



CONSOLIDATED
QUARTERLY STATEMENTS
FOR Q3, 2014

14 November 2014

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I. Statement of the Management Board concerning the accuracy of the Quarterly Condensed Consolidated Financial Statements

The present Interim Condensed Consolidated Financial Statements and the comparative data have been drawn up to present the financial position, business results and cash flows as required by the International Financial Reporting Standards ('IFRS') approved by the EU, published and in force on the balance-sheet day, and with respect to matters not regulated by the IFRS, in compliance with the Polish Accounting Act of 29 September 1994.

These Interim Condensed Consolidated Financial Statements of the ACTION S.A. Group for the period ended on 30 September 2014 include: the consolidated statement of comprehensive income, consolidated statement of financial position, statement of changes in consolidated equity, consolidated cash flow statement and notes containing a description of key accounting principles and selected explanatory notes.

Pursuant to the requirements of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions of regarding information required by the law of a non-member state as equivalent, as well as the Ordinance of the Minister of Finance of 3 April 2012 amending the Ordinance on current and periodic information published by issuers of securities and the conditions of regarding information required by the law of a non-member state as equivalent (Dziennik Ustaw [Journal of Laws] of 13 April 2012), the Management Board of ACTION S.A. hereby represents that:

- to the best of their knowledge, the interim condensed consolidated financial statements and comparative data have been drawn up in compliance with the accounting principles in force and that they present a true, accurate and fair view of the Group's economic and financial position and its financial result.

During the period covered by the Consolidated Financial Statements, the companies from the Group, excluding ACTION S.A., ACTION EUROPE GmbH (former DEVIL GmbH) and LAPADO Handelsgesellschaft GmbH, kept their account books in line with the accounting policy (principles) determined by the Accounting Act dated 29 September 1994 and the regulations issued on its basis. The Consolidated Financial Statements comprise adjustments not included in the books of the Group's units, entered in order to bring the financial statements of such units in line with the IFRS. Since 1 January 2010, ACTION S.A. has been keeping its account books in accordance with the International Financial Reporting Standards ("IFRS"), as approved by the EU, issued and binding as of the balance sheet date, while for matters not regulated by these Standards – in accordance with the Accounting Act dated 29 September 1994. ACTION EUROPE GmbH and LAPADO Handelsgesellschaft GmbH keep their account books in accordance with German accounting laws.

Piotr Bieliński
President of Board,

Sławomir Harazin
Vice-President of the Management
Board

Edward Wojtysiak
Vice-President of the Management
Board

Warsaw, 14 November 2014

II. Interim Condensed Consolidated Financial Statements drawn up in accordance with the International Financial Reporting Standards for the period from 1 January 2014 to 30 September 2014

Selected consolidated financial data

SELECTED CONSOLIDATED FINANCIAL DATA	in PLN '000		EUR'000	
	3 quarters on a compound basis period from 01.01.2014 to 30.09.2014	3 quarters on a compound basis period from 01.01.2013 to 30.09.2013	3 quarters on a compound basis period from 01.01.2014 to 30.09.2014	3 quarters on a compound basis period from 01.01.2013 to 30.09.2013
I. Net revenues from the sale of products, goods and materials	3812368	3261213	911984	772232
II. Gross profit/loss on sales	228907	197883	54759	46857
III. Profit/loss from operating activity	65929	57824	15771	13692
IV. Net profit/loss attributed to the Company's Shareholders	48626	42237	11632	10001
V. Net cash flows from operating activity	-27624	46018	-6608	10897
VI. Net cash flows from investment activities	-48951	-12073	-11710	-2859
VII. Net cash flows from financial activities	129648	-14528	31014	-3440
VIII. Net increases (decreases) of cash	53073	19417	12696	4598
IX. Profit per ordinary share* (in PLN/EUR)	2.93	2.57	.70	.61
	as of 30.09.2014	as of 31.12.2013	as of 30.09.2014	as of 31.12.2013
X. Total assets	1254889	1154240	300536	278318
XI. Amounts payable	927742	852629	222187	205591
XII. Long-term liabilities	146647	7907	35121	1907
XIII. Short-term liabilities	781095	844722	187066	203685
XIV. Equity attributed to the Company's Shareholders	326144	299153	78109	72134
XV. Share capital	1661	1661	398	401
XVI. Number of shares**) (pcs)	16610000	16610000	16610000	16610000
XVII. Book value per share***) (in PLN/EUR)	19.64	18.01	4.70	4.34

PLN/EUR exchange rates

Period of time	Average exchange rate in the period	Minimum exchange rate in the period	Maximum exchange rate in the period	Exchange rate as of the last day of the period
01.01.2014-30.09.2014	4.1803	4.142	4.2368	4.1755
01.01.2013-31.12.2013	4.2110	4.1429	4.3292	4.1472
01.01.2013-30.09.2013	4.2231	4.1429	4.3292	4.2163

*) Profit per ordinary share was calculated as the quotient of net profit and the number of shares.

**) The number of shares takes into account the change in the nominal value of series A shares from PLN 1 to PLN .10 at the same time dividing 1 share of PLN 1 into 10 shares with a nominal value of PLN .10. The change was made on 11 April 2006 by virtue of a resolution of the Extraordinary General Meeting of Shareholders.

***) The book value per share was calculated as the quotient of equity attributed to the Company's Shareholders and the number of shares.

The selected financial data presented in the Consolidated Financial Statements was converted into EUR in the following manner:

- items concerning the Consolidated Statement of Comprehensive Income and the Cash Flow Statement were converted at the exchange rate being the arithmetic mean of the average exchange rates published by the National Bank of Poland, in force on the last day of each month, while the exchange rate for 3 quarters of 2014 stood at: 1 EUR = 4.1803 PLN, and for 3 quarters of 2013 – 1 EUR = 4.2231 PLN;

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014
(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

- items of the Consolidated Statement of Financial Position were converted at the average exchange rate published by the National Bank of Poland, in force as of the balance sheet date; as of 30 September 2014, this exchange rate stood at: 1 EUR = 4.1755 PLN, as of 31 December 2013: 1 EUR = 4.1472 PLN, and as of 30 September 2013:
EUR 1 = PLN 4.2163.

Consolidated Statement of Comprehensive Income

All revenues and costs relate to continued activities.

	Note	Jan 1 - Sep 30 2014 YTD	Jul 1 - Sep 30 2014	Jan 1 - Sep 30 2013 YTD	Jul 1 - Sep 30 2013
Sales revenue	(5.2)	3812368	1291402	3261213	1140091
Cost of products, goods and materials sold	(5.3)	-3583461	-1215532	-3063330	-1071413
Gross profit on sales		228907	75870	197883	68678
Sales and marketing costs	(5.3, 5.4)	-140623	-47758	-121265	-43652
Administrative expenses	(5.3, 5.4)	-23169	-7763	-18874	-5995
Other revenues and operating profits	(5.5)	3262	1097	4150	87
Other expenses and losses	(5.6)	-2448	-608	-4070	-384
Profit/loss from operating activity		65929	20838	57824	18734
Finance costs	(5.7)	-4942	-1787	-4083	-1092
Profit/loss before tax		60987	19051	53741	17642
Income tax	(5.8)	-13123	-3922	-11177	-3665
Share in the net result of the associate		48	52	-218	-1
Net profit/loss for the financial period		47912	15181	42346	13976
Other components of comprehensive income					
Net change due to cash flow hedging		-3001	-1200	-320	2332
Income tax		570	228	61	-443
Other components – currency translation differences (foreign operation)		2	19	-50	-50
Other components of net comprehensive income that may be reclassified to the profit and loss account		-2429	-953	-309	1839
Total income for the period		45483	14228	42037	15815
Profit/loss net attributed to:					
Company Shareholders		48626	15455	42237	13867
minority interest		-714	-274	109	109
Comprehensive income attributed to:					
the Company's Shareholders		46197	14502	41945	15723
non-controlling interests		-714	-274	92	92
Profit/loss attributed to the Company's Shareholders per ordinary share (in PLN per share)					
Basic		2.93	0.93	2.57	0.85
Diluted		2.82	0.90	2.45	0.80
Number of shares		16610000	16610000	16 410 000	16410000
Diluted number of shares		17230500	17230500	17 230 500	17230500

Piotr Bieliński President of Board,	Sławomir Harazin Vice-President of the Management Board	Edward Wojtysiak Vice-President of the Management Board
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Warsaw, 14 November 2014

The basic number of shares comprises 11 910 000 A series shares, 4 500 000 B series shares and 200,000 C series shares. The diluted number of shares comprises the additionally planned issue of 620 500 C series shares.

The basic profit per share is computed as the quotient of the profit attributed to the Company's Shareholders and the weighted average number of ordinary shares during the period. The diluted profit per share is computed as the quotient of the profit attributed to the Company's Shareholders and the weighted average of ordinary shares taking into consideration the planned issue of 620,500 C series shares within conditional increase of the share capital in accordance with the Resolution of the Extraordinary General Meeting of the Company Shareholders dated 15 November 2006 and the Resolution of the Ordinary General Meeting of Shareholders dated 5 December 2007.

The weighted average number of ordinary shares takes into account the change in the nominal value of A series shares from PLN 1 to PLN .10. The change of the nominal value of A series shares was performed by way of a Resolution of the Extraordinary General Meeting of Shareholders dated 11.04.2006. Moreover, the weighted average number of ordinary shares was increased by the planned issue of 620500 C series shares.

Consolidated Statement of Financial Position

	Note	30.09.2014	31.12.2013	30.09.2013
ASSETS				
Non-current assets				
tangible fixed assets	(5.9)	172342	124532	116285
Company value		17500	13994	13994
Other intangible assets		3863	2925	2959
Investment property	(5.10)	3545	3545	3545
Financial assets		0	0	1286
Share in associates measured under the equity method		2661	2612	2470
Deferred income tax assets	(5.8)	41	5	1
Trade and other receivables		934	921	954
		200886	148534	141494
Current assets				
Inventory	(5.11)	420426	369599	387143
Trade and other receivables		542490	593823	515355
Current income tax receivables		279	11	0
Derivative financial instruments		0	0	0
Other financial assets		0	4538	0
Cash and cash equivalents		90808	37735	27093
		1054003	1005706	929591
Total assets		1254889	1154240	1071085
EQUITY				
Equity attributed to the Company's Shareholders				
Share capital		1661	1661	1641
Share premium		58112	58112	55744
Other reserve capitals		30000	30000	30000
Retained earnings		237687	208267	188896
Currency translation differences (foreign operation)		-115	-117	-33
Other components of equity		-1201	1230	668
		326144	299153	276916
Non-controlling interest		1003	2458	3482
Total equity		327147	301611	280398
LIABILITIES				
Long-term liabilities				
Loans, borrowings and other financing liabilities	(5.14)	141136	3715	4200
Trade and other liabilities		0	1020	0
Deferred income tax provisions	(5.8)	5511	3172	3690
		146647	7907	7890
Short-term liabilities				
Trade and other liabilities		685773	760393	664538
Loans, borrowings and other financing liabilities	(5.14)	90074	76851	113539
Current income tax liabilities		4048	6568	3948
Employee benefit liabilities		1200	869	725
Derivative financial instruments		0	41	47
Provisions for other liabilities and other encumbrances	(5.13)	0	0	0
		781095	844722	782797
Total liabilities		927742	852629	790687
Total equity and liabilities		1254889	1154240	1071085

Piotr Bieliński
President of Board,

Sławomir Harazin
Vice-President of the Management
Board

Edward Wojtysiak
Vice-President of the Management
Board

Warsaw, 14 November 2014

Statement of Changes in Consolidated Equity

	Equity attributed to the shareholders of the controlling entity						Equity attributed to non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings	Other reserve capitals	Capital from cash flow hedge valuation	Currency translation differences (foreign operation)		
as of 1 January 2014	1661	58112	208267	30000	1230	-117	2458	301611
Total comprehensive income			48626		-2431	2	-714	45483
Dividends paid			-16610					-16610
Other			-2596				-741	-3337
As of 30 September 2014	1661	58112	237687	30000	-1201	-115	1003	327147
as of 1 January 2013	1641	55744	171274	30000	927	0	0	259586
Total comprehensive income			61608		303	-117	-932	60862
Dividends paid			-24615					-24615
Other	20	2368					3390	5778
as of 31 December 2013	1661	58112	208267	30000	1230	-117	2458	301611
as of 1 January 2013	1641	55744	171274	30000	927	0	0	259586
Total comprehensive income			42237		-259	-33	92	42037
Dividends paid			-24615					-24615
Other							3390	3390
As of 30 September 2013	1641	55744	188896	30000	668	-33	3482	280398

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President of Board,

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Warsaw, 14 November 2014

Consolidated Cash Flow Statement

Note	period from 01.01.2014 to 30.09.2014	period from 01.01.2013 to 30.09.2013
Cash flows from operating activity		
Profit/loss net attributed to the Company's Shareholders	48626	42237
Adjustments:	-76250	3781
Income tax	13123	11177
Income tax paid	-12925	-14553
Depreciation and amortisation of fixed and intangible assets	7216	6932
Investment profit (loss)	-89	2843
Interest revenue	-14	0
Interest expense	4942	4018
Share in the net result of the associate	-48	218
Other	599	-1780
Changes in working capital:		
Inventory	-36843	-71355
Trade and other receivables	59433	-76010
Trade and other liabilities	-111644	142291
Net cash flows from operating activities	-27624	46018
Cash flows from investment activities		
Acquisition of tangible fixed assets and intangible assets	-46233	-11557
Revenues from the sale of tangible fixed assets and intangible assets	97	28
Other investment inflows/outflows	-2815	-544
Net cash flows from investment activities	-48951	-12073
Cash flows from financial activities		
Receipts from issue of shares	0	3389
Acquisition of own shares	0	0
Revenues from bond issue	100000	0
Loans and borrowings received	51095	12952
Repayment of loans and borrowings	0	0
Dividends paid	-16610	-24615
Interest paid	-3593	-4051
Payments of liabilities under finance lease agreements	-1244	-2203
Other financial inflows/outflows	0	0
Net cash flows from financial activities	129648	-14528
Net increase/decrease of cash	53073	19417
Opening balance of cash	37735	7674
FX gains (losses) on valuation of cash	0	2
Closing balance of cash	90808	27093
Piotr Bieliński President of Board,	Sławomir Harazin Vice-President of the Management Board	Edward Wojtysiak Vice-President of the Management Board

Warsaw, 14 November 2014

Notes to the Interim Condensed Consolidated Financial Statements

1. General:

Business name:	ACTION Spółka Akcyjna
Legal form:	Joint stock company under Polish law
Registered office:	Poland
Registered Office:	Warszawa
Address:	ul. Jana Kazimierza 46/54, 01-248 Warsaw
National Court Register (KRS) No.:	KRS 0000214038
Telephone number:	(+48 22) 332 16 00
Fax No.:	(+48 22) 332 16 10
E-mail:	action@action.pl
Website:	www.action.pl
Statistical Number (REGON):	011909816
Tax Identification Number (NIP):	527-11-07-221

1.1. Company's objects

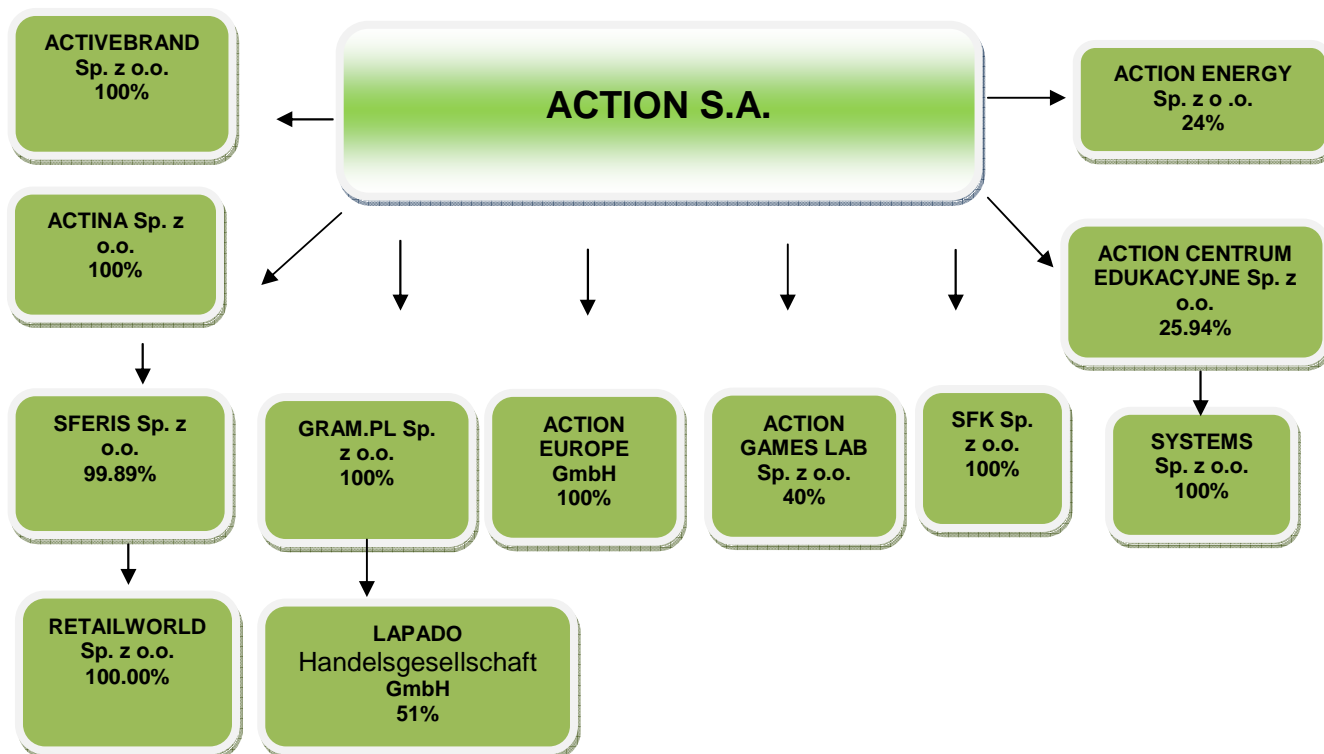
ACTION S.A. (Issuer/Company) and its subsidiaries sell computer hardware, consumer electronics and home appliances through wholesalers, their own retail outlets and third party shops. The Group conducts its sales operations principally in Poland. Primary field of the Company's business: wholesale trade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

ACTION S.A. with its registered office in Warsaw, ul. Jana Kazimierza 46/54, is the controlling entity. On 2 August 2004, ACTION Spółka Akcyjna was entered into the Register of Businesses of the National Court Register under KRS number 0000214038 on the basis of the decision of the District Court in Warsaw, 19th Commercial Division of the National Court Register.

The legal predecessor of the Issuer – ACTION spółka z ograniczoną odpowiedzialnością (limited liability company), had been registered in the Register of Businesses under KRS no. 0000066230 on the basis of the decision of the District Court in Warsaw, Commercial Division of the National Court Register, of 28 November 2001.

1.2. Composition of the Group

Structure of ACTION S.A. Capital Group



Composition of the Group:

parent:

ACTION S.A. with its registered office in Warsaw

subsidiaries and associates:

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

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

SFERIS Sp. z o.o. with its registered office in Warsaw – indirect subsidiary (99.89%)¹⁾

ACTINA Sp. z o.o. with its registered office in Warsaw – subsidiary (100%)²⁾

ACTION ENERGY Sp. z o.o. with its registered office in Kraków – associate (24 %) ³⁾

ACTION GAMES LAB Sp. z o.o. (former name MOBISTYLE Sp. z o.o., initial name ACTION INVESTMENTS Sp. z o.o.) with its registered office in Zamienie - subsidiary (40%)⁴⁾

ACTION CENTRUM EDUKACYJNE Sp. z o.o. with its registered office in Warsaw - associate (25.94%)⁵⁾

SYSTEMS Sp. z o.o. with its registered office in Warsaw – indirect associate (25.94%)⁶⁾

ACTIVEBRAND Sp. z o.o. with its registered office in Zamienie - subsidiary (100%)⁷⁾

ACTION EUROPE GmbH (former name DEVIL GmbH) with its registered office in Braunschweig (Germany) – subsidiary (100%)⁸⁾

RETAILWORLD Sp. z o.o. with its registered office in Stara Iwiczna - indirect subsidiary (99.89%)⁹⁾

LAPADO Handelsgesellschaft GmbH with its registered office in Potsdam (Germany) - indirect subsidiary (51%)¹⁰⁾

- 1) SFERIS Sp. z o.o. with its registered office in Warsaw was consolidated on 5 January 2007,
- 2) GRAM.PL Sp. z o.o. with its registered office in Warsaw was consolidated on 28 May 2009, and on 18 December 2009 the interest was raised to 80%. On 24 May 2010 the interest was raised to 100% by way of a share purchase agreement.
- 3) ACTION ENERGY Sp. z o.o. with its registered office in Kraków was established on 3 September 2009.
- 4) ACTION GAMES LAB Sp. z o.o. (former name MOBISTYLE Sp. z o.o., initial name ACTION INVESTMENTS Sp. z o.o.) with its registered office in Zamienie was established on 12 December 2011. On 14 February 2013 a change of name was entered into the National Court Register – former name: ACTION INVESTMENTS Sp. z o.o.
- 5) ACTION CENTRUM EDUKACYJNE Sp. z o.o. with its registered office in Warsaw was consolidated on 1 October 2012,
- 6) SYSTEMS Sp. z o.o. with its registered office in Warsaw was consolidated on 1 October 2012,
- 7) ACTIVEBRAND Sp. z o.o. with its registered office in Zamienie was established on 3 September 2012,
- 8) ACTION EUROPE GmbH (former name DEVIL GmbH) with its registered office in Braunschweig (Germany) was consolidated on 8 July 2013. On 1 April 2014 the interest was raised to 100% by way of the purchase of non-controlling shares (33.33%).
- 9) RETAILWORLD Sp. z o.o. with its registered office in Stara Iwiczna was consolidated on 18 November 20.
- 10) LAPADO Handelsgesellschaft GmbH with its registered office in Potsdam (Germany) was consolidated on 1 January 2014,

Changes in the Group's composition during the reporting period:

On 24 January 2014 GRAM PL sp o.o. acquired 51% of shares (giving the same number of votes at the general meeting of shareholders) in LAPADO Handelsgesellschaft GmbH (Germany). The Company was consolidated as of 1 January 2014.

On 1 April 2014 ACTION S.A. acquired 33.33% of shares (giving the same number of votes at the general meeting of shareholders) in ACTION EUROPE GmbH (former name DEVIL GmbH) (Germany).

On 23 April 2014, ACTION S.A. acquired 3,900 out of the 9,900 newly created non-preference shares in the increased capital of ACTION GAMES LAB Sp. z o.o. The Company share in equity capital reduced to 40%.

Third party shares in subsidiaries:

SFERIS Sp. z o.o. - .11%, including Piotr Bieliński .055%, Anna Bielińska .055%

LAPADO Handelsgesellschaft GmbH - 49%, including: Jacek Mońko 49%

ACTION GAMES LAB Sp. z o.o. - 60%, including: Piotr Bieliński 60%

ACTINA Sp. z o.o. deals in the wholesale of computer hardware. ACTION ENERGY Sp. z o.o., founded in 2009, focuses its activity on the renewable energy market. The aim of the company is to create a technological sales centre addressing installers of devices using renewable energy sources. The primary business focus of SFERIS Sp. z o.o. is the retail sale of computer hardware. The activities of GRAM.PL Sp. z o.o. (computer games) involve online retail sales. SFK Sp. z o.o. provides advertising services. ACTION GAMES Sp. z o.o. (former name: MOBISTYLE Sp. z o.o.) began its business activity of manufacture and distribution of computer games. The primary business focus of ACTION CENTRUM EDUKACYJNE Sp. z o.o. and SYSTEMS Sp. z o.o. is training and IT services, as well as rental of computer hardware. ACTIVEBRAND Sp. z o.o. commences activities in the marketing services sector. ACTION EUROPE GmbH conducts distribution activities in the wholesale of IT products and household appliances. RETAILWORLD Sp. z o.o. commenced operations in the wholesale of IT equipment and IT accessories to foreign customers. LAPADO Handelsgesellschaft GmbH (Germany) distributes IT equipment.

Subsidiaries consolidated as of 30.09.2014

Name (business name) of the entity with legal status	Based in	Company's objects of the enterprise	Nature of relationship (subsidiary, co-subsidiary, associate, including details of direct and indirect relationships)	Competent court or other authority maintaining the register	Applied consolidation method / equity method or statement: "non-consolidated/ equity method not applied"	Date of control/joint-control/significant influence acquisition	Percentage of the share capital held	Share in the total number of votes at the General Meeting
SFK Sp. z o.o.	Cracow	advertising activity	direct subsidiary	District Court for Kraków-Śródmieście, 11th Commercial Division of the National Court Register	full	9 May 2005	100%	100%
ACTINA Sp. z o.o.	Warszawa	wholesale trade in computer hardware	direct subsidiary	District Court for the capital city of Warsaw, 12th Commercial Division of the National Court Register	full	3 June 2005	100%	100%
GRAM.PL Sp. z o.o.	Warszawa	retail trade	direct subsidiary	District Court for the capital city of Warsaw, 13th Commercial Division of the National Court Register	full	28 May 2009	100%	100%
ACTION ENERGY Sp. z o.o.	Cracow	wholesale in metal products	associate	District Court for Kraków-Śródmieście, 11th Commercial Division of the National Court Register	measured under the equity method	3 September 2009	24%	24%
SFERIS Sp. z o.o.	Warszawa	retail sale of computer hardware	indirect subsidiary	District Court for the capital city of Warsaw, 13th Commercial Division of the	full	5 January 2007	99.89%	99.89%

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014

(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

				National Court Register				
ACTION GAMES LAB Sp. z o.o. *)	Warszawa	wholesale trade in computer hardware, advertising	direct subsidiary	District Court for the capital city of Warsaw, 14th Commercial Division of the National Court Register	full	14 December 2011	40%	25%
ACTION CENTRUM EDUKACYJNE Sp. z o.o.	Warszawa	training and IT services as well as rental of computer hardware	associate	District Court for the capital city of Warsaw, 13th Commercial Division of the National Court Register	measured under the equity method	12 September 2012	25.94 %	25.94 %
SYSTEMS Sp. z o.o.	Warszawa	IT training services and computer hardware lease	indirect associate	District Court for the capital city of Warsaw, 13th Commercial Division of the National Court Register	valuation in the equity method	12 September 2012	25.94 %	25.94 %
ACTIVEBRAND Sp. z o.o.	Zamienie	advisory services in carrying out an economic activity	subsidiary	District Court for the capital city of Warsaw, 14th Commercial Division of the National Court Register	full	3 September 2012	100%	100%
ACTION EUROPE GmbH **)	Braunschweig (Germany)	wholesale trade in computer hardware	subsidiary	District Court in Braunschweig (Amtsgericht Braunschweig)	full	08 July 2013	100%	100%
RETAILWORLD Sp. z o.o.	Stara Iwiczna	wholesale trade in computer hardware	indirect subsidiary	District Court for the capital city of Warsaw, 14th Commercial Division of the National Court Register	full	18 November 2013	99.89%	99.89%
LAPADO Handelsgesellschaft GmbH	Potsdam (Germany)	wholesale trade in computer hardware	subsidiary	District Court in Potsdam (Amtsgericht Potsdam) no. HRB 25042	full	24 January 2014	51%	51%

*) A change of the company name was entered into the National Court Register on 6 May 2014. Previous name MOBISTYLE Sp. z o.o. Initial name: ACTION INVESTMENTS sp. z o.o.

***) A change of the company name was entered into the National Court Register on 11 April 2014. Previous name DEVIL GmbH.

2. Principles applied in the preparation of the statements

The Interim Condensed Consolidated Financial Statements for 3Q 2014 were prepared in accordance with IAS 34 *Interim Financial Reporting*.

The Interim condensed consolidated financial statements prepared for the period from 1 January 2014 to 30 September 2014 contain comparative data for the period from 1 January 2013 to 30 September 2013.

Key accounting principles applied in the preparation of these Interim Consolidated Financial Statements are presented below. These principles were applied continuously throughout the analysed periods unless stated otherwise.

2.1. General principles of preparation

These Interim Condensed Consolidated Financial Statements were prepared in accordance with the historical cost principle, except for marketable financial assets held for trading (derivatives) valued by their fair value.

The Interim Condensed Consolidated Financial Statements were drawn up with the application of the going concern principle for the foreseeable future.

As of the day of approving these Interim Condensed Consolidated Financial Statements, no circumstances indicated any threats to the business continuity by the Group.

The Interim Condensed Consolidated Financial Statements do not include all the information and disclosures required in the annual consolidated financial statements and shall be read jointly with the consolidated financial statements of the Group prepared in accordance with the IFRS for the financial year finished on 31 December 2013, published on 20 March 2014.

2.2. Statement of compliance

These interim condensed consolidated financial statements for the period from 1 January 2014 to 30 September 2014 were prepared in accordance with the International Financial Reporting Standards ("IFRS") approved by the European Union, in particular in accordance with the International Accounting Standard 34 *Interim Financial Reporting* applicable hereto. As of the date of approving these Financial Statements, as far as the accounting principles applied by the Group are concerned, there are no differences between the IFRS which have already come into force and the standards and interpretations approved by the European Union.

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

2.3. Material accounting principles

The accountancy rules (policy) applying to the present Condensed Consolidated Financial Statements for Q3 2014 are consistent with those applied to the annual consolidated financial statements for 2013.

A detailed description of the accounting principles adopted by the ACTION S.A. Capital Group is presented in the Annual Consolidated Financial Statements for 2013 published on 20 March 2014.

The effect of applying new accounting standards and amendments to the accounting policy

- **Changes resulting from amendments to the IFRS**

The following new or amended standards and interpretations issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee have been applicable since 1 January 2014:

- IFRS 10 *Consolidated Financial Statements*
- IFRS 11 *Joint arrangements*
- IFRS 12 *Disclosure of Interests in Other Entities*
- IAS 27 *Separate Financial Statements*
- IAS 28 *Investments in Associates and Joint Ventures*
- Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities*
- Recommendations concerning transitory provisions (Amendments to IFRS 10, IFRS 11 and IFRS 12)
- Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27)
- Amendments to IAS 36 *Disclosures relating to the recoverable value of non-financial assets*
- Amendments to IAS 39 *Novation (renewal) of derivatives and hedge accounting continuation*

Their application did not have any impact on the activity results or the financial situation of the Group and only resulted in amending the accounting principles applied, broadening the scope of obligatory disclosures or altering the terminology used.

Major consequences of applying new regulations.

- IFRS 10 *Consolidated Financial Statements*

The new standard was published on 12 May 2011 and is to replace the interpretation of SIC 12 *Consolidation – Special Purpose Entities* and certain provisions of IAS 25 *Consolidated and Separate Financial Statements*. The standard defines the term of control as the factor determining whether the entity should be consolidated in the financial statements and it contains guidelines helping one to determine whether the entity exercises control or not

Application of the new standard does not have any material impact on the Group's Financial Statements.

- IFRS 11 *Joint arrangements*

The new standard was published on 12 May 2011 and is to replace the interpretation SIC 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. The standard focuses on the rights and obligations resulting from joint agreements regardless of its legal form and it eliminates any inconsistencies in reporting by specifying the method of settling shares in jointly controlled entities.

Application of the new standard does not have any material impact on the Group's Financial Statements.

- IFRS 12 *Disclosure of Interests in Other Entities*

The new standard was published on 12 May 2011 and contains a list of disclosure requirements concerning engagements in other entities or investments.

Application of the new standard does not have any material impact on the Group's Financial Statements.

- IAS 27 *Separate Financial Statements*

The new standard was published on 12 May 2011 and primarily results from the transfer of certain provisions of the current IAS 27 to the new IFRS 10 and IFRS 11. The standard defines requirements concerning presentation and disclosures in separate financial statements on investments in associates, subsidiaries and joint ventures. The standard will replace the current IAS 27 *Consolidated and Separate Financial Statements*.

Application of the new standard does not have any material impact on the Group's Financial Statements.

- IAS 28 *Investments in Associates and Joint Ventures*

The new standard was published on 12 May 2011 and refers to settling investments in associates. It also specifies the requirements for applying the equity method to investments in associated and jointly controlled entities. The standard will replace the current IAS 28 *Investments in Associates*.

Application of the new standard does not have any impact on the Group's Financial Statements.

- Amendments to IAS 32 *Offsetting Financial Assets and Financial Liabilities*

Amendments to IAS 32 were published on 16 December 2011 and they apply to annual periods beginning on 1 January 2014 or thereafter. These amendments were introduced in response to existing incoherence regarding the application of the offsetting criteria in IAS 32.

Application of the new standard does not have any material impact on the Group's Financial Statements.

- *Recommendations concerning transitory provisions (Amendments to IFRS 10, IFRS 11 and IFRS 12)*

The recommendations were published on 28 June 2012 and contain additional information regarding the application of IFRS 10, IFRS 11 and IFRS 12, including the presentation of comparative data in the case of first-time adoption of these standards.

Application of the above amendments does not have any material impact on the Group's Financial Statements.

- *Investment entities (Amendments to IFRS 10, IFRS 12 and IAS 27)*

Recommendations were published on 31 October 2011 and they contain other principles regarding the application of IFRS 10 and IFRS 12 in the case of entities meeting the definition of investment funds.

Application of the above amendments does not have any impact on the Group's Financial Statements.

- *Amendments to IAS 36 Disclosures relating to the recoverable value of non-financial assets*

The amendments were published on 29 May 2013 and they apply to annual periods beginning on 1 January 2014 or thereafter. The changes result in a modification of the scope of disclosure in relation to the impairment of non-financial assets; they require disclosure of the recoverable amount of assets (cash-generating unit) only in the periods in which an impairment or increase in relation to the asset (or unit) was recognised. In addition, it results from the revised standard that the broader and more precise scope of disclosure in the case of determining the recoverable amount as fair value less sales costs will be required. In the case of a determination of fair value less sales costs using a technique for determining the present value (discounted cash flows) providing information about the applied discount rate (in the case of recognition of impairment or increase) will be required.

Changes also adjust the scope of disclosures relating to the recoverable amount, regardless of whether it has been determined as the value in use or fair value less sales costs.

Application of the above amendments does not have any material impact on the Group's Financial Statements.

- *Amendments to IAS 39 Novation (renewal) of derivatives and hedge accounting continuation*

Amendments were published on 27 June 2013 and apply to annual periods beginning on 1 January 2014 or thereafter. The changes allow continuing the use of hedge accounting (under certain conditions) when the derivative hedging instrument which is renewed as a result of legal regulations, results in a change in settlement institution. Amendments to IAS 39 result from legal changes in many countries, which resulted in the compulsory settlement of existing OTC derivatives and renewal through an agreement with the central settlement institution.

Application of the above amendments does not have any impact on the Group's Financial Statements.

Non-applicable standards (new standards and interpretations)

In these Financial Statements the Group decided not to apply the following published standards or their interpretations prior to the effective date thereof.

The following standards and interpretations had been issued by the International Accounting Standards Committee or the International Financial Reporting Interpretations Committee though they were not effective as of the balance sheet day:

- *IFRS 9 Financial Instruments*

The new standard was published on 24 July 2014 and applies to annual periods starting as of 1 January 2018 or later. The aim of the standard is to revise the classification of financial assets and introduce a single approach to the assessment of impairment of all financial instruments. The standard also introduces a new model of hedge accounting intended to harmonise the rules on recognizing information on risk management in financial statements.

The Group will apply the amended standards as of 1 January 2018.

As of the date of preparing these Financial Statements, it is not possible to assess reasonably the impact of applying the new standard. The Group has begun to assess the impact of applying the new standard.

- *IFRS 14 Regulatory Deferral Accounts*

The new standard was published on 30 January 2014 and it applies to annual periods beginning on 1 January 2016 or thereafter. The new standard is temporary due to the ongoing work of the IASB on the issue of the accounting for transactions in terms of price regulation. The standard introduces principles for recognizing assets and liabilities arising in connection with the transactions of regulated prices when the entity decides to transition to IFRS.

The Group will apply the new standard as of 1 January 2016.

Application of an amended standard will not have any impact on the Group's Financial Statements.

- *IFRS 15 Revenue from Contracts with Customers*

The new uniform standard was published on 28 May 2014 and it applies to annual periods beginning on 1 January 2017 or thereafter, with earlier adoption permitted. The standard establishes a single framework for revenue disclosure and contains the rules that will substitute most of the detailed guidance for revenue disclosure existing in the IFRS, in particular IAS 18 Revenue, IAS 11 Construction Contracts and any relevant interpretations.

As of the date of preparing these Financial Statements, it is not possible to assess reasonably the impact of applying the new standard. The Group has begun to assess the impact of applying the new standard.

- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements 2010-2012)

On 12 December 2013 further amendments were published to seven standards resulting from draft amendments proposed to the International Financial Reporting Standards published in May 2012. They apply predominantly to annual periods beginning on 1 July 2014 or thereafter.

The Group has been applying the amended standards since 1 January 2015, unless another date for their coming into force has been specified.

Application of the amended standards will not have any material impact on the Group's Financial Statements.

- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (*Annual Improvements 2011-2013*)

On 12 December 2013 further amendments were published to seven standards resulting from draft amendments proposed to the International Financial Reporting Standards published in November 2012. They apply predominantly to annual periods beginning on 1 July 2014 or thereafter.

The Group will apply the amended standards from 1 January 2015, unless another date for their coming into force has been specified.

Application of the amended standards will not have any material impact on the Group's Financial Statements.

- Amendment to IAS 19 *Defined Benefit Plans - Employee Contributions*

The amendment was published on 21 November 2013 and it applies to annual periods beginning on 1 July 2014 or thereafter. The amendments clarify and, in some cases, simplify the accounting policies for employee (or other third parties) contributions to defined benefit plans.

The Group will apply the amended standard as of 1 January 2015.

Application of the amended standard will not have any material impact on the Group's Financial Statements.

- Interpretation IFRIC 21 *Levies*

The new interpretation was published on 20 May 2013 and applies to annual periods beginning on 1 January 2014 or thereafter. The interpretation contains instructions concerning the periods in which levy liabilities should be disclosed.

The Group will apply the new interpretation from the date stated in the Regulation of the European Commission, adopting the interpretation for use in the European Union, i.e. from 1 January 2015.

Application of an amended standard will not have any impact on the Group's Financial Statements.

- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

The amendments to IFRS 11 were published on 6 May 2014 and they apply to annual periods beginning on 1 January 2016 or thereafter. The amendments aim to present detailed guidance on how to account for

the acquisition of an interest in a joint operation that constitutes a business. The amendments require the application of the rules identical to those applied for mergers.

Application of the new standard will not have any impact on the Group's Financial Statements.

- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*

Amendments to IFRS 16 *tangible fixed assets* and IAS 38 *Intangible Assets* were published on 12 May 2014 and they apply to annual periods beginning on 1 January 2016 or thereafter. The amendment provides additional clarification of acceptable amortisation methods. The aim of the amendments is to show that the use of a revenue-based depreciation of plant, property and equipment as well as intangible assets is not appropriate; however, this method may be applied for intangible assets in specific circumstances.

Application of the new standard will not have any impact on the Group's Financial Statements.

- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants*

Amendments to IAS 16 and 41 were published on 30 June 2014 and they apply to annual periods beginning on 1 January 2016 or thereafter. The amendment indicates that bearer plants should be accounted for in the same way as tangible fixed assets under IAS 16. Therefore, bearer plants should be measured under IAS 16, instead of IAS 41. Agricultural produce growing on bearer plants will remain within the scope of IAS 41.

Application of the new standard will not have any impact on the Group's Financial Statements.

- Amendments to IAS 27: *Equity Method in Separate Financial Statements*

The amendments to IAS 27 were published on 12 August 2014 and apply to annual periods starting as of 1 January 2016 or later. The amendments to the IFRS restore the option of recognizing investments in subsidiaries, joint ventures and affiliated entities in separate financial statements within the equity method. If this method is selected, it shall apply to all investments falling within the same category.

Application of the new standard will not have any impact on the Group's Financial Statements.

- Amendments to IFRS 10 and IAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to IFRS 10 and IAS 28 were published on 11 September 2014 and apply to annual periods starting as of 1 January 2016 or later. The amendments add detail to the accounting of transactions where the parent entity loses control over a subsidiary that does not constitute a "business" as defined under IFRS 3 *Business Combinations* through sale of its shares in such subsidiary in whole or in part to an associated entity or a joint venture recognized in the equity method.

As of the date of preparing these Financial Statements, it is not possible to assess reasonably the impact of applying the new standard.

- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (*Annual Improvements 2012-2014*)

On 25 September 2014, further amendments were published to four standards resulting from a draft of the proposed amendments to the International Financial Reporting Standards published on 13 December 2013. They apply predominately to annual periods starting as of 1 January 2016 or later.

The Group will apply the amended standards from 1 January 2016, unless another date for their coming into force has been specified.

Application of the amended standards will not have any material impact on the Group's Financial Statements.

The IFRS, as approved by the EU, do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards, interpretations and amendments thereto which had not been approved by the EU as of the date of approving these Financial Statements.

- IFRS 9 *Financial Instruments* published on 24 July 2014;
- IFRS 14 *Regulatory Deferral Accounts* published on 30 January 2014;
- IFRS 15 *Revenue from Contracts with Customers* published on 28 May 2014
- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (*Annual Improvements 2010-2012*) published on 12 December 2013;

- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (*Annual Improvements 2011-2013*) published on 12 December 2012;
- Amendment to IAS 19 *Defined Benefit Plans - Employee Contributions* published on 21 November 2013,
- Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations* published on 6 May 2014;
- Amendments to IAS 16 and IAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation* published on 12 May 2014;
- Amendments to IAS 16 and IAS 41 *Agriculture: Bearer Plants* published on 30 June 2014,
- Amendments to IAS 27: *Equity Method in Separate Financial Statements* published on 12 August 2014,
- Amendments to IFRS 10 and IAS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* published on 11 September 2014,
- Amendments to various standards resulting from the annual review of the International Financial Reporting Standards (*Annual Improvements 2012-2014*) published on 25 September 2014.

Amendments implemented independently by the Company

The Group has introduced no changes to the comparable data from the *Consolidated Financial Statements*.

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

Functional currency and presentation currency

The Polish zloty is the functional currency of the dominant entity as well as the presentation currency for these Interim Condensed Consolidated Financial Statements.

The present Interim Condensed Consolidated Financial Statements have been expressed in Polish zlotys (PLN), and all the values, unless indicated otherwise, have been provided in thousands of PLN.

Principles adopted for converting financial data

Financial data from the financial statements of ACTION EUROPE GmbH and LAPADO Handelsgesellschaft GmbH expressed in EUR were converted according to the following rules:

- particular items of the Statement of Financial Position were converted at the average exchange rate published by the National Bank of Poland, in force as of the balance sheet date; as of 30 September 2014 this exchange rate stood at: EUR 1 = PLN 4.1755, as of 31 December 2013: EUR 1 = PLN 4.1472 and as of 30 September 2013: EUR 1 = PLN 4.2163;

- particular items of the Statement of Comprehensive Income and Cash Flow Statement were converted at the exchange rate being the arithmetic mean of the average exchange rates published by the National Bank of Poland, in force on the last day of each month; for the three quarters of 2014, this exchange rate stood at: EUR 1 = PLN 4.1803, and for three quarters of 2013: EUR 1 = PLN 4.2231.

3. Major estimates and judgements

Drawing up the Consolidated Financial Statements requires the Management Board to make certain estimates as certain data included in the Financial Statements cannot be measured precisely. The Management Board verifies the estimates adopted on the basis of changes in factors taken into consideration in order to make the said estimates, new data or past experience. Therefore, the estimates made as at 30 September 2014 may be subject to adjustments in the future.

Areas for which the estimates made as of the reporting date carry a risk of material adjustments of the carrying value of the assets and liabilities declared in the next or subsequent financial years are:

3.1. Use periods of tangible fixed assets and intangible assets

As at 30 September 2014, the companies of the Group estimated the useful life of property, plant and equipment and intangible assets. The analysis did not demonstrate the necessity to make any adjustments in this area.

3.2. Impairment of goodwill and other intangible assets in subsidiaries

As at 30 September 2014, the companies of the Group estimated whether there were any premises indicating a loss of value of any investments in the subsidiaries (goodwill and other intangible assets). Having analysed external and internal sources of information, the Management Board did not identify any premises that would indicate a need to recognise any additional impairment write-off.

3.3. Tax

Taking into consideration the complexity of the tax law and the incoherence of tax interpretations, the Group evaluates potential risks related to it. Deferred tax assets and provisions are recognised with respect to those items which will require a tax payment in the short term, provided taxable income is generated at a level that allows these amounts to be settled.

Routine fiscal inspections and explanatory proceedings are taking place in ACTION S.A., particularly in the area of correctness of VAT settlements. Currently, a dispute with the tax authority is pending in connection with a tax audit concluded by a decision of the Tax Inspection Office regarding the VAT for 2008 received on 18 March 2014. Consequently, a reserve for future VAT-related liabilities has been created in an amount of PLN 3,500,000 and charged to the 2013 result to reflect the estimations of the Management Board concerning the risk of a possible tax refund. As of the day of these financial statements there are no new circumstances that could impact the estimated risk level.

3.4. Employee benefits

The current value of retirement and disability benefits is established using the actuarial method. In order to determine the said value using the actuarial method, it is necessary to adopt certain assumptions concerning discount rates, projected pay rises or projected increases of retirement benefits. Having regard to the complexity of the valuation, the assumptions adopted as well as the long-term nature, liabilities on account of retirement and disability benefits are sensitive to changes in their underlying assumptions. All the assumptions are verified as of the balance sheet day.

3.5. Recognition of the costs of products, goods and materials sold

As of each balance-sheet date, the Group calculates the value of the post-transactional rebates that are due from suppliers but have not been settled as of the balance-sheet date. The estimates are based on the terms of rebates agreed with the suppliers as evidenced in contracts or otherwise at amounts confirmed by suppliers.

3.6. Write-downs on receivables

The companies of the Group update the value of their receivables on an ongoing basis taking into account the probability of payment by means of appropriate write-downs. Probability is estimated on the basis of the opinion of the Management Board about the recoverability of overdue receivables and an assessment of the threat of non-recoverability of overdue receivables.

4. Information about operating segments

As of 1 January, the ACTION S.A. Group is obliged to present its results in the layout defined in IFRS 8 *Operating Segments*.

This standard defines the segment as a component of an entity:

- which engages in business activities with respect to which it may derive revenues and incur expenses;
- whose operating results are regularly reviewed by the chief authority in charge of making operating decisions in the entity and using these results in order to make decisions to allocate resources to the segment;
- for which discrete financial information is available.

In relation to the definitions included in IFRS 8, the activity of the Group based on the distribution of IT products, consumables and consumer electronics was presented in these Statements within one operating segment because:

- sales revenues and profits derived from this activity exceed the total of 75% of the revenues generated by the Capital Group;
- no discrete financial information is prepared for individual sales channels due to the industry-specific pattern of collaboration with suppliers whose products are distributed through all the sales channels used;
- due to the lack of isolated segments, i.e. lack of discrete financial information for individual product groups, operating decisions are made on the basis of numerous detailed analyses and financial results from the sale of all products in all distribution channels;
- ACTION S.A. Management Board - the main body responsible for making operating decisions in the entity, considering the specificity of distribution through particular sales channels, decides to allocate resources on the basis of the actual and anticipated results of the Group as a whole as well as on the basis of the planned return on allocated resources and of an environment analysis.

5. Revenues and expenses

5.1. Seasonal nature of sales

The Group records the highest sales in the fourth quarter of the financial year, i.e. between October and December. Sales during the other quarters remain at a similar level. This does not mean, however, that sales revenues are significantly seasonal or cyclical.

5.2. Sales revenue

The entire sales revenues are related to the sale of computer hardware, household appliances and IT accessories.

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014
(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Revenues from sales of products (services)	68967	58690
Revenues from sales of goods and materials	3743401	3202523
	3812368	3261213

5.3.Costs by type

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Depreciation and amortisation of fixed and intangible assets	7216	6932
Costs of employee benefits	54407	45043
Consumption of materials and energy	6054	6233
Outsourced services	62393	52257
Taxes and fees	2251	2078
Costs of advertising	27793	24963
Non-life insurance	2033	1309
Other primary costs	1645	1324
Costs of products, goods and materials sold, including - write downs on inventory	3583461 909	3063330 -25
Total costs of products, goods and materials sold, selling and marketing expenses as well as general and administrative expenses	3747253	3203469

5.4.Costs of employee benefits

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Wages and salaries	45266	37628
Social security and other benefits	9141	7415
	54407	45043

5.5.Other revenues and operating profits

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Surplus of exchange rate gains	0	215
Revenues from measurement of financial instruments	41	0
Interest revenue	1193	1487

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014
(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

Revenues from overdue liabilities	510	571
Revenues from indemnities received	915	357
Revenues from provisions released	0	547
Revenues from donations received	261	515
Revenue from exclusion of a subsidiary from the consolidation	0	94
Other revenues	294	323
Profit on disposal of non-financial fixed assets	48	41
	3262	4150

5.6. Other costs and losses

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Surplus of exchange rate losses	157	0
Costs of indemnities paid	718	443
Cost due to measurement of financial instruments	0	47
Costs of write-downs on receivables	1352	1232
Costs of write-offs on receivables	41	73
Costs of disposal of non-financial non-current assets	0	0
Costs of donations given	7	34
Costs of write-downs on financial assets	0	1744
Other costs	173	497
	2448	4070

5.7. Finance costs

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Interest on loans and borrowings	2927	2965
Interest on leases	142	278
Interest and discount due to factoring	887	840
Bond interest	986	0
	4942	4083

5.8. Income tax

	For the period 1.01.2014 – 30.09.2014	For the period 1.01.2013 – 30.09.2013
Current tax	10250	12242
Deferred income tax	2873	-1065
	13123	11177

Deferred income tax

Values of the deferred income tax subject to off-setting:

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014
(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

	30.09.2014	31.12.2013
Deferred income tax assets:		
– deferred income tax assets falling due within 12 months	11075	5808
	11075	5808
Deferred income tax provisions:		
– deferred income tax provisions falling due within 12 months	16545	8975
	16545	8975
Deferred income tax assets	41	5
Deferred income tax provisions	5511	3172
Deferred income tax assets/provisions (on the whole)	-5470	-3167

Changes in the deferred income tax (with the set-off of assets and provisions taken into account):

	30.09.2014	31.12.2013
At the beginning of the period	-3167	-4815
Credit to / charge on the financial result	-2873	1718
Increase/decrease of equity	570	-70
At the end of the period	-5470	-3167

5.9.tangible fixed assets

In the period covered by the present Statements, the Group incurred investment outflows amounting to PLN 46,233,000, including expenses for the construction of a warehouse hall amounting to PLN 42,666,000.

5.10.Investment property

The investment real property having the combined value of PLN 3 545 thousand comprise rights of perpetual usufruct to land, ownership rights to buildings used so far for operating activities of PLN 2 807 thousand with notarial fees of PLN 24 thousand and outlays on initiated investments of PLN 714 thousand reclassified from property, plant and equipment.

Investment real property, excluding the rights of perpetual usufruct, is valued at the purchase price less depreciation write-offs. The rights of perpetual usufruct are not subject to depreciation. The net value of the buildings constituting investment real property amounts to 0.

As of the date of drawing up these Interim Condensed Financial Statements, there were no restrictions in place as to the use of investment real property by the Company, obtaining rent-related economic benefits or disposal of the aforesaid real property. Investment real property does not constitute security for liabilities due to loans, borrowings or transactions.

5.11.Inventory

	30.09.2014	31.12.2013	30.09.2013
Materials	0	0	0
Goods	421684	371766	389041
Advance payments for deliveries	0	0	0
	421684	371766	389041
Write-downs on inventory	-1258	-2167	-1898
Inventory	420426	369599	387143

Write-downs on inventory

	30.09.2014	31.12.2013	30.09.2013
Opening write-down on inventory	-2167	-1873	-1873
Established (Costs of products, goods and materials sold)	0	-313	-25
Used	0	19	0
Released (Costs of products, goods and materials sold)	909	0	0
Closing write-down on inventory	-1258	-2167	-1898

The write-down was released as a result of revaluation of merchandise based on inventory ageing. Both as of 30 September 2014 and as of 31 December 2013 the Group did not have stock valued at the net selling price.

5.12.Write-downs on trade and other receivables

	30.09.2014	31.12.2013	30.09.2013
Write-downs on receivables at the beginning of the period	-12153	-12511	-12511
Established	-1407	-2359	-1808
Used	133	1615	1452
Released	55	1102	576
Write-downs on receivables at the end of the period	-13372	-12153	-12291

5.13. Provisions for other liabilities and other encumbrances

	Provisions for liabilities	Other	Overall	- of which: long-term	- of which: short-term
as of 1 January 2014	0	0	0	0	0
Established	0	0	0	0	0
Used	0	0	0	0	0
Released	0	0	0	0	0
As of 30 September 2014	0	0	0	0	0
as of 1 January 2013	683	0	683	0	683
Established	0	0	0	0	0
Used	0	0	0	0	0
Released	683	0	683	0	683
as of 31 December 2013	0	0	0	0	0
as of 1 January 2013	683	0	683	0	683
Established	0	0	0	0	0
Used	0	0	0	0	0
Released	683	0	683	0	683
As of 30 September 2013	0	0	0	0	0

5.14. Loans, borrowings and other financing liabilities

	30.09.2014	31.12.2013	30.09.2013
Long-term			
Investment loan	38364	0	0
Liabilities under lease agreements	2772	3715	4200
Liabilities on account of bonds	100000	0	0
	141136	3715	4200
Short-term			
Overdraft and investment loan	87017	74852	111340
Liabilities under lease agreements	2071	1999	2199
Liabilities on account of bonds	986	0	0
	90074	76851	113539
Total:	231210	80566	117739

Age structure of liabilities resulting from loans, borrowings and other financing liabilities

	30.09.2014	31.12.2013	30.09.2013
Liabilities with the remaining repayment period calculated from the balance sheet day			
Up to 1 year	90074	76851	113539
In the period between 1 and 5 years	141136	3715	4200
Over 5 years	0	0	0
Total:	231210	80566	117739

Liabilities under lease agreements

	30.09.2014	31.12.2013	30.09.2013
Nominal value of minimum lease charges			
Up to 1 year	2206	2214	2255
In the period between 1 and 5 years	2882	3933	4373
Over 5 years	0	0	0
Total finance lease liabilities - total minimum lease charges	5088	6147	6628
Financial expenses due to finance lease	245	433	229
Current value of minimum lease charges			
Up to 1 year	2071	1999	2199
In the period between 1 and 5 years	2772	3715	4200
Over 5 years	0	0	0
Total current value of minimum lease charges	4843	5714	6399

5.15.Hedge accounting

The company hedges foreign exchange risk connected with sales indexed to EUR and USD and denominated in EUR and USD through applying foreign currency monetary items, i.e. trade liabilities reduced by trade receivables and cash as well as increased/decreased by the nominal amounts of FX Forward and FX Swap contracts for currency sale/purchase. The Company indicates designated currency cash items as hedging instruments in the cash flow hedging model and recognises them in accordance with the hedge accounting principles.

The tables below present the basic parameters of foreign currency monetary items determined for hedging instruments, including periods during which cash flows due to cash flow hedges are observed and during which they will impact the financial result, as well as their fair value in the Polish zloty as of 30 September 2014.

Hedging instruments – EUR

(amounts in Polish zloty)

Type of instrument	Face value		Fair value*		Expected realisation period of the hedged position	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
Trade liabilities	-172148373	-145373580	-172148373	-145373580	October / November 2014	October / November 2013
Trade receivables	91560106	44251136	91560106	44251136	October / November 2014	October / November 2013
Cash	1033662	11465048	1033662	11465048	October / November 2014	October / November 2013
FX Forward EUR	-	-	-	-	October / November 2014	October / November 2013
Loans	-18971058	-	-18971058	-	October / November 2014	October / November 2013
Finance lease	-3842373	-6032119	-3842373	-6032119	October / November 2014	October / November 2013
Total cash items	-102368035	-95689515	-102368035	-95689515		

Hedging instruments – USD

(amounts in Polish zloty)

Type of instrument	Face value		Fair value*		Expected realisation period of the hedged position	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013	30 September 2014	30 September 2013
Trade liabilities	-69342048	-100208819	-69342048	-100208819	October / November 2014	October / November 2013
Trade receivables	26615481	17731500	26615481	17731500	October / November 2014	October / November 2013
Cash	16801	5894165	16801	5894165	October / November 2014	October / November 2013
FX Forward USD	-	28104300	-	493	October / November 2014	October / November 2013
Loans	-38350433	-1442610	-38350433	-1442610	October / November 2014	October / November 2013
Finance lease	-	-	-	-	October / November 2014	October / November 2013
Total cash items	-81060199	-49921464	-81060199	-78025271		

*) For items different than FX Forward transactions, the balance-sheet value was given. In the Company's opinion, the balance-sheet value of these items does not significantly diverge from their fair value.

Change in the fair value of cash flow hedges reflected in equity
(amounts in Polish zloty)

	9 months until 30 September 2014	9 months until 30 September 2013
Opening balance	1518365	1144842
Effective part of profit/ loss on a hedging instrument	-6094143	-2367709
Amounts recognised in the income statement, of which:	-3092532	-2047793
- adjustment of other revenues and profits / other costs and losses	-3092532	-2047793
- adjustment due to ineffectiveness of hedging	-	-
Closing balance	-1483246	824926

6. Contingent assets and liabilities

As of 30 September 2014 the Company had contingent receivables due to repayment of receivables of PLN 11,416 thousand. Hedging liabilities resulting from contracts signed as at the reporting date and not reflected in the Interim Condensed Consolidated Financial Statements of the Group amounted as at 30 September 2014 to PLN 38,180,000 and PLN 30,729,000 as at 31 December 2013.

	30.09.2014	31.12.2013	30.09.2013
1. Contingent receivables	11416	11074	8850
1.1. From other entities (due to)	11416	11074	8850
- guarantees and sureties received	11416	11074	8850
2. Contingent liabilities	26764	30729	45269
1.1. For other entities (due to)	26764	30729	45269
- guarantees and sureties granted	14858	8902	17452
- letters of credit	11906	21827	27817
3. Other (relative to)	0	0	0
Total off-balance sheet items	38180	41803	54119

7. Events after the balance sheet date

On 20 October 2014, ACTION S.A. as a member of a consortium created in order to apply for a public contract under Art. 23 of the Act on Public Procurement together with Megatel Sp. z o.o. Sp. k., company with its registered office in Kraków, entered into an agreement with AGH University of Science and Technology in Kraków regarding the Academic Computer Centre Cyfronet AGH.

Under the above contract, the Company, together with Megatel Sp. z o.o. Sp. k. (as the contractor) undertook towards AGH University of Science and Technology in Kraków (as the contracting entity) to supply, install and start up a computing server cluster cooled directly by a liquid for the purposes of the PLGrid Plus and PLGrid CORE projects. In turn, the contracting entity undertook to compensate the contractor in an amount of PLN 41,049,000 (gross).

III. Other quarterly financial information

1. Description of the Issuer's significant achievements and failures in the period covered by the statements together with a list of the most important events relating thereto.

	Q3 2014	Q3 2013
Net Sales	1291402	1140091
Gross profit on sales	75870	68678
<i>gross margin</i>	<i>5.9%</i>	<i>6.0%</i>
EBIT	20838	18734
<i>EBIT margin</i>	<i>1.6%</i>	<i>1.6%</i>
Net profit	15455	13867
<i>net margin</i>	<i>1.2%</i>	<i>1.2%</i>

In Q3 2014, the Group obtained sales revenues amounting to PLN 1,291,402 which represents an increase by 13.3% with respect to the sales revenue obtained in the analogous period of the previous year.

This increase was a result of intensified efforts to build more efficient business models. In the period covered by the Statements, increases in sales to non-domestic clients were recorded

Despite difficult market circumstances, fierce competition and a pressure to reduce prices, the Group achieved a gross sales margin amounting to 5.9%.

The operating profit amounting to PLN 20,838,000 resulted from both the above factors and efficient supervision over cost discipline in all of the Group companies. Its increase in operating profit in relation to the level achieved in the same period of the previous year reached 11.2%.

The net profit achieved by ACTION S.A. Group in Q3 2014 amounted to PLN 15,455,000 and increased by PLN 1,588,000, i.e. by 11.5% compared to the one achieved in the analogous period of 2013. The net profit margin remained on the same level: 1.2%.

2. Description of factors and events, especially non-typical factors and events, having a substantial impact on the financial result achieved

In Q3 2014, no extraordinary factors or events occurred that could have significantly affected the financial results of the Group.

3. Issue, redemption and repayment of non-equity and equity securities

On 17 June 2013 ACTION S.A. issued 1000 B/2013 series bonds having the nominal value of PLN 1000 each totalling PLN 1 000 thousand. All the bonds were acquired on 26 June 2013 by GRAM.PL Sp. z o.o., a subsidiary of the Issuer. The obligation to pay the bonds was settled in cash.

The redemption date of these bonds fell on 24 January 2014. The obligation to pay for the bonds was settled by offsetting.

On 4 July 2014 ACTION S.A. issued 10 000 bearer, dematerialised, coupon, unsecured bonds series ACT01040717 with the nominal value of PLN 10 000 each and with the total nominal issue value of PLN 100 000 000.

The bonds were issued pursuant to Article 9(3) of the Bonds Act (non-public issue) and within the Bonds Issue Program of ACTION S.A.

The issue price of the Bonds was equivalent to their nominal value. The Bonds shall be redeemed on 4 July 2017 at the nominal value of the bonds. The Bonds bear interest according to the variable interest rate based on WIBOR 3M 6, increased by a fixed margin. Interest shall be paid semi-annually.

The bonds of the ACT01040717 series were introduced to trading at the CATALYST market run as an alternative trading system by the BondSpot S.A. company. The first quotation took place on 9 September 2014.

4. Information about the dividend paid/declared

On 22 May 2014, the Ordinary General Meeting of the Shareholders of ACTION S.A. resolved on the payment of dividend for 2013 Dividend amount - PLN 1/share. The date of dividend payment was 5 September 2014.

5. Statement of the Management Board of the Company on the probability of meeting the previously published forecasts for the given year in light of the results presented in the quarterly statements in relation to the forecasts:

The forecast of results of the ACTION Capital Group for 2014 published on 8 April 2014 predicts the Group's consolidated sales revenues to reach PLN 5 450 000 thousand and the net consolidated profit - PLN 70 850 thousand (the second version of the projection assuming no issue of D series shares). As of the date of issue of these statements, the Company's Management Board confirms the possibility of meeting the above projections.

6. Consequences of changes in the structure of the Group

On 24 January 2014, GRAM Sp. z o.o. purchased 51% of the shares (corresponding to the same number of votes at the general meeting of shareholders) of the LAPADO Handelsgesellschaft GmbH company (Germany) conducting activities in computer equipment distribution for a total value of EUR 913,200 (PLN 3,845,000). LAPADO Handelsgesellschaft GmbH commenced its activity in January 2012.

The Company was consolidated as of 1 January 2014.

On 1 April 2014, ACTION S.A. purchased 33.33% of the shares (corresponding to the same amount of votes at the general meeting of shareholders) of ACTION EUROPE GmbH (former DEVIL GmbH, Germany) for EUR 1,000 (PLN 4,172). As a result of this transaction, the share of ACTION S.A. in the capital of this company increased to 100%.

On 23 April 2014 ACTION S.A. acquired 3,900 out of 9,900 newly established non-preference shares in the increased share capital of ACTION GAMES LAB Sp. z o.o. The Company's interest in the share capital lowered to 40%.

7. Shareholders holding, directly or indirectly through their subsidiaries, at least 5% of total votes at the Company's general meeting as at the date of submitting the Quarterly Statements, including the number of shares held by such entities, their percentage share in the share capital, the number of votes conferred by those shares and their percentage share in the total votes at the general meeting and specification of changes in the ownership structure of the Company.

According to the information available to the Company, the shareholders owning at least 5% of the total number of votes at the GMS as at the day of communication of the previous statements (for H1 2014), i.e. 1 September 2014, were:

Natural/legal person	Number of shares held	Percentage share in the share capital of ACTION S.A.	Number of votes	Percentage share in the total number of votes
Piotr Bieliński	3 614 749	21.76%	3 614 749	21.76%
Olgierd Matyka *	3 093 457	18.62%	3 093 457	18.62%
GENERALI OFE **	1 793 022	10.80%	1 793 022	10.80%
Wojciech Wietrzykowski ***	1 199 390	7.22%	1 199 390	7.22%
AVIVA OFE AVIVA BZ WBK **	983 226	5.92%	983 226	5.92%

*) According to the situation as at 06/05/2014, the legal successor of this package as determined following an inheritance procedure is Aleksandra Matyka.

**) As of 21.08.2014

***) As of 06.05.2014

According to the information available to the Company, the above situation had changed before the day the present Statements (for Q3 2014) were communicated, i.e. 14 November 2014, and looks as follows:

Natural/legal person	Number of shares held	Percentage share in the share capital of ACTION S.A.	Number of votes	Percentage share in the total number of votes
Piotr Bieliński	3 464 749	20.86%	3 464 749	20.86%
Olgierd Matyka *	3 093 457	18.62%	3 093 457	18.62%
GENERALI OFE **	1 793 022	10.80%	1 793 022	10.80%
Wojciech Wietrzykowski ***	1 199 390	7.22%	1 199 390	7.22%
AVIVA OFE AVIVA BZ WBK **	983 226	5.92%	983 226	5.92%

*) As of 08.09.2014

According to current report no. 47/2014 of 9 September 2014, pursuant to a decision of the District Court for Warszawa-Wola in Warsaw, 1st Civil Division, the heir of Mr Olgierd Matyka is his underage daughter, Aleksandra Matyka.

**) As of 21.08.2014

***) As of 06.05.2014

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

Full name	Position in the management of ACTION S.A.	Number of shares of ACTION S.A. held
Piotr Bieliński	President of Board,	3614749
Edward Wojtysiak	Vice President of the Management Board	0
Sławomir Harazin	Vice President of the Management Board	15017
Iwona Bocianowska	Chairman of the Supervisory Board	0
Grażyna Łyko*	Member of the Supervisory Board	0
Marek Jakubowski	Member of the Supervisory Board	0
Karol Orzechowski	Member of the Supervisory Board	0
Piotr Kosmala	Member of the Supervisory Board	0
Piotr Chajderowski**	Member of the Supervisory Board	0
Bożena Stefańska	Proxy	8000
Andrzej Biały	Proxy	3006

*) Ms. Grażyna Łyko, ceased to act as an Independent Member of the Supervisory Board of ACTION S.A. with effect from 31 July 2014, after handing in her resignation due to a change of her career plans, which was notified by the Company by way of current report no. 37/2014 of 23 July 2014.

**) On 24 July 2014, Mr Piotr Chajderowski was appointed by the ACTION S.A. Supervisory Board as a co-opted (in accordance with §12.2 of the ACTION S.A. Articles of Association) Independent Member of the Supervisory Board of Action S.A., of which the Company informed in current report no. 39/2014 of 24 July 2014.

According to the information available to the Issuer, the above situation had changed before the day the present Statements (for Q3 2014) were communicated, i.e. 14 November 2014, and looks as follows:

Full name	Position in the management of ACTION S.A.	Number of shares of ACTION S.A. held
Piotr Bieliński	President of Board,	3464749
Edward Wojtysiak	Vice President of the Management Board	0
Sławomir Harazin	Vice President of the Management Board	15017
Iwona Bocianowska	Chairman of the Supervisory Board	0
Grażyna Łyko*	Member of the Supervisory Board	0
Marek Jakubowski	Member of the Supervisory Board	0
Karol Orzechowski	Member of the Supervisory Board	0
Piotr Kosmala	Member of the Supervisory Board	0
Piotr Chajderowski	Member of the Supervisory Board	0
Bożena Stefańska	Proxy	8000
Andrzej Biały	Proxy	3006

*) As of 31.07.2014

9. Identification of material proceedings pending before a court, competent arbitration authority or public administration authority

As of the day of submitting these Statements, no proceedings were ongoing at any courts, competent arbitration body or public administration authorities in relation to liabilities or receivables of the Company or its subsidiaries, whose value, determined separately for individual proceedings and in total for all the proceedings, would represent at least 10% of the Company's equity.

10. Information concerning a single or multiple transactions concluded with related entities by the Company or its subsidiary, if the value of such transactions (total value of all transactions concluded since the beginning of the financial year) exceeds the Polish zloty equivalent of EUR 500 000 – unless such transactions are typical and routine transactions concluded under market conditions between the related entities and their nature and conditions result from the current operating activities of the Company or its subsidiary.

Apart from the transactions described under point 3 of the Other Quarterly Financial Information above, no other extraordinary transactions with related entities took place within the period covered by the Statements.

11. Information on granting by the Company or its subsidiary of sureties for loans or borrowings or guarantees – jointly to a single entity or its subsidiary, if the total amount of the existing sureties or guarantees is an equivalent of at least 10% of the Company's equity:

The value of hedging liabilities resulting from agreements signed as at 30 September 2014 amounted to 26764 thousand PLN. The share of the granted guarantees and sureties in the Company equity value exceeded 10%. A detailed description of the granted guarantees and sureties has been provided in Note 6 to the Interim Condensed Consolidated Financial Statements.

12. Other information important for assessment of the Group's HR, economic, property and financial situation, its financial result and ability to fulfil liabilities

In Q3 2014, ACTION S.A. issued 3-year bonds with a total value of PLN 100,000,000. The revenues from this bond issue considerably increase the Group's ability to fulfil liabilities.

13. Factors having an impact on the Group's results in the remainder of 2014

In the opinion of the Management Board, the most important factors influencing the Company results in 2014 will be, like in the previous periods, the size and structure of demand for the Company products at home and abroad. Another important factor will be the policy of the credit insurers, especially their approach to risk and the impact of these factors on the amount of the credit limits granted.

14. Transactions with related entities

All transactions with subsidiaries were eliminated in the consolidation process.

ACTION S.A. has personal ties with the following entities: ACTION CT WANTUŁA Sp. j., ACTIVE TRAVEL Sp. z o.o., ACTIVE SOLUTIONS Sp. o.o., YAMO Sp. z o.o., and GINODO UG (Germany) that do not give control or any significant influence to the Company.

14.1. Transactions concluded between the Group's companies and related parties not subject to consolidation.

The tables below present amounts of mutual settlements and transactions concluded between the Group's companies and related parties not subject to consolidation.

Data as at 30 September 2014 and for 01/01/2014 - 30/09/2014.

	Debtors	Amounts payable	Sales revenue	Purchases and costs
ACTION CT WANTUŁA Sp. j. *)	126	0	0	0
ACTIVE TRAVEL Sp. z o.o. **)	252	0	119	953
A.PL INTERNET S.A. ***)	0	0	0	0
ACTIVE SOLUTIONS Sp. o.o. ****)	3	138	122	1124
YAMO Sp. z o.o. *****)	9971	753	25361	70963
GINODO UG *****)	7738	0	24494	1819
Total	18090	891	50096	74859

***) Gross value of these receivables amounts to PLN 815 thousand, including PLN 104 thousand of loan receivables. Valuation write-down amounts to PLN 815 thousand.

Data as at 30 September 2013 and for 1/01/2013 - 30/09/2013.

	Debtors	Amounts payable	Sales revenue	Purchases and costs
ACTION CT WANTUŁA Sp. j. *)	138	0	0	0
ACTIVE TRAVEL Sp. z o.o. **)	422	0	12	965
A.PL INTERNET S.A. ***)	0	0	0	0
ACTIVE SOLUTIONS Sp. o.o. ****)	1	25	18	424
YAMO Sp. z o.o. *****)	6362	1411	27618	15489
GINODO UG *****)	0	0	0	0
Total	6923	1436	27648	16878

*) ACTION CT WANTUŁA Sp. j. with its registered office in Poznań

**) ACTIVE TRAVEL Sp. z o.o. with its registered office in Michałów Grabina

***) A.PL INTERNET S.A. with its registered office in Warsaw was a related entity between 23 March 2011 and 6 July 2011 due to the participation of the President of the Company's Management Board in managing A.PL. INTERNET S.A.

****) ACTIVE SOLUTIONS Sp. o.o. with its registered office in Warsaw

*****) YAMO Sp. z o.o. with its registered office in Piaseczno

*****) GINODO UG with its registered office in Berlin

14.2. Transactions with associates subject to consolidation.

Data as at 30 September 2014 and for 01/01/2014 - 30/09/2014.

	Debtors	Amounts payable	Sales revenue	Purchases and costs
ACTION ENERGY Sp. z o .o.	41	52	457	172
ACTION CENTRUM EDUKACYJNE Sp. z o.o.	0	7	47	484
SYSTEMS Sp. z o.o.	0	0	0	0
Total	41	59	504	656

Data as at 30 September 2013 and for 1/01/2013 - 30/09/2013.

	Debtors	Amounts payable	Sales revenue	Purchases and costs
ACTION ENERGY Sp. z o .o.	108	35	1602	165
ACTION CENTRUM EDUKACYJNE Sp. z o.o.	3	4	148	107
SYSTEMS Sp. z o.o.	0	0	0	0
Total	111	39	1750	272

IV. Statement of the Management Board concerning the accuracy of the Interim Condensed Financial Statements

The Interim Condensed Financial Statements of ACTION S.A. for the quarter ending 30 September 2014 comprise: the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the cash flow statement and selected notes.

Pursuant to the requirements of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and the conditions of regarding information required by the law of a non-member state as equivalent, as well as the Ordinance of the Minister of Finance of 3 April 2012 amending the Ordinance on current and periodic information published by issuers of securities and the conditions of regarding information required by the law of a non-member state as equivalent (Dziennik Ustaw [Journal of Laws] of 13 April 2012), the Management Board of ACTION S.A. hereby represents that:

- to the best of their knowledge, the quarterly condensed financial statements and comparative data have been drawn up in compliance with the accounting principles in force and that they present a true, accurate and fair view of the Company's economic and financial position and its financial result.

During the period covered by these Financial Statements, the Company kept its books in accordance with the International Financial Reporting Standards ("IFRS") approved by the EU, issued and in force as of the balance-sheet date, and in matters not regulated by the IFRS - in compliance with the Polish Accounting Act of 29 September 1994.

Piotr Bieliński
President of Board,

Sławomir Harazin
Vice-President of the Management
Board

Edward Wojtysiak
Vice-President of the Management
Board

Warsaw, 14 November 2014

V. Interim Condensed Financial Statements of ACTION S.A. for the period from 1 January 2014 to 30 September 2014

Selected financial data of ACTION S.A.

SELECTED SEPARATE FINANCIAL DATA	in PLN '000		EUR'000	
	3 quarters on a compound basis period from 01.01.2014 to 30.09.2014	3 quarters on a compound basis period from 01.01.2013 to 30.09.2013	3 quarters on a compound basis period from 01.01.2014 to 30.09.2014	3 quarters on a compound basis period from 01.01.2013 to 30.09.2013
I. Net revenues from the sale of products, goods and materials	3371563	3224679	806536	763581
II. Gross profit/loss on sales	176943	158949	42328	37638
III. Profit/loss from operating activity	70124	59015	16775	13974
IV. Net profit/loss attributed to the Company's Shareholders	53081	44668	12698	10577
V. Net cash flows from operating activity	-5551	51849	-1328	12277
VI. Net cash flows from investment activities	-48873	-11885	-11691	-2814
VII. Net cash flows from financial activities	110047	-19702	26325	-4665
VIII. Net increases (decreases) of cash	55623	20262	13306	4798
IX. Profit per ordinary share* (in PLN/EUR)	3.20	2.72	.76	.64
	as of 30.09.2014	as of 31.12.2013	as of 30.09.2014	as of 31.12.2013
X. Total assets	1186369	1103136	284126	265995
XI. Amounts payable	845966	796773	202602	192123
XII. Long-term liabilities	145676	6666	34888	1607
XIII. Short-term liabilities	700290	790107	167714	190516
XIV. Equity attributed to the Company's Shareholders	340403	306363	81524	73872
XV. Share capital	1661	1661	398	401
XVI. Number of shares**) (pcs)	16610000	16610000	16610000	16610000
XVII. Book value per share***) (in PLN/EUR)	20.49	18.44	4.91	4.45

*) Profit per ordinary share was calculated as the quotient of net profit and the number of shares.

**) The number of shares takes into account the change in the nominal value of series A shares from PLN 1 to PLN .10 at the same time dividing 1 share of PLN 1 into 10 shares with a nominal value of PLN .10. The change was made on 11 April 2006 by virtue of a resolution of the Extraordinary General Meeting of Shareholders.

***) The book value per share was calculated as the quotient of share capital and the number of shares.

PLN/EUR exchange rates

Period of time	Average exchange rate in the period	Minimum exchange rate in the period	Maximum exchange rate in the period	Exchange rate as of the last day of the period
01.01.2014-30.09.2014	4.1803	4.142	4.2368	4.1755
01.01.2013-31.12.2013	4.211	4.1429	4.3292	4.1472
01.01.2013-30.09.2013	4.2231	4.1429	4.3292	4.2163

The selected financial data presented in the Financial Statements was converted into EUR in the following manner:

- items concerning the Statement of Comprehensive Income and the Cash Flow Statement were converted at the exchange rate being the arithmetic mean of the average exchange rates published by the National Bank of Poland, in force on the last day of each month, for 3 quarters of 2014 this exchange rate stood at: 1 EUR = 4.1803 PLN, for 3 quarters of 2013: 1 EUR = 4.2231 PLN;

Consolidated Quarterly Statements of the ACTION S.A. CAPITAL GROUP for Q3, 2014
(all amounts given in thousand zloty (PLN '000) unless indicated otherwise)

- items of the statement of financial position were converted at the average exchange rate published by the National Bank of Poland, in force as at the balance-sheet date; as at 30 September 2014 this exchange rate stood at: 1 EUR = 4.1755 PLN, as at 31 December 2013: 1 EUR = 4.1472 PLN and as at 30 September 2013: 1 EUR = 4.2163 PLN.

Statement of comprehensive income

All revenues and costs relate to continued activities.

	Jan 1 - Sep 30 2014 YTD	Jul 1 - Sep 30 2014	Jan 1 - Sep 30 2013 YTD	Jul 1 - Sep 30 2013
Sales revenue	3371563	1134333	3224679	1112384
Cost of products, goods and materials sold	-3194620	-1074440	-3065730	-1058931
Gross profit on sales	176943	59893	158949	53453
Sales and marketing costs	-91773	-31643	-88256	-29614
Administrative expenses	-16689	-5471	-14691	-4247
Other revenues and operating profits	3499	1661	6589	690
Other expenses and losses	-1856	-477	-3576	-1215
Profit/loss from operating activity	70124	23963	59015	19067
Finance costs	-4551	-1654	-4081	-1076
Profit/loss before tax	65573	22309	54934	17991
Income tax	-12492	-4182	-10266	-3595
Net profit/loss for the financial period	53081	18127	44668	14396
Other components of comprehensive income				
Net change due to cash flow hedging	-3001	-1200	-320	2332
Income tax	570	228	61	-443
Other components of net comprehensive income	-2431	-972	-259	1889
Total income for the period	50650	17155	44409	16285
Profit/loss attributed to the Company's Shareholders per ordinary share (in PLN per share)				
Basic	3.20	1.09	2.72	0.88
Diluted	3.08	1.05	2.59	0.84
Number of shares	16610000	16610000	16410000	16410000
Diluted number of shares	17230500	17230500	17230500	17230500

Piotr Bieliński
President of Board,

Sławomir Harazin
Vice-President of the Management Board

Edward Wojtysiak
Vice-President of the Management Board

Warsaw, 14 November 2014

Statement of Financial Position

	30.09.2014	31.12.2013	30.09.2013
ASSETS			
Non-current assets			
tangible fixed assets	168340	120912	112520
Company value	0	0	0
Other intangible assets	4013	4429	4642
Investment property	6673	6673	6673
Financial assets	40597	36230	37517
Deferred income tax assets	0	0	0
Trade and other receivables	0	0	0
	219623	168244	161352
Current assets			
Inventory	368235	324038	346346
Trade and other receivables	504107	573889	515183
Current income tax receivables	0	0	0
Derivative financial instruments	0	0	0
Other financial assets	6354	4538	238
Cash and cash equivalents	88050	32427	21274
Total assets	966746	934892	883041
	1186369	1103136	1044393
EQUITY			
Share capital	1661	1661	1641
Share premium	58112	58112	55744
Other reserve capitals	30000	30000	30000
Retained earnings	251831	215360	197260
Other components of equity	-1201	1230	668
Total equity	340403	306363	285313
LIABILITIES			
Long-term liabilities			
Loans, borrowings and other financing liabilities	140522	3601	4160
Deferred income tax provisions	5154	3065	3367
	145676	6666	7527
Short-term liabilities			
Trade and other liabilities	635314	716862	632792
Loans, borrowings and other financing liabilities	60290	66021	114280
Current income tax liabilities	3852	6539	3901
Employee benefit liabilities	834	644	533
Derivative financial instruments	0	41	47
Provisions for other liabilities and other encumbrances	0	0	0
	700290	790107	751553
Total liabilities	845966	796773	759080
Total equity and liabilities	1186369	1103136	1044393

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Statement of Changes in Equity

	Equity attributed to the Company's Shareholders					Total equity
	Share capital	Share premium	Retained earnings	Other reserve capitals	Capital from cash flow hedge valuation	
as of 1 January 2014	1661	58112	215360	30000	1230	306363
Total comprehensive income			53081		-2431	50650
Dividends paid			-16610			-16610
Other						0
As of 30 September 2014	1661	58112	251831	30000	-1201	340403
as of 1 January 2013	1641	55744	177207	30000	927	265519
Total comprehensive income			62768		303	63071
Dividends paid			-24615			-24615
Other	20	2368				2388
as of 31 December 2013	1661	58112	215360	30000	1230	306363
as of 1 January 2013	1641	55744	177207	30000	927	265519
Total comprehensive income			44668		-259	44409
Dividends paid			-24615			-24615
Other						0
As of 30 September 2013	1641	55744	197260	30000	668	285313

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Cash flow statement

	3 quarters period from 01.01.2014 to 30.09.2014	3 quarters period from 01.01.2013 to 30.09.2013
Cash flows from operating activity		
Net profit/loss for the financial period	53081	44668
Adjustments:	-58632	7181
Income tax	12492	10266
Income tax paid	-12520	-14171
Depreciation and amortisation of fixed and intangible assets	6283	6183
Profit/loss from investment activity	-44	-798
Interest revenue	-315	0
Interest expenses	4551	4068
Other	-2722	-188
Changes in working capital:		
Inventory	-44197	-46511
Trade and other receivables	69782	-61295
Trade and other liabilities	-91942	109627
Net cash flows from operating activities	-5551	51849
Cash flows from investment activities		
Acquisition of tangible fixed assets and intangible assets	-43746	-8658
Acquisition of investment real property	0	0
Revenues from the sale of tangible fixed assets and intangible assets	21	22
Other investment inflows/outflows	-5148	-3249
Net cash flows from investment activities	-48873	-11885
Cash flows from financial activities		
Redemption of debt securities	-1000	-1672
Issuance of debt securities	100000	0
Loans and borrowings received	32607	12800
Repayment of loans and borrowings	0	0
Dividends paid	-16610	-24615
Interest paid	-3565	-4070
Payments of liabilities under finance lease agreements	-1385	-2145
Other financial inflows/outflows	0	0
Net cash flows from financial activities	110047	-19702
Net increase/decrease of cash	55623	20262
Opening balance of cash	32427	1010
FX gains/losses on valuation of cash	0	2
Closing balance of cash	88050	21274

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Additional Information

1. Material estimates

Deferred income tax assets and provisions recognised in the Statement of Financial Position were disclosed following set-off. Set-off was performed due to the homogeneity of these components and the method of their settlement.

Values of the deferred income tax subject to off-setting:

	30.09.2014	31.12.2013
Deferred income tax assets:		
– deferred income tax assets falling due within 12 months	9849	4988
	9849	4988
Deferred income tax provisions:		
– deferred income tax provisions falling due within 12 months	15003	8053
	15003	8053
Deferred income tax assets	0	0
Deferred income tax provisions	-5154	-3065
Deferred income tax assets/provisions (per balance)	-5154	-3065

Changes in the deferred income tax (with the set-off of assets and provisions taken into account):

	30.09.2014	31.12.2013
At the beginning of the period	-3065	-4882
Credit to / charge on the financial result	-2659	1887
Increase/decrease of equity	570	-70
At the end of the period	-5154	-3065

2. Write-downs on components of assets

2.1 Write-downs on long-term financial assets

	30.09.2014	31.12.2013	30.09.2013
Opening write-down on long-term financial assets	-2392	-2692	-2692
Established	0	0	-1640
Used	0	0	0
Released	0	300	0
Closing write-down on long-term financial assets	-2392	-2392	-4332

2.2 Write-downs on short-term financial assets

	30.09.2014	31.12.2013	30.09.2013
Opening write-down on short-term financial assets	-104	0	0
Established	0	-104	-104
Used	0	0	0
Released	0	0	0
Closing write-down on short-term financial assets	-104	-104	-104

2.3 Write-downs on inventory

	30.09.2014	31.12.2013	30.09.2013
Opening write-down on inventory	-1837	-1837	-1837
Established (Costs of products, goods and materials sold)	0	0	-25
Used	0	0	0
Released (Costs of products, goods and materials sold)	646	0	0
Closing write-down on inventory	-1191	-1837	-1862

The write-down was released as a result of revaluation of merchandise based on inventory ageing. Both as of 30 September 2014 and as of 31 December 2013 the Company did not have stock valued at the net selling price.

2.4 Write-downs on trade and other receivables

	30.09.2014	31.12.2013	30.09.2013
Opening write-down on receivables	-11207	-11386	-11386
Established	-962	-1984	-1756
Used	133	1615	1439
Released	55	548	576
Closing write-down on receivables	-11981	-11207	-11127

3. Contingent assets and liabilities

As of 30 September 2014 the Company had contingent receivables due to repayment of receivables of PLN 11,416 thousand. Hedging liabilities resulting from contracts signed as at the reporting date and not reflected in the Interim Condensed Consolidated Financial Statements of the Company amounted as at 30 September 2014 to PLN 72,095,000 and to PLN 43,171,000 as at 31 December 2013.

	30.09.2014	31.12.2013	30.09.2013
1. Contingent receivables	11416	11074	8850
1.1. - from related entities (due to)	0	0	0
- guarantees and sureties received	0	0	0
1.2. From other entities (due to)	11416	11074	8850
- guarantees and sureties received	11416	11074	8850
2. Contingent liabilities	72095	43171	45269
1.1. - for related entities (due to)	45331	12442	0
- guarantees and sureties granted	45331	12442	0
1.2. For other entities (due to)	26764	30729	45269
- guarantees and sureties granted	11906	8902	17452
- letters of credit	14858	21827	27817
3. Other (relative to)	0	0	0
Total off-balance sheet items	83511	54245	54119

Guarantees and sureties granted

As at 30 September 2014, the value of guarantees and sureties granted amounted to 72095 thousand PLN, of which:

Bank guarantees for the total amount of (USD 409 thousand) PLN 1349 thousand,
 Bank guarantees for the total amount of (EUR 9925 thousand) PLN 41443 thousand;
 Bank guarantees for a total amount of PLN 9,201,000,
 Bank guarantee under a lease agreement of (EUR 196 thousand) PLN 817 thousand;
 Performance bonds for the total amount of PLN 1207 thousand,
 Guarantee of payment of customs duties and taxes for the total amount of PLN 3220 thousand,
 Letters of credit relative to the supplies of goods totalling PLN 14,858,000.

These Interim Condensed Consolidated Financial Statements were approved by the Management Board of ACTION S.A. on 14 November 2014.

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