	328 056	241 156
II. Operating profit	33 031	12 286	8 982	3 152
III. Gross profit	31 069	11 560	8 448	2 966
IV. Net profit due to company Shareholders	18 794	8 870	5 110	2 276
V. Net cash flows from operating activities	-54 486	4 254	-14 816	1 091
VI. Net cash flows from investment activities	-16 235	-9 297	-4 415	-2 385
VII. Cash Flow from Financial Activity	70 159	43 379	19 077	11 129
VIII. Net increase (decrease) of cash	-562	38 336	-153	9 835
IX. Total assets	614 911	463 239	169 584	117 813
X. Liabilities	450 337	341 891	124 197	86 951
XI. Long-term liabilities	14 547	444	4 012	113
XII. Short-term liabilities	435 790	341 447	120 185	86 838
XIII. Equity due to shareholders of the Company	154 478	118 342	42 603	30 097
XIV. Initial capital	1 641	1 641	453	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)	1.15	0.54	0.31	0.14
XVII. Book value of one share *** (in PLN / EUR)	9.41	7.21	2.60	1.83

(*)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 the equity due to Company's shareholders to the Number of shares.

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

- the figures related to the profit and 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 first two quarters of 2007, that exchange rate was equal to EUR 1.00 = PLN 3.6776, and for the first two quarters of 2006: EUR 1.00 = PLN 3.8979;
- the balance sheet items have been calculated using the average exchange rate announced by NBP as of the balance issue date; on 31 January 2008 according to that rate EUR 1.00 = PLN 3.6260; as of 31 January 2007, EUR 1.00 = PLN 3.9320.

I.2. Consolidated balance sheet statement

	As of 01/31/2008 end of Q2 (current year)	As of 10/31/2007 end of Q1 (current year)	As of 01/31/2007 end of Q2 (previous year)	As of 10/31/2006 end of Q1 (previous year)
ASSETS				
Non-current assets				
Tangible fixed assets	84 000	80 298	52 953	44 254
Goodwill	12 900	14 026	6 755	289
Intangible assets	11 947	13 988	14 213	7 179
Investment in real estate	0	0	2 150	0
Financial assets	7	7	7	74
Deferred income tax assets:	51	363	1 843	858
Trade receivables and other receivables	796	827	866	0
	109 701	109 509	78 787	52 654
Current assets				
Inventory	240 902	198 453	169 463	147 246
Trade receivables and other receivables	257 083	174 311	168 645	172 648
Current income tax receivables	0	1 432	0	246
Derivative financial instruments	0	0	496	0
Cash and cash equivalents	7 225	17 177	45 848	13 216
	505 210	391 373	384 452	333 356
Total assets	614 911	500 882	463 239	386 010
EQUITY CAPITAL				
Equity due to shareholders of the Company				
Share capital	1 641	1 641	1 641	1 641
Share premium account	55 744	55 744	55 744	55 767
Retained earnings	97 093	85 974	60 957	65 410
	154 478	143 359	118 342	122 818
Minority shares	10 096	8 859	3 006	1 882
Total equity capital	164 574	152 218	121 348	124 700
LIABILITIES				
Long-term liabilities				
Credits and loans	14 413	12 955	0	0
Trade liabilities and other	0	0	276	305
Deferred income tax provision:	134	1 093	168	47
	14 547	14 048	444	352
Short-term liabilities				
Trade liabilities and other	309 088	251 612	282 905	220 664
Loans and credits and other financial obligations	120 302	76 732	54 957	39 023
Employee benefit liabilities	534	585	795	238
Reserves for remaining obligations and other charges	5 866	5 687	2 790	1 033
	435 790	334 616	341 447	260 958
Total liabilities	450 337	348 664	341 891	261 310
Total liabilities and equity	614 911	500 882	463 239	386 010

Dariusz Jacek Krawiec
 President of the Management Board

Piotr Bielinski
 Vice President

Kazimierz Lasecki
 Vice President

Warsaw, 17 March 2008

I.3. Consolidated profit and loss account

	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 (current year) period from 11/01/2007 to 01/31/2008	Quarter 2 incrementally (current year) period from 08/01/2006 to 01/31/2007	Quarter 2 (current year) period from 11/01/2006 to 01/31/2007
Sales revenues	1 206 458	701 281	940 001	527 912
Cost of sales of products, goods and materials	-1 112 767	-643 834	-882 358	-492 375
Gross profit	93 691	57 447	57 643	35 537
Cost of sales and marketing	-51 609	-27 488	-39 611	-21 903
General administrative costs	-20 079	-9 293	-8 246	-5 181
Other net revenue and operational profit	17 393	7 630	3 839	623
Other costs and losses	-6 365	-5 480	-1 339	-688
Operating profit	33 031	22 816	12 286	8 388
Net financial costs	-1 962	-1 359	-726	-377
Profit before tax	31 069	21 457	11 560	8 011
Corporate income tax	-9 894	-6 187	-2 467	-2 012
Net profit of accounting period	21 175	15 270	9 093	5 999
Including:				
due to shareholders of the Company	18 794	13 793	8 870	5 656
due to minority shares	2 381	1 477	223	343
	21 175	15 270	9 093	5 999
Profit due to shareholders of the Company per ordinary share (expressed in PLN per one share)				
– basic	1.15	0.84	0.54	0.34
– diluted	1.09	0.80	0.51	0.33
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 earnings per share are calculated by dividing the profit due to shareholders of the Company by the weighted average number of ordinary shares throughout the period. The diluted earnings per share are 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 equity capital pursuant to a resolution passed by the Extraordinary General Meeting of Shareholders of the Company of 15 November 2006 and a resolution passed by the Extraordinary General Meeting of Shareholders of 5 December 2007.

The weighed average number of ordinary shares in the period 08/01/2007 – 01/31/2008 and 08/01/2006 – 01/31/2007 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 04/11/2006. In addition, the weighed average number of ordinary shares in the period 08/01/2007 – 01/31/2008 and 08/01/2006 – 01/31/2007 was increased by the planned issue of 820,500 series C shares.

All revenues and costs stated apply to company following a going concern principle.

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 17 March 2008

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

	Due to shareholders of the Company			Due to minority shares	Total equity capital
	Initial capital	Share premium account	Retained earnings		
Position as of 1 August 2006	1 641	55 767	62 614	2 508	122 530
Net profit of accounting period	0	0	8 870	147	9 017
Total Revenue	1 641	55 768	70 255	3 006	130 670
Transaction Costs of Share Issue	0	-24	0	0	-24
Dividends Paid	0	0	-2 461	0	-2 461
Other	0	0	-6 837	0	-6 837
Position as of 31 January 2007	1 641	55 744	60 957	3 006	121 348
Position as of 1 August 2007	1 641	55 744	80 424	6 883	144 692
Net profit of accounting period	0	0	18 794	2 381	21 175
Total Revenue	1 641	55 744	99 218	9 264	165 867
Dividends Paid	0	0	-4 431	0	-4 431
Other	0	0	2 306	832	3 138
Position as of 31 January 2008	1 641	55 744	97 093	10 096	164 574

Dariusz Jacek Krawiec
 President of the Management Board

Piotr Bielinski
 Vice President

Kazimierz Lasecki
 Vice President

Warsaw, 17 March 2008

I.5. Cash flow statement – consolidated statement

	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 (current year) period from 11/01/2007 to 01/31/2008	Quarter 2 incrementally (current year) period from 08/01/2006 to 01/31/2007	Quarter 2 (current year) period from 11/01/2006 to 01/31/2007
Cash Flow from Operational Activity				
Net profit of accounting period	18 794	13 793	8 870	5 656
Adjustments:	-73 280	-66 459	-4 616	16 081
– Income Tax	8 998	5 291	1 982	1 612
– Depreciation of Fixed Assets and Intangibles	5 515	2 646	3 184	1 647
– Profit from Investment	-113	-76	-59	0
– Interest Revenue	-38	-20	-94	-70
– Interest Costs	1 853	1 250	692	370
– Remaining	3 422	-3 972	-4 479	-2 598
Changes in working capital position:				
– Reserves	-101 067	-41 892	-47 442	-15 290
– Payables due to deliveries and services and remaining dues	-95 298	-101 177	-53 617	-15 563
– Liabilities due to deliveries and services and remaining liabilities	103 448	71 491	95 217	45 973
Cash Flow from Operational Activity	-54 486	-52 666	4 254	21 737
Cash Flow from Investment Activity				
Acquisition of Tangible and Intangible Assets	-16 174	-5 113	-9 404	-5 576
Earnings from Sales of Tangible Assets	57	32	107	94
Remaining inflows/expenses	-118	31	0	0
Net cash flows from investment activities	-16 235	-5 050	-9 297	-5 482
Cash Flow from Financial Activity				
Earnings from the issue of privileged shares subject to redemption	5 742	4 344	0	0
Loans and borrowed money received	66 351	44 570	53 359	25 934
Payment of loans and borrowed money	0	0	-10 029	-10 000
Interest paid	-1 853	-1 250	-729	-383
Repayment of finance lease liabilities	-5	-5	-66	-18
Remaining inflows/expenses	-76	105	844	844
Cash Flow from Financial Activity	70 159	47 764	43 379	16 377
Net increase (decrease) of cash	-562	-9 952	38 336	32 632
Financial Position at the Beginning of the Year	7 787	17 177	7 512	13 216
Financial Position at the End of the Period	7 225	7 225	45 848	45 848

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

II. Abbreviated quarterly individual financial statement as at 31 January 2007 the three-month period ended on 31 January 2008 drawn up according to the Accounting Act

II.1. Selected financial data – individual statement

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 performed by means of an acquisition and converted the comparative data for the respective periods of the previous year.

SELECTED INDIVIDUAL FINANCIAL DATA	in PLN M		in EUR M	
	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 incrementally (previous year) period from 08/01/2006 to 01/31/2007	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 incrementally (previous year) period from 08/01/2006 to 01/31/2007
I. Sales revenue	1 132 116	918 207	307 841	235 565
II. Operating profit	16 132	10 061	4 387	2 581
III. Gross profit	27 280	10 945	7 418	2 808
IV. Net profit	20 383	9 101	5 542	2 335
V. Net cash flows from operating activities	-19 882	5 523	-5 406	1 417
VI. Net cash flows from investment activities	-44 936	-11 855	-12 219	-3 041
VII. Cash Flow from Financial Activity	64 433	43 485	17 520	11 156
VIII. Net increase (decrease) of cash	-385	37 153	-105	9 532
IX. Total assets	600 231	464 472	165 535	118 126
X. Liabilities	442 439	339 875	122 018	86 438
XI. Long-term liabilities	13 955	0	3 849	0
XII. Short-term liabilities	421 853	337 317	116 341	85 788
XIII. Shareholders' equity	157 792	124 597	43 517	31 688
XIV. Initial capital	1 641	1 641	453	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)	1.24	0.55	0.34	0.14
XVII. Book value of one share **(in PLN / EUR)	9.62	7.59	2.65	1.93

(*)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 EUR as follows:

- the figures related to the profit and 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 first two quarters of 2007, that exchange rate was equal to EUR 1.00 = PLN 3.6776, and for the first two quarters of 2006: EUR 1.00 = PLN 3.8979;
- the balance sheet items have been calculated using the average exchange rate announced by NBP as of the balance issue date; on 31 January 2008 according to that rate EUR 1.00 = PLN 3.6260; as of 31 January 2007, EUR 1.00 = PLN 3.9320.

II.2. Balance sheet – individual statement

BALANCE	as of 01/31/2008 quarter end (current year)	as of 10/31/2007 end of prev. quarter (current year)	as of 01/31/2007 quarter end (previous year)	as of 10/31/2006 end of prev. quarter (previous year)
Assets				
I. Fixed assets	130 110	128 282	67 016	53 918
1. Intangible assets	2 704	3 225	6 500	7 238
- goodwill	0	0	0	0
2. Tangible fixed assets	75 468	73 305	48 548	39 607
3. Long-term receivables	0	0	0	0
3.1. From related entities	0	0	0	0
3.2. From other entities	0	0	0	0
4. Long-term investments	51 474	51 474	10 612	6 738
4.1. Real estate	0	0	2 150	0
4.2. Intangible assets	0	0	0	0
4.3. Long-term financial assets	51 474	51 474	8 462	6 738
a) in affiliated entities, including:	51 467	51 467	8 455	6 731
- subsidiary shares valued based on the equity method	0	0	0	0
- shares in subsidiary and affiliate entities consolidated	51 467	51 467	8 455	6 731
- shares in subsidiary and affiliate entities not consolidated	0	0	0	0
- other financial assets	0	0	0	0
b) in other entities	7	7	7	7
4.4. Other long-term investments	0	0	0	0
5. Long-term accruals and prepayments	464	278	1 356	335
5.1. Deferred income tax assets:	464	278	1 356	335
5.2. Other accruals and prepayments	0	0	0	0
II. Current assets	470 121	367 553	397 456	316 158
1. Inventory	214 600	174 911	152 442	137 560
2. Short-term receivables	248 269	175 906	195 304	162 552
2.1. From related entities	12 254	12 074	41 082	3 190
2.2. From other entities	236 015	163 832	154 222	159 362
3. Short-term investments	3 321	11 834	43 946	12 050
3.1. Short-term financial assets	3 198	11 834	43 250	11 850
a) in related entities	2 125	2 066	0	0
b) in other entities	0	0	0	0
c) cash and cash equivalents	1 073	9 768	43 250	11 850
3.2. Other short-term investments	123	0	696	200
4. Short-term accruals and prepayments	3 931	4 902	5 764	3 996
Total Assets	600 231	495 835	464 472	370 076

(all amounts given in thousands zloty (PLN M) unless indicated otherwise)

Liabilities and Shareholders' Equity				
I. Shareholders' equity	157 792	144 428	124 597	121 214
1. Initial capital	1 641	1 641	1 641	1 641
2. Not paid-up initial capital (negative value)	0	0	0	0
3. Own shares (negative value)	0	0	0	0
4. Supplementary capital	140 418	119 588	118 505	110 212
5. Revaluation capital	0	0	0	0
6. Other reserve capital	0	0	0	0
7. Currency exchange rate differences from the calculation of subsidiary entities	0	0	0	0
a) foreign exchange gains	0	0	0	0
b) negative exchange rate differences	0	0	0	0
8. Profit (loss) of prior years	-4 650	17 513	-4 650	5 703
9. Net profit (loss)	20 383	5 686	9 101	3 658
10. Net profit write-offs during the financial year (negative value)	0	0	0	0
IV. Liabilities and provisions for liabilities	442 439	351 407	339 875	248 862
1. Provisions for liabilities	3 590	6 975	1 027	391
1.1. Deferred income tax provision:	598	1 371	141	47
1.2. Pension and related benefits provisions	342	411	780	238
a) long-term	0	0	0	0
b) short-term	342	411	780	238
1.3. Other provisions	2 650	5 193	106	106
a) long-term	0	0	0	0
b) short-term	2 650	5 193	106	106
2. Long-term liabilities	13 955	12 955	0	0
2.1. To related entities	0	0	0	0
2.2. To other entities	13 955	12 955	0	0
3. Short-term liabilities	421 853	329 880	337 317	247 386
3.1. To related entities	6 660	6 716	15 589	5 132
3.2. To other entities	415 193	323 164	321 728	242 254
3.3. Special funds	0	0	0	0
4. Deferred settlements	3 041	1 597	1 531	1 085
4.1. Negative goodwill	0	0	0	0
4.2. Other accruals and prepayments	3 041	1 597	1 531	1 085
a) long-term	0	0	0	0
b) short-term	3 041	1 597	1 531	1 085
Total liabilities and equity	600 231	495 835	464 472	370 076

(all amounts given in thousands zloty (PLN M) unless indicated otherwise)

OFF-BALANCE SHEET ITEMS	as of 01/31/2008 quarter end (current year)	as of 10/31/2007 end of prev. quarter (current year)	as of 01/31/2007 quarter end (previous year)	as of 10/31/2006 end of prev. quarter (previous year)
1. Contingent receivables	1 215	0	1 040	1 040
1.1. From affiliates (due to)	0	0	0	0
- on guarantees and sureties	0	0	0	0
1.2. From other entities (due to)	1 215	0	1 040	1 040
- on guarantees and sureties	1 215	0	1 040	1 040
2. Contingent liabilities	12 461	12 620	8 301	12 083
1.1. To affiliates (due to)	1 420	1 420	420	6 870
- on guarantees and sureties issued	1 420	1 420	420	6 870
1.2. To other entities (due to)	11 041	11 200	7 881	5 213
- on guarantees and sureties issued	11 041	11 200	7 881	5 213
- agreements with stakeholders	0	0	0	0
3. Other (due to)	0	0	0	0
Total off-balance items	13 676	12 620	9 341	13 123

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 17 March 2008

II.3. Profit and Loss Account – individual statement

PROFIT AND LOSS ACCOUNT	Quarter 2 (current year) period from 01.11.2007 to 01/31/2008	Quarter 2 incrementally (current year) period from 01.08.2007 to 01/31/2008	Quarter 2 (previous year) period from 01.11.2006 to 01/31/2007	Quarter 2 Incrementally (previous year) period from 01.08.2006 to 01/31/2007
I. Net sales revenue (on goods, finished goods and materials), including:	651 958	1 132 116	523 058	918 207
- generated by related entities	17 770	35 986	27 495	28 320
1. Net sales of finished goods	5 307	7 997	2 685	5 166
2. Net sales of goods for resale and materials	646 651	1 124 119	520 373	913 041
II. Cost of sales of products, goods and materials, including:	606 815	1 059 763	493 414	869 413
- generated by related entities	17 388	35 025	27 096	27 669
1. Cost of products sold	0	0	0	0
2. Value of goods and materials sold	606 815	1 059 763	493 414	869 413
III. Sales profit before taxes (I-II)	45 143	72 353	29 644	48 794
IV. Selling expense	20 179	37 549	17 111	32 123
V. General administrative expense	6 938	15 878	4 383	6 625
VI. Sales profit (III-IV-V)	18 026	18 926	8 150	10 046
VII. Other operating income	161	1 083	39	719
1. Revenue from disposal of non-financial fixed assets	161	215	39	45
2. Subsidies	0	0	0	0
3. Other operating income	0	868	0	674
VIII. Other operating expenses	3 604	3 877	497	704
1. Losses on disposal of non-financial fixed assets	0	0	0	0
2. Remeasurement of non-financial assets	0	0	0	181
3. Other operating expenses	3 604	3 877	497	523
IX. Operating profit (VI+VII-VIII)	14 583	16 132	7 692	10 061
X. Financial revenue	5 326	12 990	709	1 855
1. Dividends and share in profits, including:	0	0	0	0
- generated by related entities	0	0	0	0
2. Interest, including:	79	97	437	533
- generated by related entities	59	59	0	0
3. Profit on disposal of investments	114	114	0	0
4. Remeasurement of investments	0	0	272	844
5. Other	5 133	12 779	0	478
XI. Financial costs	1 239	1 842	1 441	971
1. Interest, including:	1 239	1 842	374	723
- for related entities	0	0	0	0
2. Losses on disposal of investments	0	0	0	0
3. Remeasurement of investments	0	0	0	0
4. Other	0	0	1 067	248
XII. Profit on the sale of all or part of subsidiary shares	0	0	0	0
XIII. Profit on ordinary business activity (IX+X-XI+/-XII)	18 670	27 280	6 960	10 945
XIV. Extraordinary result (XIV.1. - XIV.2.)	0	0	0	0
1. Extraordinary profits	0	0	0	0
2. Extraordinary losses	0	0	0	0

(all amounts given in thousands zloty (PLN M) unless indicated otherwise)

XV. Goodwill write-off for subsidiaries	0	0	0	0
XVI. Negative goodwill write-off for subsidiaries	0	0	0	0
XVII. Gross profit (XIII+/-XIV-XV+XVI)	18 670	27 280	6 960	10 945
XVIII. Corporate income tax	3 973	6 897	1 517	1 844
a) current part	4 932	7 523	2 444	3 187
b) deferred part	-959	-626	-927	-1 343
XIX. Other mandatory profit reductions (loss increases)	0	0	0	0
XX. Share in net profits (losses) of subsidiaries priced based on the equity method	0	0	0	0
XXI. Minority profits	0	0	0	0
XXII. Net profit (XVII-XVIII-XIX+/-XX+/-XXI)	14 697	20 383	5 443	9 101

Net profit (annualized)	33 445	33 445	11 837	11 837
Weighed average number of ordinary shares	16 410 000	16 410 000	16 410 000	16 410 000
Profit per ordinary share (in PLN) *	0.90	1.24	0.33	0.55

(*) Profit per ordinary share is the quotient of *Net profit* 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.

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 17 March 2008

II.4. Changes in equity – individual statement

SUMMARY OF CHANGES IN EQUITY	Quarter 2 (current year) period from 11/01/2007 to 01/31/2008	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 (previous year) period from 11/01/2006 to 01/31/2007	Quarter 2 Incrementally (previous year) period from 08/01/2006 to 01/31/2007
I. Equity at the beginning of the period (OB)	144 428	138 742	121 214	120 500
a) changes to accounting policy	0	0	0	0
b) adjustment of material errors	0	0	0	0
I.a. Opening equity after matching with comparable figures	144 428	138 742	121 214	120 500
1. Initial capital at the beginning of the period	1 641	1 641	1 641	1 641
1.1. Changes of the initial capital	0	0	0	0
a) increase (due to)	0	0	0	0
- issue of shares	0	0	0	0
b) decrease (due to)	0	0	0	0
- redemption of shares	0	0	0	0
1.2. Initial capital at the end of the period	1 641	1 641	1 641	1 641
2. Called-up initial capital contributions at the beginning of the period	0	0	0	0
2.1. Change in called-up initial capital contributions	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
2.2. Called-up initial capital contributions at the end of the period	0	0	0	0
3. Treasury shares at the beginning of the period	0	0	0	0
3.1. Changes of treasury (own) shares	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
3.2. Treasury shares at the end of the period	0	0	0	0
4. Supplementary capital at the beginning of the period	119 588	119 588	110 212	110 212
4.1. Changes of the supplementary capital				
a) increase (due to)	20 830	20 830	10 182	10 182
- premium share issue	0	0	0	0
- appropriation of profit (mandatory)	0	0	0	0
- appropriation of profit (above the mandatory minimum)	17 732	17 732	9 756	9 756
- transfer of reserve capital from revaluation	0	0	0	0
- options pricing	3 098	3 098	426	426
b) decrease (due to)	0	0	1 889	1 889
- offset of losses	0	0	0	0
- merger with California Computer S.A.	0	0	1 865	1 865
- other	0	0	24	24
4.2. Supplementary capital at the end of the period	140 418	140 418	118 505	118 505
5. Revaluation reserve at the beginning of the period	0	0	0	0
5.1. Changes in revaluation reserve	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
- disposal of tangible fixed assets	0	0	0	0

5.2. Revaluation reserve at the end of the period	0	0	0	0
6. Other reserve capital at the beginning of the period	0	0	0	0
6.1. Change in other reserve capital	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
6.2. Other reserve capital at the end of the period	0	0	0	0
7. Profits (losses) of prior years at the beginning of the period	23 199	-4 650	11 225	-4 650
7.1. Unappropriated profits at the beginning of the period	0	0	0	0
a) changes to accounting policy	0	0	0	0
b) adjustment of material errors	0	0	0	0
7.2. Profit of prior years at the beginning of the period after matching with comparable figures	0	0	0	0
a) increase (due to)	27 849	22 163	15 875	12 217
- result for the previous period	27 849	22 163	15 875	12 217
- appropriation of profit from previous years	0	0	0	0
b) decrease (due to)	22 163	22 163	12 217	12 217
- moved to supplementary capital	17 732	17 732	9 756	9 756
- payment of dividends	4 431	4 431	2 461	2 461
7.3. Unappropriated profits of prior years at the end of the period	5 686	0	3 658	0
7.4. Accumulated losses of prior years at the beginning of the period	4 650	4 650	4 650	4 650
a) changes to accounting policy	0	0	0	0
b) adjustment of material errors	0	0	0	0
7.5. Accumulated losses of prior years at the beginning of the period after matching with comparable figures	4 650	4 650	4 650	4 650
a) increase (due to)	0	0	0	0
- result for the previous period	0	0	0	0
- transfer of prior year losses to be compensated	0	0	0	0
b) decrease (due to)	0	0	0	0
- transfer of prior year losses	0	0	0	0
7.6. Accumulated losses of prior years at the end of the period	4 650	4 650	4 650	4 650
7.7. Unappropriated profits (Accumulated losses) of prior years at the end of the period	1 036	-4 650	-992	-4 650
8. Net result	14 697	20 383	5 443	9 101
a) net profit	14 697	20 383	5 443	9 101
b) net loss	0	0	0	0
c) profit write-offs	0	0	0	0
II. Equity at the end of the period (CB)	157 792	157 792	124 597	124 597
III. Equity, as adjusted for the proposed appropriation of profit (offset of loss)	157 792	157 792	124 597	124 597

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 17 March 2008

II.5. Cash flow statement – individual statement

CASH FLOW STATEMENT	Quarter 2 (current year) period from 11/01/2007 to 01/31/2008	Quarter 2 incrementally (current year) period from 08/01/2007 to 01/31/2008	Quarter 2 (previous year) period from 11/01/2006 to 01/31/2007	Quarter 2 incrementally (prev. year) period from 08/01/2006 to 01/31/2007
A. Net cash flows from operating activities – indirect method				
I. Net profit (loss)	14 697	20 383	5 443	9 101
II. Adjusted for:	-63 304	-40 265	17 590	-3 578
1. Share in (profits) losses of entities priced based on the equity method, net	0	0	0	0
2. Income tax indicated in the Profit and Loss Account	3 973	6 897	1 517	1 844
3. Income tax paid	-2 701	-4 177	-3 136	-3 187
4. Depreciation/amortization, including:	1 397	3 961	1 451	2 955
- goodwill or negative goodwill write-offs of subsidiary entities	0	0	0	0
5. Foreign exchange (gains)/losses	-310	-114	-844	-844
6. Share in profits (dividends)	0		0	
7. Revenue on interest	-20	-38	-14	-94
8. Cost of interest	1 239	1 842	668	692
9. Gain (loss) on investing activities	-161	-215	-5	-5
10. Increase/decrease in provisions	-3 385	1 853	637	63
11. Increase/decrease in inventory	-39 689	-90 750	-14 883	-47 943
12. Increase/decrease in receivables	-72 339	-69 428	-16 174	-62 771
13. Increase/decrease in short-term liabilities, excluding loans and credits	49 851	109 031	50 714	108 042
14. Change in accruals, prepayments and deferred income	2 229	4 261	-2 341	-2 330
15. Other adjustments	-3 388	-3 388	0	0
III. Net cash flows from operating activities (I ± II)	-48 607	-19 882	23 033	5 523
B. Cash flows from investing activities				
I. Cash inflows	23	25	45	58
1. Disposal of intangible assets and tangible fixed assets	23	25	45	58
2. Disposal of investments in real estate and intangible assets	0	0	0	0
3. From financial assets, including:	0	0	0	0
a) in related entities	0	0	0	0
- disposal of financial assets	0	0	0	0
- dividends and share in profits	0	0	0	0
- repayment of long-term loans granted	0	0	0	0
- interest	0	0	0	0
- other cash inflows from financial assets	0	0	0	0
b) in other entities	0	0	0	0
- disposal of financial assets	0	0	0	0
- dividends and share in profits	0	0	0	0
- repayment of long-term loans granted	0	0	0	0
- interest	0	0	0	0
- other cash inflows from financial assets	0	0	0	0

(all amounts given in thousands zloty (PLN M) unless indicated otherwise)

4. Other cash inflows from investing activities	0	0	0	0
II. Cash outflows	3 544	44 961	8 430	11 913
1. Purchase of intangible assets and tangible fixed assets	3 510	12 114	6 706	10 139
2. Investments in properties and intangible assets	34	36	-50	0
3. On financial assets, including:	0	31 911	1 774	1 774
a) in related entities	0	31 911	1 774	1 774
- purchase of financial assets	0	31 911	1 774	1 774
- long-term loans granted	0	0	0	0
b) in other entities	0	0	0	0
- purchase of financial assets	0	0	0	0
- long-term loans granted	0	0	0	0
4. Other cash outflows on investing activities	0	900	0	0
III. Net cash flows from investing activities (I-II)	-3 521	-44 936	-8 385	-11 855
C. Cash flow from financing activities				
I. Cash inflows	44 590	66 389	26 778	54 203
1. Net cash inflows from the issue of shares and other equity instruments and capital contributions from shareholders	0	0	0	0
2. Credits and loans	44 570	66 351	25 934	53 359
3. Issue of debt securities	0	0	0	0
4. Other cash inflows from financing activities	20	38	844	844
II. Cash outflows	1 157	1 956	10 026	10 718
1. Buyback of own shares	0	0	0	0
2. Dividends and other payments to shareholders	0	0	0	0
3. Cash flows other than payments to owners, expenses arising from the appropriation of profit	0	0	0	0
4. Repayment of loans and credits	0	0	10 000	10 000
5. Redemption of debt securities	0	0	0	0
6. Other financial liabilities	0	0	0	0
7. Repayment of finance lease liabilities	0	0	0	0
8. Interest paid	1 239	1 842	26	718
9. Other cash outflows on financing activities	-82	114	0	0
III. Net cash flows from financing activities (I-II)	43 433	64 433	16 752	43 485
D. Net cash flows total (A.III+/-B.III+/-C.III)	-8 695	-385	31 400	37 153
E. Balance change of cash and cash equivalents, including:	-8 695	-385	31 400	37 153
- change in cash and cash equivalents due to changes in foreign exchange rates	0	0	0	0
F. Cash and cash equivalents at the beginning of the period	9 768	1 458	11 850	6 097
G. Cash and cash equivalents at the end of the period (F±D), including:	1 073	1 073	43 250	43 250
- of restricted availability for use	0	0	0	0

Dariusz Jacek Krawiec
President of the Management BoardPiotr Bielinski
Vice PresidentKazimierz Lasecki
Vice President

Warsaw, 17 March 2008

III. Notes to the consolidated quarterly report for the Quarter 2 of 2007, including the period from 1 November 2007 to 31 January 2008

1. General information

The objective of ACTION S.A. (Issuer/Company) and its subsidiaries is to sell computer equipment through wholesalers, its own retail outlets and third party shops. The group conducts its sales operations principally in Poland.

The parent entity is ACTION S.A. with the registered office in Warsaw at ul. Jana Kazimierza 46/54. ACTION S.A. {stock company} was registered with the National Court Commercial Register at the KRS No. 0000214038 on the basis of the decision of the District Court in Warsaw, 12th Commercial Division of the National Court Register on 2 August 2004.

ACTION had previously been registered as a limited liability company in the Commercial Register with the number KRS 0000066230. The company was registered pursuant to a decision of the District Court of the Capital City of Warsaw, Commercial Division of the National Court Register 28 November 2001.

ACTION S.A. is the managing entity at the highest level.

2. Description of accepted accounting principles

The accounting year of the Company is not the same as the calendar year and finishes on the 31 July. The financial report as at 31 January 2008 for the three month period ended 31 January 2008 for the requirements of the report represents the report for the Quarter 2 of 2007. Analogically, the Financial Report issued as at 31 January 2007 for the three month period ended on 31 January 2007 for the requirements of the report shall mean the report for Quarter 2 of 2006.

In Q2 of 2007 the following companies were consolidated:

- ACTION S.A.- the parent company
- EKOACTION Sp. z o.o. (former name: A.PL Sp. z o.o.) - subsidiary (100 %)
- ACTION INTERNET Sp. z o.o. (former name: Action Wroclaw Sp. z o.o.) - subsidiary (100 %)
- ACTION Ukraina TzOW- subsidiary (51 %)
- SFK Sp. z o.o.- subsidiary (100%)
- PROLOGIC Sp. z o.o.- subsidiary (60 %)
- ACTINA Sp. z o.o.- subsidiary (100%)
- A.PL Sp. z o.o. with registered office in Warsaw- subsidiary (100%) (*)
- SFERIS Sp. z o.o. (former name: PTR Sp. z o.o.) - indirect subsidiary (99.89%) (**)

(*) A.PL Sp. z o.o. with a registered office in Warsaw was established on 12th October 2006.

(**) SFERIS Sp. z o.o. with registered office in Warsaw was included in the consolidation process on 5 January 2007.

The consolidated quarterly statement for Quarter 2 of 2007 was drawn up in compliance with IFRS, which were adopted to evaluate the assets and liabilities and to determine the financial performance of the dominant company exclusively for the needs of drawing up the consolidated statements of 01 August 2006. The detailed description of the principles of valuation and presentation has been placed in the annual consolidated statement for 2006, published on 7 December 2007. The statements drawn up for Q2 of the previous year and in the case of the balance, for the quarter directly preceding the quarter included by the statement were drawn up in a manner ensuring comparability of data.

In the period covered by the report:

- the temporary differences in income tax caused by the time differences between the date of determination of income earned and the timing of the costs borne had the effect of increasing the net financial result by PLN 196 M;

- the valuation of currency balances as of 01/31/2008 had the effect of reducing the Group's gross profit by 363 M PLN;
- revaluation resulted in 133 M PLN worth of debt being written off.

Zloty (PLN) was converted to EUR pursuant to Section 89 Article 2 of the Ordinance of the Minister of Finance of 19 October 2005 on current and periodical information published by issuers of securities.

3. Segment reporting

The activity of the Group is based on one single industry sector: wholesale distribution of computer hardware, which made it necessary for the Group to revert to a lower level of internal segmentation. It was presented solely in relation to the figures of the profit and loss account. The Company does not present the remaining information on such segments as the sector's assets and liabilities, its investment expenditure or amortization due to the fact that that type of information is not aggregated in the structure of industry segments as it is not used for decision-making purposes.

The results obtained by each of the sectors for the period between 1 August 2007 and 31 January 2008 are as follows:

	Component	Finished solutions	Peripherals	Consumables and office products	Consumer electronics	Other	Non-assigned items	Segments Total	Exclusions	Consolidated value
Sales to third parties	321 950	378 987	271 675	49 091	95 196	89 559	39 979	1 246 437	-39 979	1 206 458
Sales between the segments	0	0	0	0	0	0	0	0	0	0
Total revenues	321 950	378 987	271 675	49 091	95 196	89 559	39 979	1 246 437	-39 979	1 206 458
Gross sales margin	16 823	28 681	18 108	11 691	13 211	5 178	846	94 537	-846	93 691
Operating costs, FX losses and other costs	0	0	0	0	0	0	-56 771	-56 771	-3 889	-60 660
Operating profit	16 823	28 681	18 108	11 691	13 211	5 178	-55 925	37 766	-4 735	33 031
Net financial costs								1 962	0	1 962
Profit before tax								35 804	-4 735	31 069
Corporate income tax								9 894	0	9 894
Net profit of the trading period, including:								25 910	-4 735	21 175
Net profit/loss due to Company shareholders								29 910	-7 116	18 794
Minority profit/loss								0	2 381	2 381

The results obtained by each of the segments for the period between 1 August 2006 and 31 January 2007 are as follows:

	Component	Finished solutions	Peripherals	Consumables and office products	Consumer electronics	Other	Non-assigned items	Segments Total	Exclusions	Consolidated value
Sales to third parties	341 541	203 220	239 642	34 598	42 832	78 169	32 466	972 467	-32 466	940 001
Sales between the segments	0	0	0	0	0	0	0	0	0	0
Total revenues	341 541	203 220	239 642	34 598	42 832	78 169	32 466	972 467	-32 466	940 001
Gross sales margin	17 323	11 911	12 586	8 329	4 793	2 701	-11	57 632	11	57 643
Operating costs, FX losses and other costs	0	0	0	0	0	0	-42 788	-42 788	-2 569	-45 357
Operating profit	17 323	11 911	12 586	8 329	4 793	2 701	-42 799	14 844	-2 558	12 286
Net financial costs								726	0	726
Profit before tax								14 118	-2 558	11 560
Corporate income tax								2 467	0	2 467
Net profit of the trading period, including:								11 651	-2 558	9 093
Net profit/loss due to Company shareholders								11 651	-2 781	8 870
Minority profit/loss								0	223	223

4. Seasonality of sales

The operations of the ACTION Group is subject to a certain minor seasonality of sales. Group records a sales peak in the second quarter of the financial year. In the remaining periods the sales metrics maintain a similar level.

5. Description of the Issuer's relevant successes and failures in the period covered by the report, together with a list of the most significant events.

	Quarter 2 of 2007	Quarter 2 of 2006
Net sales	701 281	527 912
Gross sales revenue	57 447	35 537
<i>sales margin</i>	8.19%	6.73%
EBIT	22 816	8 388
<i>EBIT margin</i>	3.25%	1.59%
Net profit	13 793	5 656
<i>net margin</i>	1.97%	1.07%

The consolidated sales revenue of the ACTION S.A. Capital Group in Q2 2007 amounted to PLN 701,281 M, as compared to PLN 527,912 M attained in Q2 2006, which means an increase by 32.8%.

The increase of sales revenue by PLN 173,369 M as compared to Q2 of 2006 was caused both by external and internal factors. The success of the Company has primarily been a result of certain measures and actions taken within the Company, including:

- constantly increasing the performance of the warehouse facilities e.g. by significantly expanding it (the present warehouse area is 11,500 sqm),
- constantly increasing the sales offering, e.g. by including ASUS products; the full product range offered by the Company currently comprises 15,000 items,
- increasing the number of corporate customers (at present more than 9,000 per month),
- implementing and continuing the development of online sales channels designed for the domestic and the foreign market (A.Pl, I-Serwis, I-Partner, Webserwis),
- expanding the SFERIS chain – opening new shops,
- optimizing the distribution channels and introducing new sales methodologies,
- perfecting the technological solutions used to support manufacturing and logistics.

The most significant external factors were as follows:

- an increase of the value of the IT market in Poland and in Ukraine,
- inflow of EU funding to domestic public and private entities,
- increase of value of the local currency and the consequent decrease of prices of IT components.

In Quarter 2 of 2007 the ACTION S.A. Group earned a gross margin of approx. 8.19 %, which is 1.46 pp higher than the one achieved in the respective quarter of 2006.

The net profit attained was PLN 13,793 M, which exceeds the net profit gained in the respective period of the previous year by PLN 8,137 M.

Despite heavy competition and the variable industry environment, the ACTION S.A. Group is able to face the challenges presented by the market. The changes are directed at the Company's growth, automation and improvement of performance of its warehouse and logistics base as well as increasing the competitive edge of the

range of products and services offered. The Company continuously looks for new distribution and sourcing channels on the markets of Central and Eastern Europe.

The further part of this section presents key events of Quarter 2 of 2007.

At the end of November, the commercial offer of ACTION S.A. was significantly expanded by adding a new line of Asus products.

On 20 December 2008 ACTION S.A. and Bank Polska Kasa Opieki SA with head offices in Warsaw signed a credit account agreement (Contract No. 2007/1016262299). Pursuant to that agreement, the Bank granted ACTION S.A. a non-revolving operating credit of PLN 11,000,000.00 (in words: eleven million zloty) for the purposes of financing and refinancing of its inventory and liabilities acquired in connection with the tender agreement. The loan is granted for a period running from the date of signing the contract to 30 April 2008 and shall be used by the Borrower until 03/31/2008. The interest rate of the credit facility is variable based on WIBOR 1M index increased by the commission of the Bank. The final repayment of the loan is to take place by 30 April 2008.

In its Resolution No. 4 of 01/10/2008, the Supervisory Board of ACTION S.A. chose BDO Numerica Sp. z o.o. with head office at ul. Postepu 12 in Warsaw to audit the Financial Report of ACTION S.A. and the Consolidated Financial Report of the ACTION S.A. Capital Group for the financial year 2007/2008. ACTION S.A. had already used the services of that auditor for the Company's individual and consolidated financials for the financial years 2003/2004, 2004/2005, 2005/2006, 2006/2007 as well as for the preparation of the prospectus of ACTION S.A. The Issuer also used the services provided by BDO Polska Sp. z o.o. when merging with California Computer S.A. The auditor authorised to audit the financial reports was designated in compliance with the relevant valid regulations, the Statutes of the Issuer and the applicable professional standards.

On 30 January 2008 an Ordinary General Meeting of Shareholders was held at the head office of ACTION S.A. During the meeting, approval was granted to the reports of the Management Board on the operations of the Company and of the ACTION S.A. Capital Group, the reports of the Supervisory Board, the individual financial reports of ACTION S.A. and the consolidated financial report of the ACTION S.A. Capital Group for the period from 1 August 2006 to 31 July 2007. At the same meeting the profit was appropriated. An amount of PLN 4,430,700.00 was allocated for the payment of dividends to the Company's shareholders, and an amount of PLN 17,731,930.10 was used to increase the supplementary capital. The dividend date was set to 14 February 2008 and the dividend payout date was set to 29 February 2008. The Ordinary General Meeting of Shareholders acknowledged the fulfilment of duties by all Members of the Management Board and the Supervisory Board.

At the beginning of 2008 the product range offered by ACTION S.A. was increased by including ATEN products, whose vendor is the world's largest manufacturer of KVM switches, and by including ALTUSEN products, high-end ATEN hardware. ACTION currently offers the following ATEN devices:

- KVM switches and accessories, KVM LCD switches, printer switches, video switches,
- video extenders and splitters as well as ATEN console extenders, KVM switches and
- KVM ALTUSEN modules and adapters. The product range is regularly updated with newly released models.

6. Factors and events, particularly special ones, with substantial impact on financial performance attained

During the period covered by the report certain special events occurred which had a significant impact on the financial results achieved. These included:

- creating a reserve for the future liabilities related to the fees due to organisations of collective management of copyright and related rights on the account of sale of equipment and media equal to PLN 2,175 M.

On 8 November 2007 Annex No. 6 was concluded, which amended the Managerial Contract concluded between ACTION S.A. and the President of the Board of the Company, Mr Dariusz Jacek Krawiec on 21 August 2006. That agreement may cause future changes in the proportion of shares in the possession of current shareholders. In

consequence of the execution of the annex, the Executive Stock Options program was modified, an authorised participants of which is Mr Dariusz Jacek Krawiec.

The modification of the Program introduced on 8 November 2007 was approved by the Supervisory Board of the Company on 8 November 2007. In order to approve the changes applied to the Program and to introduce relevant changes to the Company's Statutes, an Extraordinary General Meeting of Shareholders was held on 5 December 2007, which passed Resolution No. 3, which amended Resolution no. 3 of the Extraordinary General Meeting of Shareholders of 15 November 2006 on the conditional increase of equity capital and Resolution no. 4 of the Extraordinary Meeting of 15 November 2006 on the issue of A-series subscription warrants and the exemption of subscription warrants from a rights issue.

Pursuant to those changes in the Executive Stock Options Program, Mr Dariusz Jacek Krawiec is entitled to become a holder of 547,000 shares of the Company (accounting for 3.2 % of the future total number of shares of the Company) by the end of year 2008. The shares are to be acquired as part of a conditional increase of the initial capital in exchange for the subscription warrants issued by the Company. The resolutions which approve the original provisions of the contract were passed by the Extraordinary General Meeting of Shareholders and its Supervisory Board on 15th November 2006.

Enforcing the provisions of Resolutions 3 and 4 of the Extraordinary General Meeting of Shareholders of 11/15/2006 on the conditional increase of equity capital and the issue of subscription warrants, as amended by Resolution No. 3 of the Extraordinary General Meeting of Shareholders of 12/05/2007 and implementing the agreement of 11/30/2007 concluded by and between the Issuer, a member of its Board and a brokerage house pursuant to Resolution No. 1 of the Board of 12/5/2007, 547,000 individual A-series subscription warrants were issued, which entitle to 547,000 shares in the conditionally increased equity capital of the Issuer.

As set forth in the agreement, on 12/6/2007 r. the subscription warrants document (a multiple-share certificate) was handed over under the custody of the brokerage house to be released in the future to the entitled person.

The payroll costs stated for 2006 include that year's value of the options estimated based on the original assumptions of the program as equal to PLN 1,509 M. Based on the final cost estimate for the modified contract, prepared after the motivation program has been approved, the payroll costs for Quarter 1 of 2007 include a reserve of PLN 3,388 M.

The change of the contract also provides for benefits in kind of an estimated value of PLN 290 M. A reserve has also been allocated equivalent of that benefit.

On 20 November 2007 A.PL Sp. z o.o. with their head office at ul. Rozlogi 16 in Warsaw made a proposal to ACTINA Sp. z o.o. with head offices at ul. Jana Kazimierza 46/54 in Warsaw to acquire 1,500 bonds of a nominal value of PLN 1,000 each at an annual interest of 5%, which are subject to redemption on 31 March 2008. The payment is to be made on the date of redemption at the nominal value increased by the interest due.

On 02/01/2008 the Ordinary Meeting of Shareholders of EKOACTION Sp. z o.o. passed a resolution to dissolve that Company and open its liquidation process. EKOACTION Sp. z o.o. shall be liquidated by its hitherto Board Members: Mr Jacek Janowski, Mr Piotr Bielinski and Mr Jozef Debski. The District Court for Krakow-Srodmiescie in Krakow, XI Commercial Division of the of the National Court Register issued a decision on opening the liquidation process on 21 February 2008. EKOACTION Sp. z o.o. is a subsidiary of ACTION S.A. fully owned by the Issuer, who has 100% of shares in it and the same proportion of votes at the Meeting of Shareholders.

Also on 02/01/2008 the Ordinary Meeting of Shareholders of ACTION INTERNET Sp. z o.o passed a resolution to dissolve that Company and open its liquidation process. ACTION INTERNET Sp. z o.o. shall be liquidated by its hitherto Board Members: Mr Piotr Bielinski and Mr Robert Bak. The District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the of the National Court Register issued a decision on opening the liquidation process on 7 February 2008. ACTION INTERNET Sp. z o.o. is a subsidiary of ACTION S.A. fully owned by the Issuer, who has 100% of shares in it and the same proportion of votes at the Meeting of Shareholders.

7. Indication of events, which occurred after the day on which the abbreviated quarterly financial report was drawn up, not included in this report and likely to influence the future financial results of the Company in a material way

On 02/27/2008 a decision of the District Court for the Capital City of Warsaw in Warsaw, XII Commercial Division of the of the National Court Register was received, pursuant to which on 02/19/2008 two new branches of ACTION S.A., located in Kielce and Radom, were registered.

On 07 March 2008 the Management Board of ACTION S.A. received a copy of an Annex to Credit Agreement no. BOK/KRB/0586/06 signed by the other party. The Annex to the Credit Agreement with Bank Handlowy w Warszawie S.A. changes the date of use of the credit received from 29 February 2008 to 31 May 2008.

8. The statement of the Management Board of the Company pertaining to the capability to meet the previously published forecasts for the given year in the context of the results presented in the quarterly report

The targets for financial year 2007/2008 were published in Current Report No. 71 of 17 December 2007. In 2007/2008 the ACTION S.A. Group plans to attain a sales revenue of PLN 2,257.3 MM. The net profit due to the Shareholders of the Company for the period from 1 August 2007 to 31 July 2008 is forecast to reach PLN 30.5 MM.

The Management Board of ACTION S.A. confirms the feasibility of those targets.

9. Indication of shareholders with at least 5% of the total number of votes at the general meeting of the shareholders of the Company, owned directly or indirectly through their subsidiaries, as of the day of announcement of the quarterly report as well as an indication of the number of shares possessed by such entities, the percentage share in the equity capital, the number of votes arising from them and the percentage share in the total number of votes at the general meeting and an indication of changes in the ownership structure of the Company.

According to information available to the Company, the following shareholders are in possession of at least 5 % of the total number of votes for the general meeting of shareholders as of the date of drawing up of the quarterly statement, i.e. 12/17/2007:

1. Piotr Bielinski	28.83% number of shares	4,731,004
2. Olgierd Matyka	21.32% number of shares	3,500,000
3. OPERA FIZ	10.08% number of shares	1,653,758
4. Wojciech Wietrzykowski	8.53% number of shares	1,400,000

The Issuer has been informed that the above data has changed as of the date of submitting the quarterly report i.e. 17 March 2008 and is currently as follows:

1. Piotr Bielinski	29.19% number of shares	4,790,369
2. Olgierd Matyka	21.32% number of shares	3,500,000
3. OPERA FIZ	10.08% number of shares	1,653,758
4. Wojciech Wietrzykowski	8.53% number of shares	1,400,000

10. List of changes in the possession of Company shares or share rights (options) held by persons managing and supervising the Company, according to the information available to the Company

As of the date of submitting the report for Quarter 1 of 2007, i.e. on 17 December 2007, the managing and supervising officers of ACTION S.A. were in possession of the following shares of that Company.:

Dariusz Jacek Krawiec	0 shares
Piotr Bielinski	4,731,004 shares of the nominal value of 0.10 PLN each
Kazimierz Lasecki	715,762 shares of the nominal value of 0.10 PLN each
Olgierd Matyka	3,500,000 shares of the nominal value of 0.10 PLN each
Wojciech Wietrzykowski	1,400,000 shares of the nominal value of 0.10 PLN each
Ewa Joanna Wojcik	2,000 shares of the nominal value of 0.10 PLN each

The Issuer has been informed that the above data has changed as of the date of submitting the quarterly report i.e. 17 March 2008 and is as follows:

Dariusz Jacek Krawiec	0 shares
Piotr Bielinski	4,790,369 shares of the nominal value of 0.10 PLN each
Kazimierz Lasecki	715,762 shares of the nominal value of 0.10 PLN each
Olgierd Matyka	3,500,000 shares of the nominal value of 0.10 PLN each
Wojciech Wietrzykowski	1,400,000 shares of the nominal value of 0.10 PLN each
Ewa Joanna Wojcik	2,500 shares of the nominal value of 0.10 PLN each

11. Indication of relevant court proceedings, appropriate arbitration bodies or public administration authorities

On the day of announcement of the report no proceeding before court, arbitration bodies or public administration authorities was filed against the Company or its subsidiaries with respect to the liabilities or receivables of the Issuer or their subsidiaries, the value of which would consist of 10 or more per cent of the equity of the Company calculated separately for each individual proceeding and jointly for all of them.

12. Information on entering into one or more transactions with the affiliated entities by the Company or its subsidiaries if the value of such transactions (total value of all transactions executed during the period from the beginning of the financial year) exceeds a sum expressed in PLN equivalent to EUR 500,000 unless such transactions are typical and routine transactions entered into under ordinary market conditions between the related entities and their nature and conditions result from the current operating activity of the Company or its subsidiaries.

On 23 January 2008 EKOACTION Sp. z o.o. with head office at ul. Zakopianska 9 in Krakow sold to A.PL Sp. z o.o., whose head office is located ul. Rozlogi 16 in Warsaw, a real estate it owned which was composed of plots of land 190/8, 191/5 and 191/6, an office and warehouse building of an area of 1,923 square metres, and an amenity building of an area of 31 square metres at the gross price of PLN 7,508,900.00.

ACTION S.A. granted several loans to A.PL Sp. z o.o., its subsidiary, at the total value of PLN 2,066 M. Their maturity date is 31 May 2008.

13. Information on total loan or credit guarantees or other guarantees granted by the Company or its subsidiaries to a single entity and its subsidiaries if the total value of such existing guarantees or sureties is equal to or exceeds 10% of the equity of the Company

As at the end of Quarter 2 of 2007 the value of the guarantees and sureties issued was PLN 12,461 M. All guarantees and sureties were provided by ACTION S.A. and their total share in the equity of the Company does not reach 10%.

Dariusz Jacek Krawiec
President of the Management Board

Piotr Bielinski
Vice President

Kazimierz Lasecki
Vice President

Warsaw, 17 March 2008