Semi-Annual Report on Issuer's Activity Talex S.A. in Poznan

August 2014

Company Information

Company Name :	TALEX Spółka Akcyjna
Registered Office :	61 – 619 Poznań, ul Karpia 27D
Phone Number :	(061) 8 275 500
Fax :	(061) 8 275 599
Taxpayer Registration Number :	782 – 00 – 21 - 045
Company Registration Number:	004772751
NACE :	5184

Branches

At present, the Company has fourteen branches, including one foreign branch headquartered in the Czech Republic.

Branches in Poland:

- Talex Białystok, ul. Ogrodowa 31;
- Talex Bielsko-Biała, ul I Dywizji Pancernej 45;
- Talex Gdańsk, ul. Barniewicka 54A;
- Talex Katowice, Al. W. Roździeńskiego 91;
- Talex Kraków, ul. Zbożowa 2;
- Talex Lublin, ul. Jana Sawy 2;
- Talex Łódź, ul. Piotrowska 276;
- Talex Olsztyn, ul. Jagiellończyka 23;
- Talex Rzeszów, ul. Powstańców Listopadowych 3;
- Talex Szczecin, ul. Pomorska 53;
- Talex Toruniu, ul. Włocławska 167;
- Talex Warszawa, ul. Olbrachta 94;
- Talex Wrocław, ul. Śrubowa 1;

Foreign branch:

- branch in Prague, Průmyslová 7.

Field of activity

The joint-stock company TALEX S.A. (previously the limited liability company TALEX Sp. z o.o.) has been a provider of technologically advanced IT services for small and medium-size businesses since 1990.

The Company's activity focuses on three main areas: integration of ICT systems, IT outsourcing and software development.

The integration of ICT systems includes a large number of services. The Company tries to provide its clients with a full range of services, starting with preliminary analyses and expert consultation, project design and management services, development and introduction of integration procedures, system configuration and tuning, ending with the organisation of staff training programs, whose focus are the products and services offered by the Company. Such an extensive offer guarantees the integrity of the customers' IT systems as well as high quality, reliability and adherence to the basic security standards.

The platforms covered by the integration services offered are Intel/RISC, UNIX, i5/OS, Windows and Linux. The services include, among other things, consolidation and virtualisation, high-availability solutions (clusters), backup and recovery services (recovery centers, data replication, disk arrays etc.) as well as information security solutions, such as preventing unauthorised intrusions into ICT networks or developing

private virtual networks. The Company also provides network integration services, including DWDM, IP telephony, structural cabling, network monitoring etc.

The outsourcing offer focuses on two main areas – Data Center services and services guaranteeing continuity of business processes. Talex S.A. provides its customers with the access to its own Data Center. This may happen in a number of ways: the customers may use only the space of the Data Center or use the full service, which includes offering space, hiring equipment, configuring applications as well as administering and monitoring. At the customer's request, applications can be monitored 24/7. In case of equipment or software failures, the Company's experts offer remote or onsite support. The qualifications of the engineers are confirmed with certificates from the leading equipment and software manufacturers.

A special outsourcing service offered by the Company are rollouts – mass upgrades of ITC infrastructure for large customers, especially those with branches across the whole country. Talex S.A. has specialised in such activities, having performed many rollouts, for example, in three leading Polish banks.

The software production services include custom-made software, developing modules extending the existing applications, tuning the applications to the specific needs of customers or developing codes used in integration processes. The Company uses modern technologies, such as Java, Microsoft.NET; Oracle, DB2, MS SQL databases; and WebSphere, WebLogic and JBoss application servers.
Software produced by the Company is used in financial institutions, state-owned enterprises as well as large industrial companies.

TALEX S.A. is a partner of many leading hardware and software manufacturers. The Company's employees have attended training courses and passed exams, which is confirmed by obtained certificates.

Procedures of all the activities of the Company are compliant with the quality management system, defined by the ISO 9001:2000 standard. Given its specific business profile and the importance of its customers, the Company also obtained the BS 7799:2002 (ISO/IEC 27001:2005) certification, which confirms that the procedures followed by the Company guarantee full security of customers' data.

IT market and perspectives of development for the Company

The increase of IT market value in Poland will be faster than the world average. According to Gartner, the global IT spending in 2015 will grow by 3.1% in relation to the former year, i.e. by 0.6% less than in the previous forecast.

Until 2020 the value of Polish IT market will be increasing by 6% on average per year, to reach 6.24 billion dollars – as said by Future Market Insights. According to the research, the sale is going to increase for at least 5 years. At the moment, this segment is dominated by the services which constitute over 50% of the total market revenues, but they will lose their dominant position by 2020 in favour of software. The development of services and advanced IT software on the domestic market should help Poland in the near future to close the gap with Western countries, which are continuously looking for further possibilities to develop.

According to the analyses by Future Market Insights, Polish IT market is driven by a growing interest of the enterprises in the solutions that provide an edge over the competition. Sectors that invest most are the financial, public, and manufacturing sectors. It can be clearly seen that there is a demand for CRM solutions, optimization of processes (BPM), Business Intelligence tools (BI), and optimization of fixed asset management. In this year, Business Intelligence solutions should become increasingly important among large companies, and cloud computing in the SME sector.

Development forecasts for 2014-2018, by the research conducted by PMR among 300 biggest IT companies in Poland, state that the respondents are very optimistic aboout their development of cloud computing. From the three main models of such technology, SaaS model (Software as a Service) was considered the most development-oriented. Over 30% of the respondents expressed their preference for a fast growth of IaaS (Infrastructure as a Service) and PaaS (Platform as a Service) services in the years 2014-2015.

In accordance with the above mentioned report, the most basic factor for the biggest companies which influences the development of cloud computing market in Poland is the search for savings, then also mobile Internet development, and mobile applications market as well as the growth of the number of data.

The perception of security has a lower impact on the development of the market than a year before. In all probability, suppliers managed to convince potential users of cloud technologies that safety is at a higher level than the average user can provide in their own data center.

Both large companies and SMEs (small and medium-sized enterprises) are more and more interested to use the offer of cloud computing services. It is estimated that a significant part of the increase of the value of cloud services results from the fact that large companies are becoming open to these technologies. Previously, they feared attachment to a single supplier, safety deficiencies and problems concerning the adjustment of cloud solutions to their needs.

The cloud provides the opportunity to make good use of the potential of IT, also in the banking sector, with which Talex has been cooperating for many years. The analysis shows that customers can focus on the provision of financial services rather than on investing their resources in IT. Therefore, bankers are increasingly counting the costs of services that must be sustained over time and compare them with the costs of investing in their own IT environment. The bank which takes into consideration the use of cloud separates in its business the thing due to which it actually competes with other banks from the remaining elements, which are already less important but generate costs that should be limited.

Due to the above, the Company plans to continue to focus its activities on: outsourcing, integration services in the field of information technology and software production. Treating outsourcing services as one of the strategic directions of development, the Company is consistently, for several years, developing the necessary skills and technical infrastructure.

Factors affecting the results achieved by the Company in the next quarter include primarily the implementation of contracts with regular, long-term customers of the Company, in particular with the clients from banking and financial sectors such as Bank Zachodni WBK S.A., ING Bank Śląski S.A., Credit Agricole Bank Polska S.A., and newly-acquired PKO Bank Polska S.A.

The services provided in the project realized in the period from 2013 to 2015 entitled "Creation of IT Centre providing modern services", under the Operational Programme Innovative Economy, priority axis 4 "Investments in innovative enterprises," measure 4.5 "Support for investment of considerable importance to the economy," sub-measure 4.5.2 "Support for investment in the modern services sector", also fit well into the services, described above, namely Cloud Computing services.

In the near future, the market of Cloud Computing services will be more focused on the applications available in the cloud, not on the infrastructure alone. Surely, we will be facing the optimization of the cloud operating costs and cloud use by the companies. We will have to improve the management of the effectiveness and costs monitoring. The cloud is a part of business and have to meet the criteria of the product to be offered to banks, for example, hence it has to have license rights regulated by the law.

Basic economic and financial data, disclosed in the semi-annual financial report

Sales and profit in the first six months of 2015

In the first six months of 2015, the Company recorded the revenues of PLN 46,250 thousand, with the profit of PLN 526 thousand (for the first half of 2014 – PLN 3,014 thousand).

SPECIFICATION	First six months of 2015 (PLN in thds)	First six months of 2014 (PLN in thds)	Fluctuation
Revenues from sales of products	22,086	23,363	94.5%
Revenues from sales of goods and materials	24,164	15,824	152.7%

In the reporting period, the revenues from sales were higher by 18% than the revenues in the comparable period of the first half of 2014. The revenues from sales of products decreased by 5.5% and the sale of goods and materials was higher by 52.7%.

The share of services in sales revenues was about 47.8%; in the comparable period of the first half of 2014 they accounted for approximately 59.6% of total sales revenues. The margin on the sale of those services slightly decreased. The margin on sales of products was equal to 26.5% (33.7% in the first half of 2014). The decrease in the margin on sales of services is related to the expenditure incurred by the Company that resulted from the signing of the agreement with Allegro (current report no 26/2014). In the following months of this year, the Company intends to return to the profitability of the sold products to the level of more than 30%.

Revenues from sales of goods and materials accounted for over 50% of total sales revenues (52.5%) and the profitability from the sales of goods and materials decreased in comparison to the analogous period of 2014 to about 5.0% (5.9% in the first half of 2014).

SPECIFICATION	First six months of 2014 (PLN in thds)	First six months of 2014 (PLN in thds)	Fluctuation
Net revenues from sales	**46,250**	**39,187**	**118.0%**
Gross profit from sales of products	5,847	7,871	74.3%
Gross profit from sales of goods and materials	1,216	933	130.3%
Gross profit (loss) from sales	**7,063**	**8,804**	80.2%
Costs of sales	1,589	1,516	104.8%
General management costs	4,580	3,886	117.9%
Profit (loss)from sales	894	3,402	26.3%
Profit (loss) from operating activities	1,057	3,662	28.9%
Gross profit (loss)	804	3,722	21.6%
Net profit (loss)	**526**	**3,014**	17.5%

Lower margin on sales revenues in the first half of 2015, with the increase in the costs of sales and general management costs, was reflected in the gross profit from the product sales as well as on others levels of the Company's activity. Due to the signed and already planned contracts which cover both hardware sales and services, the Company plans to make up for the less favourable conditions of products sale from the first half of 2014.

Company assets

The value of fixed assets as at 30.06.2015 amounted to PLN 65,502 thousand and increased by 82.4% compared to the value at the end of the first half of 2014. The increase was affected mainly by the changes in the area of fixed assets, including expenditures on the tangible fixed assets and fixed assets under construction. The value of the fixed assets increased by more than PLN 14,336 thousand, whereas the value of the fixed assets under construction increased by approximately PLN 15,294 thousand when compared to the first half of 2014, due to the already started investments of the construction of a new office building and the extension of a server building implemented under the Company's project entitled "Creation of IT Centre providing modern services" financed from the Operational Programme Innovative Economy 2007 -2014 (priority axis 4 "Investments in innovative enterprises," measure 4.5 "Support for investment of considerable importance to the economy," sub-measure 4.5.2 "Support for investment in the modern services sector."

	ASSETS	30.06.2015 (PLN in thds)		30.06.2014 (PLN in thds)	
		(PLN thds)	% of share	(PLN thds)	% of share
I	**FIXED ASSETS**	**65,502**	**75.4%**	**35,918**	**75.4%**
1.	Intangible assets	1,190	1.4%	1,109	1.8%
2.	Tangible fixed assets	63,952	73.6%	34,284	55.8%
3.	Long-term receivables	2	0.0%	6	0.0%
4.	Long-term investments	-		-	
5.	Long-term prepayments and accrued income	358	0.4%	519	0.8%

The value of current assets as at 30.06.2015 amounted to PLN 21,362 thousand and was lower by about 16.4% compared to the value on the last day of June 2014. On account of the expenditure incurred on the realization of the investment project entitled "Creation of IT Centre providing modern services", the Company gathered about PLN 4,433 thousand on the bank account, which was nearly 46.8% less than in the corresponding period in 2014.

	ASSETS	30.06.2015 (PLN in thds)		30.06.2014 (PLN in thds)	
		(PLN thds)	% of share	(PLN thds)	% of share
II	**CURRENT ASSETS**	**21,364**	**24.6%**	**25,544**	**41.6%**
1.	Inventories	1,850	2.1%	4,750	7.7%
2.	Short-term receivables	14,162	16.3%	11,920	19.4%
3.	Short-term investments	4,433	5.1%	8,336	13.6%
4.	Short-term prepayments and accrued income	919	1.1%	538	0.9%

Current assets constituted about 25% of the total assets of the Company as at the end of the first half of 2015. This ratio indicates the potential of the company. The higher this part of the index, the higher the liquidity of the Company. Current assets compared to tangible current assets are much more easily converted into cash.

Overall financial condition

Selected financial ratios.

Profitability ratios	1st half of 2015	1st half of 2014	Desired quantities
Return on sales (ROS) Net profit/sale value *100 (%)	1.14%	7.69%	positive rising
Return on assets (ROA) Net profit/ total assets * 100 (%)	0.61%	4.90%	positive rising
Return on equity (ROE) Net profit/own equity * 100(%)	1.20%	7.01%	positive rising
Corrected profitability of assets Net profit+(financial costs - income tax on interest) /total assets*100(%)	0.99%	5.09%	positive rising
Leverage Profitability of equity – profitability of assets	0.60%	2.11%	positive rising

The return on sales (ROS) informs about the amount of profit margin in the percentage of sales after deduction of costs and taxes. A higher level of this ratio indicates a more favorable financial condition of the company.

The return on assets (ROA) shows the ability of the entity to generate profit. The higher the level of return on assets, the better the company's financial situation

The return on equity (ROE) indicates the size of the net profit per unit of capital invested in the company. The higher the efficiency of the equity, the better the financial situation of the Company, and the possibility of paying higher dividends.

Leverage indicates whether the operating profit generated by foreign capital is higher than the interests that is whether the company earns money for itself due to the external funding.

Positive leverage occurs when the profitability of the whole capital (equity and foreign) of the company, calculated as the relation between the operating profit and total capital, is higher than the interest rate on debt (foreign capital).

Liquidity ratios	1st half of 2015	1st half of 2014	Desired quantities
Financial liquidity ratio I Current assets / short-term liabilities	1.05	2.10	1.2 - 1.8
Financial liquidity ratio II (current assets- inventories)/short-term liabilities	0.96	1.71	0.8 -1.0
Financial liquidity ratio III Short-term investments/short-term liabilities	0.22	0.69	min. 0.3

The liquidity ratios have been permanently at the level which is still very safe for the Company. These ratios decreased in comparison to the first half of 2014 because the Company incurred expenditures on the already implemented investment entitled "Creation of IT Centre providing modern services." These ratios define the Company's ability to timely regulate its current liabilities.

Debt ratios	1st half of 2015	1st half of 2014	Desired quantities

Overall debt ratio Liabilities and provisions for liabilities/total assets	0.40	0.24	Max 0.5
Long-term debt ratio Long-term liabilities/equity capital	0.34	0.05	Max 0.5-1

Total debt ratio increased at the end of the first half of 2015 compared to the previous year but has been still at the safe level. In addition, the optimal values of the liquidity ratios, new contracts signed by the Company and the Company's current cash, reduce the financial risk in the company and the probability of losing the ability to repay the debt.

The long-term debt results from the car fleet lease agreements and the investment loan agreement for financing the investment of the construction of IT Center. In spite of the increase, the long-term debt ratio is still on a low, safe level for the Company.

Management performance indicators	1st half of 2015	1st half of 2014	Desired quantities
Receivables turnover ratio Net sales revenues /average receivables	3.71	2.89	7-10
Inventory Cycle Average inventory cycle/ cost of sales *360	9.24	17.11	decreasing
Receivables Cycle Average receivables /cost of sales * 360	48.54	62.36	decreasing
Duration of receivables in days Average trade receivables /cost of sales*360	49.20	66.45	average deadline
Conversion period of working capital into cash Receivables cycle + inventories cycle (in days)	57.78	79.46	decreasing

The low level of receivables turnover ratio, that is below the value of 7, indicates that the level of debt is high, meaning that the company is crediting its customers excessively, which in practice means a long-term freezing of funds in receivables. In the first half of 2015 the Company managed to raise the value of this ratio to the desired optimum level in comparison to the first half of the previous year.

The inventory cycle indicates the average number of days that have passed since the introduction of inventory to the warehouse up to its leave. The shorter time for the equity in the asset, the better.

The receivables cycle was at a lower level than in the first half of 2014, indicating a reduction of the waiting time for repayment of debts. This ratio does not exceed by more than half the deadline described in the terms of sale. Talex, due to the money on the account, can afford to temporary credit its customers, which indeed entails the freezing of funds in receivables but simultaneously allows the Company to entrench the relations with its regular customers and build lasting relationships with the new customers.

At the same time, the duration of receivables in days increased from over 66 days in the first half of 2014 to almost 50 days in 2015. The extension of the payments period is commonly used as a form of interest-free credit, which is particularly useful in cases where the Company give credits to its customers, determining the extended payments terms.

The analysis of these indicators show the improvement of the overall efficiency of the Company's operations in the first half of 2015. Talex has proper indicators to finance operations, including the compliance to the golden rule of balance and finance at the safe level. Good financial liquidity characterizes the Company; the profitability and turnover ratios also remain at a good level.

Financial standing

The Company's shareholders' equity as at 30.06.2015 amounted to PLN 43,745 thousand, which comprised

- share capital (3,000,092 shares) PLN 3,000 thousand
- reserve capital PLN 36,265 thousand
- net profit/loss for the first six months of 2015 PLN 526 thousand

The Company's standing, in terms of payments, was good in the first six months of 2015. There were no difficulties with prompt payments of taxes, social insurance or payments to employees and suppliers. The value of the cash at hand and in bank accounts of the Company, although the Company was in the process of the realization of the investment to create the Centre of IT services, was equal to PLN 4,433 thousand, which secures the current needs of the Company.

Total liabilities as at 30.06.2015 amounted to PLN 43,121 thousand, which comprised 98% of shareholders' equity.

At the date of 30.06.2015, the Company did not take any bank credits. However, on 30 May 2014 the Company signed the investment credit agreement provided by Bank Zachodni WBK S.A to the Company in the amount of PLN 17 million gross for the realization of the project entitled "Creation of IT Centre providing modern services," which increased in July to PLN 19,240 thousand.

In the first half of 2015, the Company invested its free assets mainly in fix-term deposits or placed them in over-night deposit accounts. Both instruments can be considered as risk-free.

The enterprise will continue to finance its activity through the shareholders' equity. Current liabilities will be paid with the Company's current receivables.

Information on buying treasury shares

As at the day of 30 June 2015 the number of own shares did not change because in the described period the Company did not acquire any own shares; the Company received 6,711 own shares in total, at purchase price of PLN 75 thousand.

Financial risk management

Due to the safe level of receivables in relation to the liabilities of the Company and positive liquidity ratios, the risk of changes in interest rates does not threaten the activity of the enterprise.

Although the Company signed the agreement for the investment credit but its use was as at the day 30.06.2015 561 equal to PLN 14,040 thousand, yet the loan was taken out in the framework of the project for which the funding has been granted to the Company under the Operational Programme Innovative Economy 2007-2014 (priority axis 4 "Investments in innovative enterprises," measure 4.5 "Support for investment of considerable importance to the economy," sub-measure 4.5.2 "Support for investment in the modern services sector.") The maximum value of the grant amounts to PLN 7.15 million gross. In July 2014 the Company concluded IRS transaction in the amount of PLN 6 million to partially secure a fixed interest rate of the investment credit. The term of the contract includes the period from 30 June 2015 to 30 June 2020. Repayment of this credit is expected in the analogous period.

The risk of changes in foreign currency exchange rates against PLN is high regarding the current state of the market; the Company, in connection with the above, has so far not used financial entities protecting from exchange rate risks in connection with the above services. In the first six months of 2015, payments in foreign currencies comprised approximately 5.54% of the Company's total payments. The decisions concerning the use of hedging instruments will be taken depending on the state of the foreign currency market. In the first half of 2015 the Company incurred the loss on the financial activities in the amount of PLN 35 thousand in the field of foreign exchange differences.

Employment

On 30.06.2015, the Company had 328 employees. The average employment in the first half of 2015 expressed in full-time jobs equalled 317.43.

Significant risk factors and threats

Risk associated with economic situation

The constant economic and political changes may constitute a source of both threats and opportunities for businesses in Poland. The elements of the country's economic policy most significant for business are employment costs, taxes and investment policy. The key macroeconomic factors include the level of GDP, investment, inflation and exchange rates – especially USD and EUR. The poor state of the economy, and so, poor state of businesses, may result in the decrease of investments, including ICT solutions. Lower demand for such products may cause shrinkage of the market and increased competition resulting in reduction of prices. This may influence the reduction of sales profitability and in longer term also the liquidity of companies operating in this sector.

Risk associated with competition

The Company operates in a sector, where one needs to face intense competition, both from domestic businesses, which have been operating on the market for years, as well as new businesses. The growing number of the latter is a result of, among other things, open borders and the influx of foreign businesses operating in the same sector. Those businesses try to take over part of the market by taking over small domestic companies. Another significant threat is the growing tendency to provide direct services by global suppliers of computing solutions, who, so far, have operated in Poland through domestic integrators. The strengthened position of the rival businesses may weaken that of the Company. The Company's activities which are to minimize the above risks involve constant expanding of the offer by the newest technological solutions, raising the qualifications of the staff as well as providing services, whose standard guarantees that the Company is perceived as professional, experienced and reliable.

Risk associated with supplier dependence

The Company has signed partnership agreements with numerous global IT corporations. In most cases, those corporations offer solutions similar in quality, function and price. The Company also cooperates with many domestic distributors of IT products. As a result, most of the solutions offered by the Company may be based on alternative products provided by different suppliers. However, part of the company's offer is based on products that are unique. The need to use particular manufacturer's products may sometimes be determined by specific requirements of a client. If the Company ceased to cooperate with particular corporations in the IT sector, it could lose the opportunity to sign certain agreements.

Risk associated with large customer dependence

According to the strategy of the Company's commercial operations, large part of the Company's activities is based on regular, long-standing and extensive IT services provided to large businesses. The strategy involves unquestionable benefits but also the risk that, in case of losing certain important customers, the Company will face a temporary reduction of revenues or even the need to reorganize certain areas of its activity. To minimize this risk, the Company tries to increase the number of its key customers and generate part of its revenues by cooperating with many small contractors.

The risk associated with providing solutions and services of crucial importance for the customers' business activities

The Company's customers deem a considerable number of the solutions and services provided by Talex highly important for business processes. Any defects in the solutions provided by the Company or inappropriate implementation of the services offered may lead to considerable losses on the part of the customer or, in some cases, make it impossible for the customer to conduct their basic business activities. In such cases, the Company may have to pay the financial penalty and damages specified in the agreements and lose some of its customers. To minimize this risk, the Company includes provisions of its limited liability in the agreements and signs insurance agreements with insurance companies.

The risk associated with losing key employees

Given the open job market in the countries of Western Europe as well as the growing demand for the ICT experts in the foreign businesses operating in Poland, the Company may lose many of its highly qualified employees. If the Company lacked employees with specialist qualifications, it could lose some of its certificates and entitlements. Also, the standard of the services provided by the Company could fall. Therefore, the Company offers a variety of incentives, both financial and non-financial, for example, specialist training courses on the newest information technologies, where employees can improve their qualifications. As a result, the Company has not marked any significant loss of its indispensable experts for the last couple of years.

Basic products, goods and services

The sales of products and goods comprised 52.2% of total sales in the first six months of 2015. Their dynamics equalled 152.7% in comparison to the first half of 2014. The remaining 47.8% comprised revenues from the sales of products. The dynamics of this group equalled 94.5%, therefore the revenues from the sales of products in the Company decreased by 5.5% when compared to the first half of 2014.

SPECIFICATION	First six months of 2015 (PLN in thds)	First six months of 2014 (PLN in thds)	Fluctuation
Revenues from sales of products	22,086	23,363	94.5%
Revenues from sales of goods and materials	24,164	15,824	152.7%

Installation and maintenance of IT environment services (31.7%) and outsourcing of IT services (25.5%) comprised the largest share of the sales of services. The highest sales growth was recorded in IT Integration services, including consolidation and virtualization of IT systems, the construction of Storage Area Networks (SAN), implementation of monitoring systems and mass deployment of IT systems and environments, so-called roll- outs, as well as Data Center services. In subsequent years the Company will further

develop the sale of Data Center services but also the services related to broadly understood services of applications and IT equipment as well as installation and configuration of IT equipment which is the result of the agreements signed by Talex for this kind of services.

SPECIFICATION	**First six months of 2015 (PLN in thds)**	**First six months of 2014 (PLN in thds)**	**Fluctuation**
Installation and maintenance of IT environment services	7,055	8,611	81.3%
Outsourcing of IT services	5,629	5,872	95.9%
Data Center services	3,76	2,903	129.7%
Software related services	2,922	4,478	65.3%
IT integration	2,345	1,446	162.2%
Other services	418	53	794.6%
TOTAL NET REVENUES FROM SALES OF PRODUCTS	**22,086**	**23,363**	**94.5%**

The fluctuation rate of the revenues from sales of goods and materials equalled 152.7% at the end of 1st half of 2015 and the greatest share in these revenues constituted, as in the previous year, revenues from sales of computers, peripheral equipment and software.

SPECIFICATION	**First six months of 2015 (PLN in thds)**	**First six months of 2014 (PLN in thds)**	**Fluctuation**
- wholesale of computers, peripheral equipment and software	24,163	15,574	153.4%
-wholesale of electronic and telecommunication devices	0	3	0.0%
- remaining wholesale not specified	0	13	0.0%
- remaining out-of-shop retail sales	1	54	2.7%
TOTAL NET REVENUES FROM SALES OF GOODS AND MATERIALS	**24,164**	**15,824**	**152.7%**

Markets and sources of supply

In the first six months of 2015, the Company sold goods and products not only on the Polish market but also abroad as it happened in the previous year. The Company's revenues from foreign sale come from the activities in the Czech Republic.

Sales revenues by geographical location:

SPECIFICATION	First six months of 2015 (PLN in thds)	First six months of 2014 (PLN in thds)	Fluctuation
Net revenues from sales of products:	**22,086**	**23,363**	**94.5%**
Poland	22,081	23,358	94.5%
Export	5	5	103.2%
Net revenues from sales of goods and materials:	**24,164**	**15,824**	**152.7%**
Poland	24,011	15,440	155.5%
Export	153	384	39.9%
NET REVENUES FROM SALES OF PRODUCTS, GOODS AND MATERIALS	**46,250**	**39,187**	**118.0%**

The biggest recipients of the Company:

RECIPIENTS	First six months of 2015	
	PLN in thds	%
BZWBK Group	15,316	33.1%
Credit Agricole Bank Polska S.A .	7,893	17.1%
ING Group	3,307	7.1%
IBM Polska Sp. Z o.o.	2,940	6.4%
Allegro Group Sp. Z o.o.	2,069	4.5%
EUROCASH S.A.	1,712	3.7%
Poznan University of Technology	1,639	3.5%
Volkswagen Group Polska Sp. z o. o.	1,358	2.9%
DPD Polska Sp. Z o.o.	1,289	2.8%
PZU S.A.	1,152	2.5%
The Bank New York Mellon Poland Sp. z o. o.	837	1.8%
Other	6,738	14.6%
TOTAL	**46,250**	**100.0%**

Structure of sales in first six months of 2015, by sectors of sale:

Pie chart: sales structure in the first six months of 2015, by sectors of sales:

64,70%	banking and finances
25,92 %	trade and services
4,20 %	education
3,82 %	manufacturing and industry
1,03 %	public administration
0,25 %	building industry
0.05 %	energy industry
0.02 %	public utilities

Main suppliers of the Company:

SUPPLIERS	First six months of 2015	
	PLN in thds	%
WENDEX Meczysław Wendland	5,898	11.0%
S4E S.A.	5,699	10.6%
Avnet Sp. z o.o.	4,549	8.5%
Emerson Network Power	4,201	7.8%
Microsoft Ireland Operations Ltd	3,796	7.1%
ABC DATA S.A.	3,726	7.0%
Hewlett Packard Polska Sp. z o.o	2,516	4.7%
Euroklimat Sp. Z o.o. Sp. K.	2,094	3.9%
DABO PLUS Sp. Z o.o.	1,437	2.7%
RRC Poland Sp. Z o.o.	1,354	2.5%
AGROBUD Mirosław Anioł, Jerzy Kęcel	1,011	1.9%
Others	17,265	32.2%

TOTAL	**53,546**	**100%**

The Company is not dependent on the suppliers to any great extent. In particular, goods and products purchased by the Company from suppliers trading with whom comprises the turnover of approximately 10% of the total value of supplies, can be purchased from alternative distributors on similar purchase terms.

The Company does not have any formal relations, other than commercial settlements, with recipients or suppliers whose share exceeds 10% of the total sales income.

Information on agreements significant for the issuer's activity

- On 24 April 2015 the Company concluded the agreement with Powszechna Kasa Oszczędności Bank Polski S.A. with its registered office in Warsaw (Bank). The agreement has been concluded for a fixed period, till 30 June 2018. The subject of the agreement is the provision of technical support and maintenance services of IT equipment as well as utility software in the business units of the Bank, banking agencies and selected units of the Bank Capital Group in Poland. The total estimated gross value of the services provided in the period of 3 years (the value of the agreement) is PLN 22.5 million. The total actual value of the agreement is dependent upon the number of services commissioned under the agreement.

- On 25 June 2015 the Company concluded the agreement with Credit Bank Polska S.A. with its registered office in Wroclaw. The subject of the agreement is the provision of IT solutions during the period of 24 months. The total net value of the agreement amounts to PLN 3.92 million.

  In the past half of this year the Company continued to realize the orders from its strategic customers from banking and financial as well as public administration sector. Moreover, the Company received a number of further orders, about which Talex informed in the succeeding current reports:

- In the period from 16 December 2014 (publication of the current report No. 28/2014) to 13 March 2015, the Company obtained a number of further orders from Bank Zachodni WBK S.A. with its seat in Wroclaw, which together meet the criterion of a significant agreement. The total net value of the received orders is PLN 4.93 million. The largest of these orders is the order of December 2014 with the net value of PLN 2.21 million. The subject of the contract is the delivery of IT solutions.

- In the period from 22 December 2014 (publication of the current report No. 29/2014) to 7 April 2015, the Company obtained a number of further orders from Credit Agricole Bank Polska S.A. with its seat in Warsaw, which together meet the criterion of a significant agreement. The total net value of the received orders is PLN 4.9 million. The largest of these orders is the order of January 2015 with the net value of PLN 1.3 million. The subject of the contract is the delivery of IT services.

- In the period from 25 June 2014 (publication of the current report No. 15/2014) to 5 May 2015, the Company obtained a number of further orders from ING Bank Śląski S.A. with its seat in Katowice, which together meet the criterion of a significant agreement. The total net value of the received orders is PLN 4.88 million. The largest of these orders is the order of April 2014 with the net value of PLN 241 thousand. The subject of the contract is the delivery of computer hardware.

- In the period from 13 March 2015 (publication of the current report No. 3/2015) to 6 July 2015, the Company obtained a number of further orders from Bank Zachodni WBK S.A. with its seat in Wroclaw, which together meet the criterion of a significant agreement. The total net value of the received orders is PLN 4.87 million. The largest of these orders is the order of April 2015 with the net value of PLN 121 thousand. The subject of the contract is the delivery of IT solutions.

Moreover, in the presented period, service and outsourcing services, specified in agreements signed, mainly with from the banking and finances sector, were continued.

Information on credit and loan agreements

On 30 May 2015 the Company signed the investment credit agreement provided by Bank Zachodni WBK S.A to the Company in the amount of PLN 7.15 million gross for the realization of the project entitled "Creation of IT Centre providing modern services" (publication of the current reports No. 24/2013 and 3/2014). In July 2015 the value of the investment credit agreement was increased to PLN 19,240 thousand.

Information on loans, sureties and guarantees granted

The contingent liabilities of the Company, due to performance bonds, warranty and payment guarantees granted by the financing bank, amount to PLN 4,708 thousand. Those liabilities are secured with capped mortgage on the Company's headquarters building.

Contingent liabilities included performance bonds, bid bonds, bonds on account of warranty and guarantee and payment guarantees. Performance bonds comprised about 63.1% of the guarantees issued on 30.06.2015. The purpose of those bonds is to secure the claims which could arise in the case of improper performance of an agreement. Nearly 21.3% of all guarantees were the bonds on account of warranty and guarantee, while about 15.6% of the guarantees issued on 30.06.2015 comprised payment guarantees, the purpose of which is to guarantee the timely payment of monetary liabilities.

As a security to the renewed contract on the limit for bank guarantees, granted to the Company by Bank Zachodni WBK SA, the Company created a capped mortgage, established by a notarial deed, up to the amount of PLN 10 million, on account of Bank Zachodni WBK S.A., headquartered in Wroclaw. The mortgage was created on the real estate owned by the Company, registered in the Land Register kept by the District Court in Poznan – Stare Miasto in Poznan, under the entry no. KW P01P/00137.699/9. The real estate in question comprises a plot of 14.744.00 sq. meters, with an office building.

Assessment of financial assets management

Information on the assessment of financial assets management has been presented in the "Financial standing" and "Financial risk management" sections.

The Company systematically meets all the incurred liabilities. Liquidity ratios of TALEX S.A. confirm that the enterprise is able to pay its liabilities. For many years the Company has been reaching a high level of financial liquidity. Currently, the liquidity ratio decreased in comparison to the first half of 2014, due to the expenditure the Company incurred on the realization of the project co-financed by the EU. The current ratio equalled 1.05 at the balance sheet date, while the quick ratio equalled 0.99.

Changes in the basic principles of managing the issuer's enterprise

In the reporting period there were no significant changes in the basic principles of managing the Company.

Changes in the composition of members of the Management and Supervisory Boards of the Company

In the reporting period there were no significant changes in the composition of people in charge of the Company.

Agreements signed between the issuer and the managing persons, providing for a compensation for the latter in case of their resignation or dismissal

The Company did not sign any agreements with the managing persons, providing for a compensation for the latter in case of their resignation or dismissal.

Shares of the issuer and shares of the related entities, held by the managing and supervising persons

Total number and nominal value of the shares of the Company

Issue	Number of shares	Nominal value (PLN)	Total value (PLN in thds)
Total	3,000,092	1	3,000
Series A	102,000	1	102
Series B	849,000	1	849
Series C	450,000	1	450
Series D	889,092	1	889
Series E	710,000	1	710

The members of the Management Board held the following shares of the Company:

Shareholder	Number of shares					
	Series A	Series B	Series C	Series D	Series E	Total
Janusz Gocałek	34000	283000	145216	293340	-	756556
Jacek Klauziński	34000	283000	145216	293340	-	755556
Andrzej Rózga	34000	283000	145216	293340	-	756556
Rafał Szałek	-	-	-	-	889	889
Andrzej Kurc	-	-	-	3036	-	3036

To the best of the Management Board's knowledge, the members of the Supervisory Board do not hold any shares of the Company.

Shareholders holding, directly or indirectly, through controlled entities, at least 5% of the total votes in the General Meeting of the issuer

Shareholder's name	Number of shares	Share (%) in the capital	Number of votes	Votes (%) in the General Meeting of Shareholders
Total	3,000,092	100.00	3,408,092	100.00
Janusz Gocałek	756,556	25.22	892,556	26.19
Jacek Klauziński	756,556	25.22	892,556	26.19
Andrzej Rózga	756,556	25.22	892,556	26.19

Information on the agreements known to the issuer, which may result in future changes in the present structure of share ownership in terms of shares held by current shareholders and bondholders

Management Board of the Company do not know any agreement which could result in future change in the proportion of shares held by existing shareholders. The Company does not emit bonds.

Information on holders of securities which entitle to special supervisory powers over the issuer

The Company did not issue any securities which entitle to special supervisory powers over the issuer.

Information on the system of controlling the employee share ownership schemes

The Company did not issue any employee shares.

Information on the limitations related to the transfer of ownership rights to the securities of the issuer and the exertion of voting rights in relation to the shares of the issuer

Only the shares of series A, B and D are subject to the limitation of the transfer of ownership rights. They are the registered shares and the shares of series A are preference shares regarding the voting right. The terms of conversion of those shares into bearer shares as well as of their disposal have been defined in par. 8 of the Company's Articles of Association. The shares of the Company are not limited as to the exertion of voting rights.

Information on agreements with an entity authorized to audit financial statements

On 27 May 2015 the Supervisory Board, acting under the Articles of Association of the Company, passed a resolution on selection of the PKF Consult Sp. z o.o. registered in Warsaw at ul. Orzycka 6 lok. 1B (02-695), as an entity with which the contract will be

signed on auditing the financial statements compiled on 30 June 2015 and 31 December 2015. The selected entity is recorded in the register of entities authorized to audit financial statements under the No. 477 kept by the National Council of Statutory Auditors. In previous years the Company did not used the services of the selected entity for auditing financial statements. The choice was made in accordance with applicable regulations and professional standards.

The total net value of auditors' remuneration amounted to PLN 24,700.00 net.

In the first half of 2015 the Company did not use the services of tax advisory.

Organization of the capital group of the issuer with the indication of the units subject to consolidation

The Company is not a member of the capital group.

Indicating the results of structural changes in the economic entity, including the results of merging economic entities, takeover or sales of members of the capital group of the issuer, long-term investments, division, restructuring and abandonment of business activity

During the presented period there were no changes in the structure of the economic entity.

Opinion of the Management Board on the feasibility of executing the forecasted results published earlier for a given year in the light of the results presented in the quarterly report in reference to the forecasted results

The board of the Company did not publish the forecast of the financial results for the year 2015.

Pending proceedings before courts, arbitration or public administration authorities

During the past quarter the Company did not commence and it was not a side in any court proceedings or public administration proceedings in relation to any liabilities of the value constituting at least 10% of its equity capital.

Information on conclusion of one or many transactions with related entities by the Issuer or its subsidiary, provided that the value of the transactions (the total value of all transactions concluded since the beginning of the financial year) exceeds the equivalent of EUR 500,000 in PLN

Since the beginning of the financial year, the Company has not concluded any transactions with related entities of total value exceeding the equivalent of EUR 500,000 in PLN.

Information on credit and loans sureties or guarantees granted by the Issuer or its subsidiary, to one entity in total or to its subsidiary, if the total value of existing sureties or guarantees is equal to at least 10% of the equity capital of the Issuer

In the presented period, the Company did not grant any sureties, credit, guarantees or loans of value exceeding 10% of the equity capital of the Issuer.

Other information which, in the opinion of the Issuer, is important for assessing its headcount, assets, financial standing and results, as well as movements therein, and information important to evaluate the fulfillment of the commitments the Issuer made

In the reporting period there were no changes that could have an impact on the personnel, wealth and financial situation as well as on financial results and their changes; there were also no events important to the assessment of the possibilities to fulfil the obligations of the Company.

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

The future year's results will be affected by the incomes from executing the agreements with regular, long-term customers of the Company as well as the realization of the contracts from the previous years, including, among others, Poznan University of Technology.

In the past half of this year the Company continued its activities related to the development of software offered by the Company. At the same time, the Company is making intensive efforts to obtain further large and permanent recipients of IT infrastructure maintenance and support services offered by the Company.

In order to achieve these aims TALEX launched a project entitled "Creation of IT Centre providing modern services" under which the Company began, among other things, the realization of the investment involving the extension of the existing office and technical infrastructure. The funding has been granted to the Company under the the Operational Programme Innovative Economy 2007 -2014 (priority axis 4 "Investments in innovative enterprises," measure 4.5 "Support for investment of considerable importance to the economy," sub-measure 4.5.2 "Support for investment in the modern services sector."

The Company intends to finance the planned current purchases with its own funds and investment credit. The schedule for the current purchases was arranged so that their implementation will not affect the Company's liquidity or bring about strained financial condition.

Information on the rules of preparing the abridged semi-annual financial statement

Information on the rules of preparing the abridged semi-annual financial statement is included in the attachment to this report.

Poznan, 20 August, 2015

Members of the Management Board:

Janusz Gocałek.....

Jacek Klauziński.....

Andrzej Rózga.....

Rafał Szałek.....

Radosław Wesołowski .....