



CONSOLIDATED
QUARTERLY STATEMENT
FOR QUARTER I 2011

16 MAY 2011

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I. Statement of the board on the integrity of preparation of the abbreviated Quarterly Statement

This abbreviated consolidated interim financial statement and the comparative data used in it has been drawn up to present the financial standing, business results and cash flows as required by the International Financial Reporting Standards ("IFRS") approved by the EU, published and in force as of the balance date, and with respect to matters not regulated by the IFRS, in compliance with the Polish Accounting Act of 29 September 1994.

This abbreviated consolidated interim financial statement of the ACTION S.A. Group covers the period ended on 31 March 2011 and includes: a consolidated total income statement, consolidated report on the financial standing, summary of changes in consolidated equity, consolidated cash flow statement and additional information, such as a description of the key accounting principles applied and selected explanations.

As required by the Ordinance of the Ministry of Finance of 19 February 2009 on current and periodic information published by issuers of securities and on terms of recognition of equivalence of information required by the legislation of a country which is not a Member State, the Management Board of ACTION S.A. hereby announces that:

- to their best knowledge, this abbreviated consolidated interim financial statement and the comparative data used have been drawn up in compliance with the applicable accounting principles and provide a true, honest and transparent picture of the condition of the Group's assets, its financial standing and its financial result.

In the accounting period covered in this statement, the companies of the Group, excluding ACTION S.A., ran their books in compliance with the accounting principles (accounting policy) laid down by the Accounting Act of 29 September 1994 and the regulations issued thereunder. The Consolidated Financial Statement comprises adjustments not posted into the books of the members of the Group entered in order to bring the financial statements of such members in line with IFRS. Since 1 January 2010, ACTION S.A. has been running its books in line with the requirements of the International Financial Reporting Standards ("IFRS") approved by the EU, published and in force as of the balance date, and with respect to matters not regulated by the IFRS, in compliance with the Polish Accounting Act of 29 September 1994.

Piotr Bieliński
President

Kazimierz Lasecki
Vice President

Edward Wojtysiak
Vice President

Warsaw, 16 May 2011

II. Abbreviated consolidated interim financial statement drawn up in line with International Financial Reporting Standards for period from 1 January 2011 to 31 March 2011

Selected consolidated financial information

SELECTED CONSOLIDATED FINANCIAL INFORMATION	in PLN M		in EUR M	
	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
I. Net sales revenue (on sales of finished goods, goods and materials)	540 095	483 246	135 900	121 835
II. Gross sales profit/loss	37 430	37 426	9 418	9 436
III. Operating profit/loss	11 260	10 772	2 833	2 716
IV. Net profit/loss due to company Shareholders	8 505	8 020	2 140	2 022
V. Net cash flows from operating activities	-41 144	-31 586	-10 353	-7 963
VI. Net cash flows from investing activities	-1 822	475	-458	120
VII. Net cash flows from financial activities	46 218	34 147	11 630	8 609
VIII. Net increase (decrease) of cash	3 252	3 036	818	765
IX. Earnings per share of common stock *(in PLN/EUR)	0,52	0,49	0,13	0,12
	As of 03/31/2011	As of 12/31/2010	As of 03/31/2011	As of 12/31/2010
X. Assets, total	610 566	585 027	152 189	147 723
XI. Liabilities	413 438	396 349	103 053	100 081
XII. Long-term liabilities	20 891	21 688	5 207	5 476
XIII. Short-term liabilities	392 547	374 661	97 846	94 604
XIV. Equity due to shareholders of the Company	197 277	188 772	49 173	47 666
XV. Share capital	1 641	1 641	409	414
XVI. Number of shares (**)	16 410 000	16 410 000	16 410 000	16 410 000
XVII. Book value of one share *** (in PLN/EUR)	12,02	11,50	3,00	2,90

PLN/EUR exchange rate

Period	Average exchange rate in period	Minimum exchange rate in period	Maximum exchange rate in period	Exchange rate on the last day of period
01.01.2011-31.03.2011	3,9742	3,9345	4,0119	4,0119
01.01.2010-31.12.2010	4,0042	3,8622	4,1458	3,9603
01.01.2010-31.03.2010	3,9664	3,8622	4,0602	3,8622

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

**) 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.

***) 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 consolidated financial statements has been converted into EUR as follows:

- positions of the consolidated total income statement and the cash flow statement were 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. For Quarter 1 of 2011, that exchange rate was equal to EUR 1.00 = PLN 3.9742, and for Quarter 1 of 2010: –EUR 1.00 = PLN 3.9664;
 - positions of the consolidated financial statement were calculated according to the average exchange rate announced by the National Bank Poland for the balance day; the rate was 4.0119 PLN per EUR as of 31 March 2011 and 3.9603 PLN per EUR as of 31 March 2010.

Consolidate total income statement

All revenue and costs stated apply to the continued activities.

	Note	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
Sales revenue	(5.2)	540 095	483 246
Cost of sales of products, goods and materials	(5.3)	-502 665	-445 820
Gross profit on sales		37 430	37 426
Cost of sales and marketing	(5.3, 5.4)	-24 322	-25 082
General administrative costs	(5.3, 5.4)	-5 100	-5 421
Other revenue and operating profits	(5.5)	3 858	4 158
Other costs and losses	(5.6)	-606	-309
Operating profit		11 260	10 772
Financial costs	(5.7)	-1 046	-897
Profit before tax		10 214	9 875
Corporate income tax	(5.8)	-1 764	-2 034
Net profit		8 450	7 841
Other total income components			
Other components		0	0
Other total net income components		0	0
Total income for period		8 450	7 841
Net profit/loss due to:			
Company shareholders		8 505	8 020
minority shares		-55	-179
Total income due to:			
Company shareholders		8 505	8 020
minority shares		-55	-179
Profit/loss due to Company shareholders per ordinary share (in PLN per one share)			
basic		0,52	0,49
diluted		0,49	0,47
Number of shares		16 410 000	16 410 000
Diluted number of shares		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 and a resolution passed by the Extraordinary General Meeting of Shareholders of 5 December 2007.

The weighted average number of ordinary shares includes the changed nominal value of series A shares, which was reduced 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 was increased by the planned issue of 820,500 series C shares.

Consolidated financial standing report

	Note	31.03.2011	31.12.2010	31.03.2010
ASSETS				
Non-current assets				
Tangible fixed assets		122 690	124 374	129 629
Goodwill		13 994	13 994	14 283
Other non-tangible values		4 774	5 366	6 741
Investment real estate		3 549	3 526	2 821
Financial assets		0	0	0
Deferred tax assets	(5.8)	1 117	1 280	0
Trade receivables and other receivables		665	665	921
		146 789	149 205	154 395
Current assets				
Inventory		222 504	190 930	175 566
Trade receivables and other receivables		230 280	237 064	157 877
Current income tax receivables		0	0	189
Derivative financial instruments		0	52	86
Other financial assets		2	2	2
Cash and cash equivalents		10 991	7 774	9 943
		463 777	435 822	343 663
Total assets		610 566	585 027	498 058
EQUITY				
Equity due to shareholders of the Company				
Share capital		1 641	1 641	1 641
Surplus from the sale of shares above nominal value		55 744	55 744	55 744
Retained profit		139 892	131 387	127 107
		197 277	188 772	184 492
Minority shares		-149	-94	347
Total equity		197 128	188 678	184 839
LIABILITIES				
Long-term liabilities				
Loans and credits and other liabilities	(5.11)	15 334	16 476	22 098
Trade liabilities and other		0	0	0
Provisions for deferred income tax	(5.8)	5 557	5 212	3 739
		20 891	21 688	25 837
Short-term liabilities				
Trade liabilities and other		272 903	303 406	214 676
Loans and credits and other liabilities	(5.11)	113 474	64 680	67 459
Current income tax liabilities		199	670	0
Employee benefit liabilities		780	780	1 297
Derivative financial instruments		234	0	0

Consolidated Quarterly Statement of ACTION S.A. CAPITAL GROUP for Quarter 1 2011
 (all amounts given in thousand zloty (PLN M) unless indicated otherwise)

Reserves for other liabilities and other charges	(5.10)	4 957	5 125	3 950
		392 547	374 661	287 382
Total liabilities		413 438	396 349	313 219
Total liabilities and equity		610 566	585 027	498 058

Summary of changes in consolidated equity

	Due to shareholders of the Company			Due to minority shares	Total equity
	Share capital	Surplus from the sale of shares above nominal value	Retained profit		
As of 1 January 2011	1 641	55 744	131 387	-94	188 678
Net profit/loss in financial year			8 505	-55	8 450
Dividends paid					
Other					
As of 31 March 2011	1 641	55 744	139 892	-149	197 128
As of 1 January 2010	1 641	55 744	119 082	526	176 993
Net profit/loss in financial year			26 288	-505	25 783
Dividends paid			-13 948		-13 948
Result on sale of own shares					0
Other			-35	-115	-150
As of 31 December 2010	1 641	55 744	131 387	-94	188 678
As of 1 January 2010	1 641	55 744	119 082	526	176 993
Net profit/loss in financial year			8 020	-179	7 841
Dividends paid					
Other			5		5
As of 31 March 2010	1 641	55 744	127 107	347	184 839

Consolidated cash flow statement

	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
Cash flow from operating activity		
Net Profit/Loss	8 505	8 020
Adjustments:	-49 649	-39 606
Corporate income tax	1 764	2 034
Income taxes paid	-1 669	-1 088
Depreciation of fixed assets and amortisation of intangibles	2 887	2 887
Profit/loss on investment activities	-15	-9
Revenue on interest	0	-39
Costs on interest	1 068	897
Other	-1 122	-960
Changes in trading capital position:		
Inventory	-31 574	13 263
Trade receivables and other receivables	6 784	26 426
Trade liabilities and other	-27 772	-83 017
Net cash flow from operating activity	-41 144	-31 586
Cash flow from investment activity		
Acquisition of tangible and intangible assets	-1 591	-550
Inflows on sale of tangible fixed assets and intangible assets	0	25
Other inflows/expenses	-231	1 000
Net cash flows from investing activities	-1 822	475
Cash flow from financial activity		
Inflows from share issue	550	0
Share buy-back	0	0
Loans and borrowed money received	48 042	37 097
Payment of loans and borrowed money	0	0
Dividends paid	0	0
Interest paid	-1 068	-897
Repayment of finance lease liabilities	-1 306	-2 091
Other inflows/financial expenses	0	38
Net cash flows from financial activities	46 218	34 147
Net increase (decrease) of cash	3 252	3 036
Cash balance at the beginning of the period	7 774	6 907
Profit/loss on cash valuation due to foreign currency exchange rates	-35	12
Financial position at the end of the period	10 991	9 943

Piotr Bieliński
President

Kazimierz Lasecki
Vice President

Edward Wojtysiak
Vice President

Warsaw, 16 May 2011

Explanatory notes on the abbreviated consolidated interim financial statement

1. Overview

Entity name:	ACTION Spółka Akcyjna
Legal form:	Stock company
Incorporated in:	Poland
Registered head office:	Warsaw
Address:	ul. Jana Kazimierza 46/54, 01-248 Warsaw
National Court Register:	KRS 0000214038
Telephone:	(+48 22) 332 16 00
Fax:	(+48 22) 332 16 10
Email:	action@action.pl
Website:	www.action.pl
REGON:	011909816
NIP (VAT ID):	527-11-07-221

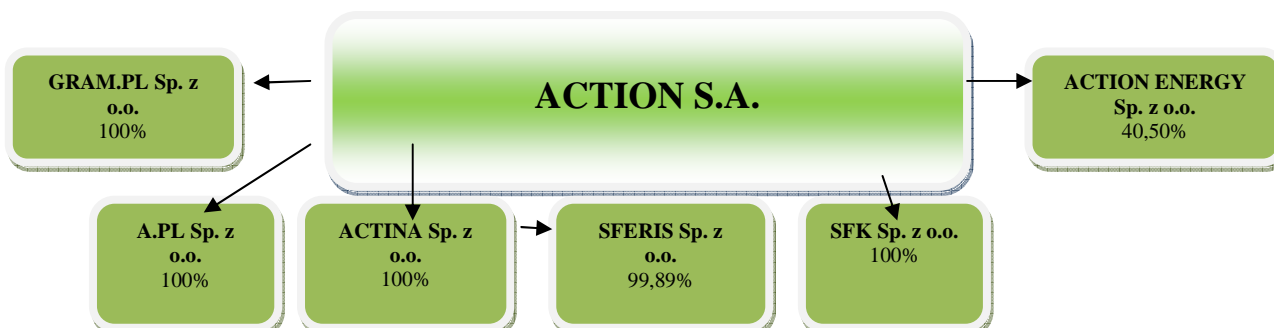
1.1. Scope of business

ACTION S.A. (Issuer/Company) and its subsidiaries sell computer equipment, consumer electronics and home appliances through wholesalers, its own retail outlets and third party shops. The Group conducts its sales operations principally in Poland. Primary field of business: wholesale trade in computer accessories (PKD 2007 4690Z).

The dominant entity is ACTION S.A. with registered office in Warsaw at ul. Jana Kazimierza 46/54. ACTION Spółka Akcyjna was registered on 2 August 2004 in the Commercial Register of the National Court Register with the number KRS 0000214038. The company was registered pursuant to a decision of the District Court of the Capital City of Warsaw, 19th Commercial Division of the National Court Register. The legal predecessor of ACTION had previously been registered with the Commercial Register as a limited liability company (full name: 'ACTION spółka z ograniczoną odpowiedzialnością') under number KRS 0000066230. The company was incorporated pursuant to a decision of the District Court of the Capital City of Warsaw, Commercial Division of the National Court Register 28 November 2001.

1.2. Capital Group members

Structure of ACTION S.A. Capital Group



As of 31 March 2011 the Capital Group included the following companies:

- dominant entity:

ACTION S.A.

- subsidiaries:

SFK Sp. z o.o. with registered office in Krakow – subsidiary (100%)

ACTINA Sp. z o.o. with registered office in Warsaw – subsidiary (100%)

A.PL Sp. z o.o. with registered office in Warsaw – subsidiary (100%) ¹⁾

SFERIS Sp. z o.o. (former name: PTR Sp. z o.o.) with registered office in Warsaw – indirect subsidiary (99.89%) ²⁾

GRAM.PL Sp. z o.o. with registered office in Warsaw – subsidiary (100%) ³⁾

ACTION ENERGY Sp. z o.o. with registered office in Krakow – subsidiary (40.50 %) ⁴⁾

ACTION IT Service GmbH with registered office in Berlin – subsidiary (78%) ⁵⁾

No changes in membership of the ACTION S.A. Capital Group occurred in the period reported.

Third party shares in subsidiaries:

SFERIS Sp. z o.o. - 0.11%, including: Piotr Bieliński 0.055 %, Anna Bielińska 0.055 %,

ACTION ENERGY Sp. z o.o. - 59.50 %, including: „PIA” Sp. z o. o. 40.5 %, Kazimierz Włodzimierz Lasecki 19%.

¹⁾ A.PL Sp. z o.o. with registered office in Warsaw was established on 12 October 2006.

²⁾ SFERIS Sp. z o.o. with registered office in Warsaw was included in the consolidation process on 5 January 2007.

³⁾ GRAM.PL Sp. z o.o., whose registered office is in Warsaw, was included in the consolidation process on 28 May 2009 and the share was increased to 80% on 18 December 2009. On 24 May 2010 the share was increased further to 100% by means of a share purchase contract.

⁴⁾ ACTION ENERGY Sp. z o.o., whose registered office is in Krakow, was incorporated on 3 September 2009.

⁵⁾ ACTION IT Service GmbH was not included in the consolidation process due to the bankruptcy proceeding in progress.

ACTINA Sp. z o.o. is a computer products wholesaler. The primary field of business of ACTION ENERGY Sp. z o.o., which was incorporated in 2009, is renewable energy market. The company's objective is to create a technological sales centre for installers of equipment used with renewable energy sources. The primary field of business of SFERIS Sp. z o.o. is retail trade in computer products. A.PL Sp. z o. o. and GRAM.PL Sp. z o.o. focus on retail and operate through their own online shops and mail order outlets in the food sector and computer games sector respectively, while SFK Sp. z o.o. is an advertising company.

The following chart lists the entities consolidated as of 03/31/2011.

Consolidated Quarterly Statement of ACTION S.A. CAPITAL GROUP for Q1 2011

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

entity (company) name with an indication of its legal form	registered office	subject of operations	nature of relationship (subsidiary, joint venture, affiliate, incl. a list of direct and direct relationships)	court or other relevant registrar	applied method of consolidation / equity-based valuation, or indicating that the entity is not subject to consolidation/ equity-based valuation	date of gaining control / shared control / substantial influence	percentage of share capital	share in the total number of votes at general meeting
SFK Sp. z o. o.	Krakow	advertising	subsidiary	Regional Court for Krakow-Śródmieście, 11th KRS Economic Division	full	05/09/2005	100%	100%
ACTINA Sp. z o. o.	Warsaw	wholesale trade in computer hardware	subsidiary	Regional Court for Capital City of Warsaw, 12th KRS Economic Division	full	6/3/2005	100%	100%
A.PL Sp. z o. o.	Warsaw	general retail trade	subsidiary	Regional Court for Capital City of Warsaw, 12th KRS Economic Division	full	10/12/2006	100%	100%
GRAM.PL Sp. z o.o.	Warsaw	retail	subsidiary	Regional Court for Capital City of Warsaw, 13th KRS Economic Division	full	5/28/2009	100%	100%
ACTION ENERGY Sp. z o. o.	Krakow	wholesale trade in metal products	subsidiary	Regional Court for Krakow-Śródmieście, 11th KRS Economic Division	full	9/3/2009	40,50%	40,50%

2.Principles applied while preparing this statement

This abbreviated consolidated interim financial statement of the ACTION S.A. Capital Group for Quarter 1 of 2011 was drawn up in line with IAS 34 *Interim Financial Reporting*.

This abbreviated consolidated interim financial statement covers the period from 1 January 2011 to 31 March 2011 and includes reference financial information for period from 1 January 2010 to 31 March 2010.

The key accounting principles used to prepare this abbreviated consolidated interim financial statement have been presented below. The rules were used continually over all the periods presented, unless stated otherwise.

2.1.General rules

This consolidated financial statement was based on the historical cost principle, except for marketable financial assets (derivative instruments), which were valued by their fair value.

This abbreviated consolidated interim financial statement was drawn up with the application of going concern principle to the foreseeable future of the Group.

As of the date of approving this abbreviated consolidated interim financial statement no circumstances representing a threat to the continuation of Group's business activities were detected.

This abbreviated consolidated interim financial statement does not include some information and disclosures that are normally required in the annual consolidated financial statement and should therefore be read together with the IFRS-based consolidated financial statement of the Group for the financial year ended on 31 December 2010, which was published on 21 March 2011.

2.2.Compliance statement

This abbreviated consolidated interim financial statement for the period from 1 January 2011 to 31 March 2011 was drawn up in line with the International Financial Reporting Standards (IFRS) approved by the European Union, and particularly in line with the International Accounting Standard 34 *Interim Financial Reporting*, which is specifically applicable to interim reporting. As of the date of approval of this statement for publishing, no difference exists between the binding IFRS applied by the Group in its accounting and the standards and interpretations approved by the European Union.

IFRS comprise standards and interpretations published by the International Accounting Standards Board ("IASB") and the Interpretations Committee of the International Financial Reporting Standards.

2.3.New standards and interpretations

As of the date of approval of this statement for publishing, i.e. as of 16 May 2011, no difference exists from the perspective of the Group's business between the IFRS in force and the IFRS approved by the EU.

The accounting policy used to draw up this abbreviated consolidated interim financial statement for the first quarter of 2011 are consistent with the ones applied to issue the consolidated financial statement for the financial year ended on 31 December 2010, with the exception of the changes specified below. The same principles were used for the current period and for the reference period, unless the applicable standard or interpretation demanded exclusively prospective application.

▪ Policy changes caused by IFRS changes

The following paragraphs list new or amended standards and interpretations issued by the International Accounting Standards Board or the Interpretations Committee for International Financial Reporting Standards that have come into force on 1 January 2011:

- Amended IFRS 1 *First-time Adoption of International Financial Reporting Standards*,
- Amended IAS 24 *Related Party Disclosures*, published on 4 November 2009,

Consolidated Quarterly Statement of ACTION S.A. CAPITAL GROUP for Q1 2011

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

- Amendment to IAS 32 *Financial instruments: presentation*,
- Revisions to various standards that resulted from the annual review of the International Financial Reporting Standards (Annual Improvements),
- Amendment to IFRIC Interpretation 14 *Prepayments of a Minimum Funding Requirement*,
- IFRIC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*.

Their application did not affect the business results or the financial standing of the Group and only resulted in changes in the accounting principles used and possibly in expanding the scope of disclosures required or changes in terminology.

Key consequences of applying the new regulations:

- Amended IFRS 1 *First-time Adoption of International Financial Reporting Standards*

The amended IFRS1 was published on 28 January 2010 and is applicable to annual periods that start on or after 1 July 2010. It includes regulations on limited exemption from reference data disclosures with regard to IFRS 7.

The amended IFRS 1 does not affect the financial statement of the Group.

- Amendment to IAS 24 *Related Party Disclosures*, published on 4 November 2009.

The amendment to IAS 24 was published on 4 November 2009 and is applicable to annual periods that start on or after 1 January 2011. The amendments include simplifying the definitions of related entities and simplify disclosing transactions with entities owned by the State Treasury.

The amended IAS 24 does not affect the financial statement of the Group.

- Amendment to IAS 32 *Financial instruments: presentation*

On 8 October 2009 an amendment was published to the regulations on classification of pre-emptive rights denominated in foreign currency. Before the amendment, such rights were presented as derivatives under financial liabilities. The amendment is to make them presented as part of equity, provided certain conditions have been met, regardless of the currency in which they are denominated. The amendment to IAS 32 shall be applicable to annual statements for periods starting on or after 1 February 2010.

The amended IAS 32 does not affect the financial statement of the Group.

- Revisions to various standards that resulted from the annual review of the International Financial Reporting Standards (Annual Improvements)

On 6 May 2010, further amendments to seven standards were published in line with the draft of proposed revisions to the International Financial Reporting Standards published in August 2009. They mostly apply to annual periods that commence on or after 1 January 2011 (the date varies by standard).

The Group have been applying the amended standards since 1 January 2011, unless an alternative date of their coming into force had been set.

Applying the amended standards does not affect the financial statement of the Group.

- Amendment to IFRIC Interpretation 14 *Prepayments of a Minimum Funding Requirement*

The amendment was published on 26 November 2009 and is applicable to annual periods that start on or after 1 January 2011. The amended interpretation shall be applied in cases where the entity in question is subject to the minimum funding requirements due to the existing employee benefit thresholds and prepays the respective premiums to meet them.

The amended interpretation does not affect the financial statement of the Group.

- IFRIC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*

The interpretation was published on 26 November 2009 and is applicable to annual periods that start on or after 1 July 2010. It includes guidelines on recognising transactions that replace financial liabilities with equity instruments.

The amended interpretation does not affect the financial statement of the Group.

▪ **Changes introduced by the Group by its own initiative**

The Group changed the presentation of the comparative (reference) information, i.e. the financial data for Quarter 1 2010, details follow.

The costs of transport services at the amount of PLN 2,234 M, which had so far been presented under *Costs of sales and marketing*, have been moved to *Costs of sales of goods, finished goods and materials*. That change did not affect the operating result of the net result of the reported period.

2.4.Accounting principles applied

The accounting principles adopted to draw up this abbreviated consolidated interim financial statement were described in the annual statement for FY 2010, which was published on 21 March 2011. None of those principles has changed by the date of publishing of this statement.

2.5.Presentation currency, foreign currency transactions and valuation of items expressed in foreign currencies

Functional currency and presentation currency

The functional currency of the dominant entity as well as the presentation currency of this abbreviated consolidated interim financial statement is the Polish zloty (PLN).

This abbreviated consolidated interim financial statement was drawn up in zloty ('PLN' or 'zł') and all amounts, unless stated otherwise, are given in thousands of zloty (PLN M).

3.Important estimates and judgments

Drawing up a financial statement requires that the Company's Management Board use certain approximations, as a lot of information included in the report cannot be valued precisely. The Board verifies the estimates adopted based on the changes of the factors taken into consideration for their purposes, new information or past experiences. Therefore any estimates made as of 31 March 2011 are subject to change in the future. The estimates and assumptions which pose a significant risk of a necessity to make material corrections to the balance value of assets and liabilities during the current or the next financial year have been presented below.

3.1.Useful life of tangible and intangible assets

The companies of the Group estimated useful life of tangible and intangible assets as of 31 March 2011. The analysis did not indicate any necessity of corrections in that respect.

3.2.Impairment of goodwill and other intangibles in subsidiaries

The Companies of the Group checked for existence of any premises indicating a loss of value of any investments in the subsidiaries (goodwill and other intangibles) as of 31 March 2011. Having analyzed external and internal sources of information, the Board did not identify any premises that would indicate a need to recognize any additional impairment write-off.

4.Operating segments

Since January 2010, the ACTION S.A. Capital Group is obliged to present its results in a layout defined in IFRS 8 *Operating Segments*.

The standard defines a segment as a component of an entity:

- which is involved in business activities that allow it to make revenue and incur costs;
- whose operating results are under a regular review by a central body which is responsible for making decisions with regard to the entity's operations and which relies on those results while making decisions on allocating resources with the segment;
- for which separate financial information is available.

Based on the definitions included in IFRS 8, operations of the Group with respect to distribution of IT products, consumables and consumer electronics were presented in this statement under a single operating segment on the following premises:

- Total revenue on sales and the profits realised on those operations exceed 75% of the value generated by the Capital Group.
- No separate financial information is drawn up for the individual sales channels, which is a result of the industry-specific pattern of co-operation with suppliers, whose products are distributed through all the sales channels used.

- Due to the lack of isolated segments, i.e. no availability of separate financial information for the individual product groups, operating decisions are made based on numerous detailed analyses and financial results achieved on sales of all products in all channels of distribution.
- Due to the specific nature of the distribution operations in each sales channel, the Management Board of ACTION S.A., which is the central body responsible for making decisions with regard to the entity's operations, allocates resources based on the achieved and projected results of the Capital Group as a whole as well as on the basis of the planned returns on the allocated resources and outcomes of analyses of the business environment.

5.Revenue and costs

5.1.Seasonality of sales

No significant seasonality nor regular repeatability of the sales revenue trend was noticed in the period ended on 31 March 2011 or in the period ended on 31 March 2010.

The Group records sales peaks in the fourth quarter of the financial year, i.e. between October and December. In the remaining periods, the sales metrics maintain a similar level.

5.2.Sales revenue

The entire sales revenue is generated on the sale of computer hardware.

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Revenues from the sale of products (services)	15 014	10 343
Revenues from sales of goods and materials	525 081	472 903
	540 095	483 246

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Revenues on sales of goods – domestic market	486 387	452 995
Revenues on sales of goods – foreign market	38 694	19 908
	525 081	472 903

5.3.Costs by type

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Depreciation of fixed assets and amortisation of intangibles	2 887	2 887
Employee benefit costs	11 466	14 121
Consumption of materials and energy	1 774	2 260
External services	9 245	8 874
Taxes and fees	314	300
Advertising costs	3 130	1 539
Property and personal insurance	302	269
Other prime costs	304	253
Cost of sales of goods, finished goods and materials, including:	502 665	445 820
- write-down of provisions value	0	0
Total costs of products, goods and materials sold, sales and marketing and general and administrative costs	532 087	476 323

5.4.Employee benefit costs

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Payroll	9 772	12 084
Social security and other benefits	1 694	2 037
	11 466	14 121

5.5. Other revenue and operating profits

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Surplus of foreign exchange profits	916	3 172
Revenue on valuation of instruments	0	28
Revenue on interest	239	203
Revenue on damages received	184	134
Revenue on expiry of liabilities	51	0
Revenue on released reserves	330	408
Profit on disposal of non-financial fixed assets	41	24
Revenue on donations received	1 788	0
Other revenue	309	189
	3 858	4 158

5.6. Other costs and losses

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Surplus of foreign exchange losses	0	145
Costs of compensation paid	143	164
Costs of write-downs of receivables	43	0
Costs on valuation of financial instruments	286	0
Other costs	134	0
	606	309

5.7. Financial costs

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Interest on credits and loans	846	652
Interest on leases	200	245
	1 046	897

5.8. Corporate income tax

	For period 1.01.2011 – 31.03.2011	For period 1.01.2010 – 31.03.2010
Current tax	1 256	900
Deferred tax	508	1 134
	1 764	2 034

Deferred tax

The deferred income tax values subject to compensation are as follows:

	31.03.2011	31.03.2010
Deferred tax assets:		
– deferred tax assets to be recovered within 12 months	2 202	1 031
	2 202	1 031
Provisions for deferred income tax:		
– deferred tax provisions due and payable within 12 months	6 642	4 770
	6 642	4 770
Deferred tax assets	1 117	0
Provisions for deferred income tax	-5 557	-3 739
Deferred income tax assets/provisions (on the whole):	-4 440	-3 739

Changes of the status of the deferred income tax (compensated assets and provisions) are as follows:

	31.03.2011	31.03.2010
As of the beginning of the period (BOP)	-3 932	-2 605
Debit/credit of the financial result	-508	-1 134
Increase/decrease of equity	0	0
As of the end of the period (EOP)	-4 440	-3 739

5.9. Write-offs to trade receivables and other receivables

	31.03.2011	31.03.2010
Write-offs to receivables at beginning of period	-9 092	-12 256
Creation/release	13	-1 125
Use	31	11
Write-offs to receivables at end of period	-9 048	-13 370

5.10. Reserves for other liabilities and other charges

	Reserves for liabilities	Other	Total	including: long-term	including: short-term
As of 1 January 2011	5 125	0	5 125	0	5 125
Provisions created/used	-168	0	-168	0	-168
As of 31 March 2011	4 957	0	4 957	0	4 957
As of 1 January 2010	5 175	0	5 175	0	5 175
Provisions created/used	-1 225	0	-1 225	0	-1 225
As of 31 March 2010	3 950	0	3 950	0	3 950

5.11. Loans and credits and other liabilities

	31.03.2011	31.03.2010
Long-term		
Investment credit	4 767	8 000
Lease liabilities	10 567	14 098
	15 334	22 098
Short-term		
Overdraft facilities	110 230	64 026
Lease liabilities	3 244	3 433
	113 474	67 459
Total	128 808	89 557

Lease liabilities

	31.03.2011	31.03.2010
Nominal value of minimum leasing installments		
Over 1 year	4 117	3 911
Over a period from 1 to 5 years	11 009	14 203
Over a period exc. 5 years	0	0
Finance lease liabilities in total - minimum leasing installments in total	15 126	18 114
Financial costs on finance lease contracts	1 315	583
Current value of minimum leasing installments		
Over 1 year	3 244	3 433

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Over a period from 1 to 5 years	10 567	14 098
Over a period exc. 5 years	0	0
Current value of minimum leasing installments in total	13 811	17 531

6. Contingent assets and liabilities

As of 31 March 2011 the Group had liabilities arising on received performance bonds for construction services at an amount of PLN 1,167 M and guarantees of repayments of liabilities at an amount of PLN 2,350 M.

As of 31 March 2011, the value of security liabilities which arise of contracts signed as of the balance date and not reflected in the consolidated financial statement of the Group was equal to PLN 21,921 M, as compared to their value of PLN 40,413 M as of 31 March 2010.

	31.03.2011	31.03.2010
1. Contingent receivables	3 517	7 533
1.1. From affiliates (source)	0	0
- on guarantees and sureties	0	0
1.2. From other entities (source)	3 517	7 533
- on guarantees and sureties	3 517	7 533
2. Contingent liabilities	21 921	40 413
1.1. To affiliates (source)	0	0
- on guarantees and sureties issued	0	0
1.2. To other entities (source)	21 921	40 413
- on guarantees and sureties issued	5 411	6 119
- letters of credit	16 510	34 294
3. Other (source)	0	0
Off-balance sheet items total	25 438	47 946

7. Events after the balance date

On 28 April 2011 Bank Polska Kasa Opieki S.A., whose registered office is in Warsaw, signed Annex 15 to Overdraft Credit Agreement no. 2005/1006392654 of 14 June 2005, which was executed by the Company and the Bank.

Pursuant to the annex, the amount of the renewable multicurrency overdraft facility granted to the Company shall not exceed PLN 80,000 M or its equivalent in USD or EUR. The line shall be available until its maturity date of 30 April 2012.

The loan is secured with:

- a title to the bank accounts maintained at the Bank,
- a declaration made by the Company on a voluntary submission to execution of claims up to the amount of PLN 120,000 M;
- a registered pledge on inventory of value up to the credit limit granted and assignment of rights on the respective insurance policy,
- assignment of receivables of a minimum value of PLN 15,000 M.

Annex 15 also includes a provision that allows the multicurrency renewable overdraft credit limit granted to the Company to be increased to PLN 100,000 M or an equivalent of that amount in USD or EUR.

The condition for it to be increased shall additionally be:

- assignment of receivables of a minimum value of PLN 35,000 M;
- establishing by the Company a collateral of a registered pledge on its inventory at the value of the credit limit increase, i.e. PLN 100 000 M along with an assignment of rights on insurance policy.

III. Other quarterly financial information

1. 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 1 of 2011	Quarter 1 of 2010
Net sales	540 095	483 246
Gross profit on sales	37 430	37 426
<i>Gross margin</i>	<i>6,93%</i>	<i>7,74%</i>
EBIT	11 260	10 772
<i>EBIT margin</i>	<i>2,08%</i>	<i>2,23%</i>
Net profit	8 505	8 020
<i>net margin</i>	<i>1,57%</i>	<i>1,65%</i>

Consolidated results achieved by the ACTION Group in Quarter 1 of 2011 turned out to be satisfying, in spite of some expectations regarding the drop in demand at the beginning of the new year. The Group recorded an increase in sales in Quarter 1 (year on year) by PLN 56,849 M (i.e. by 11.76%), attaining a sales value of PLN 540,095 M. In the period reported, the gross margin decreased slightly (by 0.81 PP) compared to the reference period of the preceding year. Maintaining such a high level of margin was possible thanks to the Group's quick responding to economic changes, such as: an increase of the basic VAT rate, an increase of prices of food and fuels (according to GUS — the Central Statistical Office — the inflation rate as of the end of March was 4.3%, year on year) and the market fight for the consumer.

Margins also decrease particularly on computer products outside Poland, where the demand in this sector is gradually dropping while tablets and smartphones are gaining ground.

In Quarter 1 of 2011 the EBIT margin decreased somewhat less abruptly, reaching a level of 2.07% (down by 0.48 PP). On the other hand, a net profit of PLN 8,505 M was reached despite the gross margin that was lower than in Q1 2010, which means it increased by 6.04%. Among other factors, that success can be attributed to the Group's consistent operating costs optimisation policy.

2. Factors and events, particularly unusual ones, with substantial impact on financial performance attained

In the view of the Management Board, no unusual events took place that might have had material impact on the financial results of the Group, other than those disclosed in the statement.

3. Issue, redemption and repayment of non-share and capital securities

No issue, redemption or repayment of non-share or equity securities took place in the period reported.

4. Information on paid-out/declared dividends

On 27 April 2011, the Ordinary General Meeting of Shareholders of ACTION S.A. adopted a resolution on payment of dividends for year 2010 at the amount of PLN 7,056 M. The dividend payout date was set to 30 May 2011.

5. The statement of the Board of Management 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 ACTION Group has not presented any financial forecasts for year 2011.

6. Consequences of changes in Group structure

No changes in the structure of the Group took effect in the period reported.

7. 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 share 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 the information available to the Company, the following shareholders were in possession of at least 5% of the total number of votes at the General Meeting of Shareholders as of the date of the previous statement (for FY 2011), i.e. 21 March 2011:

Legal or natural person	No. of shares held	Percentage share in ACTION S.A. equity
Piotr Bieliński	4 350 064	26,51%
Olgierd Matyka*)	3 521 127	21,46%
Wojciech Wietrzykowski*)	1 400 000	8,53%
GENERALI OFE**)	1 092 438	6,66%
AVIVA INVESTORS FIO***)	828 472	5,05%

*) As of 03/30/2009.

***) As of 05/06/2010.

****) As of 12/27/2010.

According to the information available to the Company, the above data has changed as of the date of submitting this quarterly report (for Q1 2011), i.e. 16 May 2011 and is currently as follows:

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Legal or natural person	No. of shares held	Percentage share in ACTION S.A. equity
Piotr Bieliński	4 350 000	27,42%
Olgierd Matyka*)	3 545 000	21,60%
Wojciech Wietrzykowski**)	1 400 000	8,53%
AVIVA INVESTORS FIO**)	1 057 584	6,44%

*) As of 09.05.11.

***) As of 04/11/2011.

8. 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 of the annual statement for FY 2010, i.e. 21 March 2011, the managing and supervising officers of ACTION S.A. were in possession of the following numbers of its shares:

Name	Position at ACTION S.A.	Number of shares of ACTION S.A. held
Piotr Bieliński	President	4 350 064
Kazimierz Lasecki	Vice President	762
Edward Wojtysiak	Vice President	0
Iwona Bocianowska	President of the Supervisory Board	0
Piotr Kosmala	Member of the Supervisory Board	0
Rafał Antczak	Member of the Supervisory Board	0
Łukasz Pawłowski	Member of the Supervisory Board	0
Marek Jakubowski	Member of the Supervisory Board	0
Andrzej Biały	Proxy	1 500
Sławomir Harazin	Proxy	0
Marcin Harasim*)	Proxy	15
Karol Dudij**)	Proxy	1 200

* As of 05/17/2010.

** As of 11/15/2010.

According to the information available to the Company, the above data has changed as of the date of submitting this quarterly report (for Q1 2011), i.e. 16 May 2011 and is currently as follows:

Name	Position at ACTION S.A.	Number of shares of ACTION S.A. held
Piotr Bieliński	President	4 350 000
Kazimierz Lasecki	Vice President	762
Edward Wojtysiak	Vice President	0
Iwona Bocianowska	President of the Supervisory Board	0
Piotr Kosmala	Member of the Supervisory Board	0
Rafał Antczak	Member of the Supervisory Board	0
Łukasz Pawłowski	Member of the Supervisory Board	0
Marek Jakubowski	Member of the Supervisory Board	0
Andrzej Biały	Proxy	1 500

Powers of proxy were revoked from Mr Marcin Harasim on 3 August 2010.

Powers of proxy were revoked from Mr Karol Dudij and granted to Mr Sławomir Harazin on 29 December 2010.

9. 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.

10. 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 1 April 2008 A.PL Sp. z o.o., a subsidiary of ACTION S.A., issued 1,500 Series A/2008 bonds of a nominal value 1,000 PLN each and a total value of PLN 1,500 M. On 24 April 2008 A.PL Sp. z o.o. issued 200 Series B/2008 bonds of a nominal value of 1,000 PLN each and a total value of PLN 200 M. On 13 May 2008 A.PL Sp. z o.o. issued 500 Series C/2008 bonds of a nominal value of 1,000 PLN each and a total value of PLN 500 M. On 28 January 2009 A.PL Sp. z o.o. issued 100 Series D/2009 bonds of a nominal value of 1,000 PLN each and a total value of PLN 100 M. All bonds were acquired by ACTINA Sp. z o.o., the Company's subsidiary. The date of maturity of those bonds was 31 March 2009.

On 20 March 2009 A.PL Sp. z o.o. issued 700 Series E/2009 bonds of a nominal value of 1,000 PLN each and a total value of PLN 700 M and the maturity date of 31 March 2010. On 30 March 2009 A.PL Sp. z o.o. issued 2,300 Series F/2009 bonds of a nominal value of PLN 1,000 each, a total value of PLN 2,300 M and the maturity date of 31 March 2010. All bonds were acquired by ACTINA Sp. z o.o., a subsidiary of the Issuer. On 31 March 2009, due to recognising mutual and mature debt, the parties set it off at the amount of PLN 2,300 M. On 12 August 2009 A.PL Sp. z o.o. issued 500 Series G/2009 bonds of a nominal value of PLN 1,000 each, a total value of PLN 500 M and the maturity date of 31 March 2010. On 13 October 2009 A.PL Sp. z o.o. issued 600 Series H/2009 bonds of a nominal value of PLN 1,000 each, a total value of PLN 600 M and the maturity date of 31 March 2010. Bonds of series G and H were also acquired by ACTINA Sp. z o.o.

On 31 March 2010 A.PL Sp. z o.o. issued 4,100 Series I/2010 bonds of a nominal value of PLN 1,000 each, a total value of PLN 4,100 M and the maturity date of 31 March 2011. The series I/2010 bonds were also acquired by ACTINA Sp. z o.o.

On 31 March 2010, due to recognising mutual and mature debt, the parties set it off at the amount of PLN 4,100 M.

On 24 March 2011 A.PL Sp. z o.o. issued 4,350 Series J/2011 bonds of a nominal value of PLN 1,000 each, a total value of PLN 4,350 M and the maturity date of 30 June 2011. The series J/2011 bonds were also acquired by ACTINA Sp. z o.o.

As mutual and mature debt was recognised, the parties set it off at the required amount on 24 March 2011.

11. 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 of 31 March 2011, the value of security liabilities arising of contracts signed as of 31 March 2011 was equal to PLN 21,921 M. The value of the guarantees and sureties granted exceeded 10% of the Company's equity. Their detailed specification has been presented in Note 6 to this statement.

12. Other information with impact on the condition of the company's employment, property, finance, financial result and its assessed capability to settle its liabilities

In the view of the Company, apart from the information presented herein, no other information came into existence that would have impact on the condition of the company's employment, property, finance, financial result or its assessed capability to settle its liabilities.

13. Factors that affect results of the Group by end of 2011

Internal factors

The Management Board of ACTION S.A. and the managing bodies of the members of the Group are taking numerous measures aimed at enhancing and streamlining the Group operations model even further, which is ultimately supposed to strengthen the Group's position on the Polish market. Those measures are particularly designed to increase the efficiency and profitability of the entire Group in all lines of its business. The most significant actions include:

- ensuring that the product lines offered match the current market demand and that inventory of the Group is managed as effectively as possible,
- winning new customers and retaining the existing ones by providing a high level of service (at present, we serve approx. 9,900 returning business customers),
- optimising the distribution channels and introducing new sales methodologies,
- optimising the costs of transport and consumption of packaging materials by using packaging sizes that match the sizes of the goods packaged,
- continuously tracking and analysing the efficiency of each process; making the individual entities of the Group specialised in specific operations that maximise the margin,
- performing an ongoing analysis of the structure of operating costs,
- consistently enhancing technological solutions used in manufacturing and logistics (continuous stocktaking, package monitoring on the logistics line by package weight control),
- continuing the work on the changes in the structure of the Group and optimising the use of the potential, skills and competences of its individual member entities.

The Management Board of ACTION S.A. is taking systematic actions to ensure financial safety of the parent company and the entire Group, primarily in reliance on the Group's own capital and its commercial liabilities.

External factors

The external drivers deemed to be of most importance include:

- changes of the key macroeconomic factors on the Polish market and on the foreign ones,
- execution of the State budget,
- changes of value of the national currency and the related variability of foreign exchange rates, as well as the impact of those conditions on valuation of balance positions of the companies of the Group,
- changes on the distribution market and consumption behaviour of the population,
- global technological changes and their impact on the product mix offered,
- the change of the VAT rates introduced at the beginning of 2011.

14. Transactions with the affiliate entities

ACTION S.A. has personal ties with the following entities (as of 31 March 2011):

ACTION CT WANTUŁA Sp. j. based in Poznań,
ACTIVE TRAVEL Sp. z o.o. based in Michałów Grabina.

The above companies are not covered by the consolidated financial report due to the absence of a controlling stake.

	Receivables	Liabilities	Sales revenue	Costs of purchase
ACTION CT WANTUŁA Sp. j.	168	0	0	0
ACTIVE TRAVEL Sp. z o. o.	444	0	15	513
Total	612	0	15	513

IV. Statement of Management Board on integrity of preparation of abbreviated interim financial statement

This abbreviated interim financial statement of ACTION S.A. covers the period ended on 31 March 2011 and includes: total income statement, financial standing report, summary of changes in equity, cash flow statement and selected explanatory information.

As required by the Ordinance of the Ministry of Finance of 19 February 2009 on current and periodic information published by issuers of securities and on terms of recognition of equivalence of information required by the legislation of a country which is not a Member State, the Management Board of ACTION S.A. hereby announces that:

- to its best knowledge, this abbreviated quarterly financial statement and the comparative data used have been drawn up in compliance with the applicable accounting principles and provide a true, honest and transparent picture of the Company's condition and its financial result.

In the period covered in the financial statement, the Company has been running its books in line the International Financial Reporting Standards (IFRS) approved by the EU, published and in force as of the balance date, and with respect to matters not regulated by those standards, in compliance with the Polish Accounting Act of 29 September 1994.

Piotr Bieliński
President

Kazimierz Lasecki
Vice President

Edward Wojtysiak
Vice President

Warsaw, 16 May 2011

V. Abbreviated interim financial statement of ACTION S.A. for period from 1 January 2011 to 31 March 2011

Selected financial information of ACTION S.A.

SELECTED INDIVIDUAL FINANCIAL INFORMATION	in PLN M		in EUR M	
	Quarter 1 accrued period from 01/01/2011 to 3/31/2011	Quarter 1 accrued period from 01/01/2010 to 3/31/2010	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
I. Net sales revenue (on sales of finished goods, goods and materials)	527 468	475 040	132 723	119 766
II. Gross sales profit/loss	29 475	32 568	7 417	8 211
III. Operating profit/loss	7 059	12 109	1 776	3 053
IV. Net profit/loss due to company Shareholders	4 746	9 251	1 194	2 332
V. Net cash flows from operating activities	-40 779	-30 520	-10 261	-7 695
VI. Net cash flows from investing activities	-1 784	-387	-449	-98
VII. Net cash flows from financial activities	45 190	34 153	11 371	8 611
VIII. Net increase (decrease) of cash	2 627	3 246	661	818
IX. Earnings per share of common stock *(in PLN/EUR)	0,29	0,56	0,07	0,14
	As of 03/31/2011	As of 12/31/2010	As of 03/31/2011	As of 12/31/2010
X. Assets, total	630 058	609 964	157 047	154 020
XI. Liabilities	411 675	396 327	102 613	100 075
XII. Long-term liabilities	20 891	21 636	5 207	5 463
XIII. Short-term liabilities	390 784	374 691	97 406	94 612
XIV. Equity due to shareholders of the Company	218 383	213 637	54 434	53 945
XV. Share capital	1 641	1 641	409	414
XVI. Number of shares (**)	16 410 000	16 410 000	16 410 000	16 410 000
XVII. Book value of one share *** (in PLN/EUR)	13,31	13,02	3,32	3,29

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

**) 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.

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

PLN/EUR exchange rates

Period	Average exchange rate in period	Minimum exchange rate in period	Maximum exchange rate in period	Exchange rate on the last day of period
01.01.2011-31.03.2011	3,9742	3,9345	4,0119	4,0119
01.01.2010-31.12.2010	4,0042	3,8622	4,1458	3,9603
01.01.2010-31.03.2010	3,9664	3,8622	4,0602	3,8622

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

- positions of the total income statement and the cash flow statement were 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. For Quarter 1 of 2011, that exchange rate was equal to EUR 1.00 = PLN 3.9742, and for Quarter 1 of 2010: EUR 1.00 = PLN 3.9664;

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- positions of the consolidated financial standing report were calculated according to the average exchange rate announced by the National Bank Poland for the balance day; the rate was 4.0119 PLN per EUR as of 31 March 2011, 4.0042 PLN per EUR as of 31 December 2010 and 3.9664 PLN per EUR as of 31 March 2010.

Total income statement

All revenue and costs stated apply to the continued activities.

	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
Sales revenue	527 468	475 040
Cost of sales of products, goods and materials	-497 993	-442 472
Gross profit on sales	29 475	32 568
Cost of sales and marketing	-19 232	-20 923
General administrative costs	-4 088	-3 898
Other revenue and operating profits	1 453	4 523
Other costs and losses	-549	-161
Operating profit/loss	7 059	12 109
Financial costs	-1 046	-897
Profit/loss before tax	6 013	11 212
Corporate income tax	-1 267	-1 961
Net Profit/Loss	4 746	9 251
Other total income components		
Other components	0	0
Other total net income components	0	0
Total income for period	4 746	9 251
Profit due to shareholders of the Company per ordinary share (expressed in PLN per one share)		
basic	0,29	0,56
diluted	0,28	0,54
Number of shares	16 410 000	16 410 000
Diluted number of shares	17 230 500	17 230 500

Financial standing report

	31.03.2011	31.12.2010	31.03.2010
ASSETS			
Non-current assets			
Tangible fixed assets	119 481	120 844	124 279
Goodwill	0	0	0
Other non-tangible values	5 587	5 812	6 180
Investment real estate	14 502	13 170	0
Financial assets	38 257	38 257	36 133
Deferred tax assets	0	0	0
Trade receivables and other receivables	0	0	0
	177 827	178 083	166 592
Current assets			
Inventory	208 052	181 406	166 841
Trade receivables and other receivables	238 416	247 252	180 658
Current income tax receivables	0	0	189
Derivative financial instruments	0	52	86
Other financial assets	2	2	2 388
Cash and cash equivalents	5 761	3 169	4 905
	452 231	431 881	355 067
Total assets	630 058	609 964	521 659
EQUITY			
Share capital	1 641	1 641	1 641
Surplus from the sale of shares above nominal value	55 744	55 744	55 744
Retained profit	160 998	156 252	156 146
Total equity	218 383	213 637	213 531
LIABILITIES			
Long-term liabilities			
Loans and credits and other liabilities	15 334	16 476	21 773
Trade liabilities and other	0	0	0
Provisions for deferred income tax	5 557	5 160	3 740
	20 891	21 636	25 513
Short-term liabilities			
Trade liabilities and other	273 138	305 225	210 245
Loans and credits and other liabilities	112 876	64 482	67 459
Current income tax liabilities	199	669	0
Employee benefit liabilities	522	522	1 122
Derivative financial instruments	234	0	0
Reserves for other liabilities and other charges	3 815	3 793	3 789
	390 784	374 691	282 615
Total liabilities	411 675	396 327	308 128
Total liabilities and equity	630 058	609 964	521 659

Summary of changes in equity

	Share capital	Surplus from the sale of shares above nominal value	Retained profit	Total equity
As of 1 January 2011	1 641	55 744	156 252	213 637
Net profit/loss in financial year			4 746	4 746
Dividends paid				
Other				
As of 31 March 2011	1 641	55 744	160 998	218 383
As of 1 January 2010	1 641	55 744	146 895	204 280
Net profit/loss in financial year			23 305	23 305
Dividends paid			-13 948	-13 948
Other				
As of 31 December 2010	1 641	55 744	156 252	213 637
As of 1 January 2010	1 641	55 744	146 895	204 280
Net profit/loss in financial year			9 251	9 251
Dividends paid				
Other				
As of 31 March 2010	1 641	55 744	156 146	213 531

Cash flow statement

	Quarter 1 accrued period from 1/1/2011 to 3/31/2011	Quarter 1 accrued period from 1/1/2010 to 3/31/2010
Cash flow from operating activity		
Net Profit/Loss	4 746	9 251
Adjustments:	-45 525	-39 771
Corporate income tax	1 267	1 961
Income taxes paid	-1 339	-1 024
Depreciation of fixed assets and amortisation of intangibles	2 243	2 212
Profit/loss on investment activities	0	-37
Revenue on interest	0	-62
Costs on interest	1 046	897
Other	-2 319	-1 109
Changes in trading capital position:		
Inventory	-26 646	12 147
Trade receivables and other receivables	9 067	30 299
Trade liabilities and other	-28 844	-85 055
Net cash flow from operating activity	-40 779	-30 520
Cash flow from investment activity		
Acquisition of tangible and intangible assets	-1 553	-412
Inflows on sale of tangible fixed assets and intangible assets	0	25
Other inflows/expenses	-231	0
Net cash flows from investing activities	-1 784	-387
Cash flow from financial activity		
Share buy-back	0	0
Loans and borrowed money received	47 542	37 097
Payment of loans and borrowed money	0	0
Dividends paid	0	0
Interest paid	-1 046	-897
Repayment of finance lease liabilities	-1 306	-2 085
Other inflows/financial expenses	0	38
Net cash flows from financial activities	45 190	34 153
Net increase (decrease) of cash	2 627	3 246
Cash balance at the beginning of the period	3 169	1 659
Profit/loss on cash valuation due to foreign currency exchange rates	-35	12
Financial position at the end of the period	5 761	4 905

Additional information

1. Significant approximations

The deferred income tax values subject to compensation are as follows:

	31.03.2011	31.03.2010
Deferred tax assets:		
– deferred tax assets to be recovered within 12 months	978	1 030
	978	1 030
Provisions for deferred income tax:		
– deferred tax provisions due and payable within 12 months	6 535	4 770
	6 535	4 770
Deferred tax assets	0	0
Provisions for deferred income tax	-5 557	-3 740
Deferred income tax assets/provisions (on the whole):	-5 557	-3 740

Changes of the status of the deferred income tax (compensated assets and provisions) are as follows:

	31.03.2011	31.03.2010
As of the beginning of the period (BOP)	-5 160	-2 615
Debit/credit of the financial result	-397	-1 125
Increase/decrease of equity	0	0
As of the end of the period (EOP)	-5 557	-3 740

2. Write-offs to asset components

	31.03.2011	31.03.2010
Long-term financial assets	-6 142	-6 378
Short-term financial assets	-5	-5
Inventory	-1 120	-1 664
Trade receivables	-11 955	-15 886
Write-offs to assets	-19 222	-23 933

3. Contingent assets and liabilities

As of 31 March 2011 the Company had liabilities arising on received performance bonds for construction services at an amount of PLN 1,167 M and guarantees of repayments of liabilities at an amount of PLN 2,350 M.

As of 31 March 2011, the value of security liabilities which arise of contracts signed as of the balance date and not reflected in the financial statement of the Company was equal to PLN 30,686 M, as compared to their value of PLN 43,282 M as of 31 March 2010.

	31.03.2011	31.03.2010
1. Contingent receivables	3 517	7 533
1.1. From affiliates (source)	0	0
- on guarantees and sureties	0	0
1.2. From other entities (source)	3 517	7 533
- on guarantees and sureties	3 517	7 533
2. Contingent liabilities	30 686	43 282
1.1. To affiliates (source)	8 765	2 870
- on guarantees and sureties issued	8 765	2 870
1.2. To other entities (source)	21 921	40 413
- on guarantees and sureties issued	5 411	6 119
- letters of credit	16 510	34 294
3. Other (source)	0	0
Off-balance sheet items total	34 203	50 816

Guarantees and sureties issued

As of 31 March 2011, the value of guaranties and sureties granted amounted to PLN 30,686 M including:

to related entities:

trade credit guarantee for SFERIS Sp. z o. o. at a total amount of PLN 5,885 M.

trade credit guarantee for GRAM.PL Sp. z o. o. at a total amount of PLN 2,880 M.

to other entities:

Intel Corporation (UK) Ltd (USD 1,000 M) PLN 2,823 M,

European Organization for Nuclear Research (USD 252 M) PLN 711 M,

Bank guarantee on lease contract (EUR 124 M) PLN 498 M,

Good performance bond at the amount of PLN 179 M,

Guarantees of repayment of custom and tax dues (PLN 1,200 M),

Letter of credit on deliveries of goods at a total amount of PLN 16,510 M.

This abbreviated consolidated interim financial statement was approved by the Management Board of ACTION S.A. on 16 May 2011.

Piotr Bieliński
President

Kazimierz Lasecki
Vice President

Edward Wojtysiak
Vice President

Warsaw, 16 May 2011