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

August 2010

Company Information

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

Branches

At present, the Company has ten field branches:

- Talex Białystok, ul. Ogrodowa 31;
- Talex Gdynia, ul. Sportowa 8;
- Talex Katowice, ul. Chorzowska 50;
- Talex Kraków, ul. Kamieńskiego 51;
- Talex Lublin, ul. Jana Sawy 2;
- Talex Łódź, ul. Piotrowska 276;
- Talex Olsztyn, ul. Prusa 6/3;
- Talex Rzeszów, ul. Lwowska 6;
- Talex Szczecin, ul. Pomorska 53;
- Talex Toruniu, ul. Włocławska 167;
- Talex Warszawa, ul. Iłżecka 26;
- Talex Wrocław, ul. Legnicka 51-53;
- Talex Zielona Góra, ul. Moniuszki 16.

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

Results of research conducted by PMR Publications shows that the IT market is slowly recovering from the crisis. IT solution providers are counting on better results in 2010 in connection with the general improvement in macroeconomic situation.

Most IT suppliers felt the negative effects of the global economic crisis in 2009. The situation on the Polish IT market, therefore, did not differ from global trends. First sales results of mid-2010 indicate a clear improvement, but still felt the effects of economic slowdown prescribe moderate optimism.

The study shows that as many as 83% of respondents expected to increase the IT market, but the average growth rate projected by the respondents for this year is only 7%. The largest increase is expected to be reflected in the public sector and financial sector. There is also no reason to assume further stagnation in the IT market in Poland. Respondents forecast double-digit growth momentum as early as 2011. It is also possible that the market will grow faster than the projections indicate due to the fact that a lot of investment in IT solutions, which were suspended due to the global crisis, will be implemented soon.

The PMR forecasts that the market for equipment that felt the hardest impact of the crisis, now is the fastest recovering the recorded losses. Customers who have so far abstained decisions about changing their hardware infrastructure will make more frequent purchases, which may even lead to a situation where the hardware market dynamics is higher than the growth in software and IT services.

Bar chart: Value (PLN bln) and fluctuation (%) of the IT market in Poland,2004-2010

The global financial crisis also caused the increased interest and importance of IT outsourcing, as an attempt to optimize spending on IT services of the company. Companies will always seek ways to reduce costs which will also try to move IT services to external partners. The market for outsourcing services is constantly monitored and reviewed, so customers have the latest results of research on this segment of the service.

Outsourcing services are often a very important element in building long-term business strategies. Companies worldwide are looking for IT service providers who in a safe way will be able to support their internal processes and infrastructure. In the context of the global search for more and more places where you can implement IT service outsourcing model, the Datamonitor Group deserves a special attention; they conducted the annual survey, known as The Black Book of Outsourcing, which resulted in a ranking of the most dangerous and safest places around the world, that provide such services. Recent research conducted in 2010 covered 3,100 market leader companies, including more than 400 customers benefiting from the outsourcing (including IT outsourcing and BPO). The examiner asked respondents how they perceive each city in terms of different threats and potential weaknesses, including that of geopolitical risks, terrorist threats, climate, legal maturity, waste and pollution, the safety of telecommunications and IT infrastructure as well as crime rates.

According to the results in 2010, the whole region of Central and Eastern Europe (CEE) headed the list of safest cities, which indicates that outsourcing in this region is interesting not only for domestic companies but also for partners around the world.

These results are particularly important for companies involved in high-risk business, and such will include financial institutions, where security, stability and data protection prevail and often outweigh the cost factors. According to published research results, the CEE region turns out to be ideal for the outsourcing of IT projects in terms of both safety and cost.

In the new year, 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. In addition, the Company has this year received funding for the project entitled "Establishing a modern Data cCenter to raise the level of competitiveness and

innovation Talex S.A.". Funding was granted to the Company under the Wielkopolska Regional Operational Programme 2007-2013, co-financed by the European Regional Development Fund.

This year, in response to market needs and consistently developed policy of servicing the IT infrastructure and support services in units of the Company's customers throughout the country, the company launched other new service facilities - the Company's offices in Krakow and Zielona Gora.

Additionally, in response to customer demands and market signals, the Company has also taken action in a dynamically developing their own applications, in particular the Business Intelligence solutions. It is worth noting that the development of proprietary applications and BI systems is one component of the Company's strategy for the coming years. This type of work, due to its long-term nature, is both time consuming and capital-intensive for the company.

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

Sales and profit in the first six months of 2010

In the first six months of 2010, the Company recorded the revenues of PLN 39,236 thousand, with the loss of PLN -854 thousand.

SPECIFICATION	First six months of 2010 (PLN in thds)	First six months of 2009 (PLN in thds)	Fluctuation
Revenues from sales of products	15,666	12,331	127.0%
Revenues from sales of goods and materials	23,570	16,353	144.1%

In the reporting period, revenues from sales increased as compared to the same period of the previous year. Revenues from sales of products increased by approximately 27%, the margin on products sales was equal to 24.2%, almost the same as in the first six months of the previous year – it was then 25.9%.

The economic slowdown continues to be felt in the Polish IT market, which is still reflected in the expenditure of both businesses and consumers. However, you can see the market slowly coming out of recession, which resulted in Comp0any's revenues from sales of goods and materials in the first half of this year. Revenues from sales of goods and materials increased significantly by about 44.1% compared to the first half of 2009.

Company has achieved profitability from sales of goods and materials, at around 6.1% (in the first half of 2009, it remained at 7.1%).

Second quarter of 2010 was much better for the Company, revenues from product sales increased by 81.5% compared to revenues from sales of products made in the first quarter of 2010, while revenues from sales of goods and materials increased by 174.3% in second quarter 2010 in relation to the first quarter of 2010.

The second quarter of this year the Company ended with a net profit of 856 thousand. PLN.

SPECIFICATION	First six months of2010 (PLN in thds)	First six months of2009 (PLN in thds)	Fluctuation
Gross profit from sales of products	3,787	3,193	118.6%
Gross profit from sales of goods and materials	1,430	1,194	119.8%

As shown above, also gross profit from sales and particular fields of activity of the Company in the first six months of 2010 was higher as in the same period of the previous year. Although the Company completed the Q2 of this year with a net profit, the results for the Q1, were the reason for net loss of the Company in the first six months of this year. This loss equalled -854 thousand PLN.

SPECIFICATION	First six months of2010 (PLN in thds)	2009 (PLN in thds)	First six months of2009 (PLN in thds)
Net revenues from sales	39,236	61,903	28,684
Gross profit (loss) from sales	5,217	8,727	4,342
Profit (loss) from operating activities	-742	-3,210	-1,907
Gross profit (loss)	-834	-2,682	-1,799
Net profit (loss)	-854	-2,780	-1,914

Company assets

The value of fixed assets as at 30.06.2010 amounted to PLN 25,504 thousand, i.e. increased by 14.7%, compared that of 30.06.2009. Tangible assets increased by about 13.6%, in connection with purchases for staring the investment in Data Center.

	ASSETS	30.06.2010 (PLN in thds)	31.12.2009 (PLN in thds)	30.06.2009 (PLN in thds)
I	**FIXED ASSETS**	**25,504**	**21,645**	**21,750**
1.	Intangible assets	333	80	67
2.	Tangible fixed assets	24,830	21,180	21,450
3.	Long-term receivables	159	120	138
4.	Long-term investments	-	-	-
5.	Long-term prepayments and accrued income	182	265	95

The value of current assets as at 30.06.2010 amounted to PLN 26,281 thousand, and was lower by only 1.8%, compared to the value on the last day of June 2009, however the structure of current assets has changed.. This was caused mainly by significant drop of short-term receivables of the Company. The "boom" on the Polish market has significantly increased short-term receivables in relation to the first half of 2009 (an increase of 51.3%) and decreased the amount of cash. In the first half of 2010 the Company has made several purchases in connection with the execution of the project entitled "Establishment of a modern Data Center to raise the level of competitiveness and innovation Talex S.A.". Company has been granted funding for this project in the Wielkopolska Regional Operational Programme 2007-2013, co-financed by the European Regional Development Fund.

	ASSETS	30.06.2010 (PLN in thds)	31.12.2009 (PLN in thds)	30.06.2009 (PLN in thds)
II	**CURRENT ASSETS**	**26,281**	**32,264**	**26,753**
1.	Inventories	3,801	2,150	4,331
2.	Short-term receivables	15,514	8,628	7,548
3.	Short-term investments	6,464	21,098	14,630
4.	Short-term prepayments and accrued income	502	388	244

Current assets constituted 50.7% of the total assets of the Company as at the end of Q2 of 2008.

Overall financial condition

Selected financial ratios.

SPECIFICATION	First six months of 2010	First six months of 2009
Profitability ratios		
Sales ratio	13.30%	15.14%
Operation activities ratio	-1.89%	-6.65%
Gross profit ratio	-2.13%	-6.27%
Net profit ratio	-2.18%	-6.67%
Return on assets ratio	-1.65%	-3.95%
Return on shareholders' equity ratio	-2.09%	-4.50%
Liquidity ratios		
Current ratio	2.70	5.48
Quick ratio	2.31	4.59
Debt ratios		
Total debt ratio	0.20	0.11
Long-term debt ratio	0.02	0.02
Management effectiveness ratio		
Receivables turnover ratio (in days)	44.17	100.92
Inventories turnover ratio (in days)	30.23	33.64
Liabilities turnover ratio (in days)	35.20	99.18

Profitability ratios in first six months of 2010 were a little lower than those in the first six months of 2009. This is due to a smaller share of revenue from the sale of products in total sales revenues in the first half of 2010 in relation to the previous period. Other indicators of profitability, due to higher revenue from total sales for the first half of last year, and as a consequence of a higher level of gross profit on sales, reached a volume higher than in the first half of 2009. Despite higher revenue from sales and strong performance in the second quarter of this year, the Company failed to cover the net loss generated in the first quarter of 2010 with the profit of the second quarter, hence the still negative values of the profitability ratios.

Liquidity ratios are maintained at all times high. During the period, although at a lower level for the first half of 2009 but still high and safe for the Company. They define the

Company's ability to timely payment of current liabilities. Size of these indicators, in the first half of 2010 showed a liquidity surplus. Despite the reduced activity in the IT industry which was to translate the Company's turnover in the first half of 2010, it has accumulated in its accounts cash, amounting to PLN 6,464 thousand at the end of the first half of this year. The amount of cash decreased compared to the first half of 2009 due to the loss of the Company at the end of the year 2009 and expenditures incurred for the development of the Data Center. Despite funding from the European Union, at first the Company had to put in the entire amount invested, the return of 50% of eligible costs will take place in the second half of the year.

The high level of liquidity is also confirmed by the high level of current assets in the total assets of the company, on 30.06.2010 it amounted to 50.7%. This share decreased slightly compared to the first half of 2009 (was then about 55%), however the structure of current assets changed because the turnover and short-term receivables have increased (by approximately 51.3%), while the share of cash in current assets decreased and represented 24.6% - in the first half of 2009 this share was much higher and amounted to 42.7%.

Debt ratio as on 30.06.2010 was at the level of 0.20, it nearly doubled compared to the first half of 2009 due to the rise in the liabilities of the Company. In addition, the optimal values of liquidity ratios, primarily the cash owned by the Company, reduce financial risk in the enterprise and reduce the likelihood of loss of ability to repay debt.

On the last day of June 2010 there is little long-term debt, resulting from lease agreements for the means of transport.

Receivables turnover rate declined compared to the first half of the previous year and the first half of 2010 was about 44 days. This ratio may indicate possible problems with the collection of commitments, which could significantly reduce the liquidity of the Company. Talex, with accumulated funds in its account, with no credits, can afford to temporary credit its customers, which indeed involves the freezing of funds in the amount of receivables, but in the current market situation, can also strengthen relationships with regular customers of the Company and build lasting relationships with new clients gained by Talex S.A.

Liabilities turnover rate has also decreased compared to last year, to about 35 days. The level of this index reflects the value of receivables turnover ratio. Extension of period for payment of commitments is widely used as a form of interest-free credit, it is particularly useful in cases where the company also credited its customers by setting extended deadlines for repayment of duties.

Inventory turnover rate fell in the first half of 2010 compared to the first half of last year. The size of this ratio also depends on the type of contracts.

Based on this analysis, the Company's financial situation can be considered good. Company has good liquidity, and governance performance indicators reflect the Company's policies and decisions made in the last half of the year, in terms of the contracts executed by the Company.

Financial standing

The Company’s shareholders’ equity as at 30.06.2010 amounted to PLN 40,785 thousand, which comprised

- share capital (3,000,092 shares) PLN 3,000 thousand
- reserve capital PLN 38,639 thousand
- net profit for first six months of 2009 PLN -854 thousand

The Company's standing, in terms of payments, was good in first six months of 2009. There were no difficulties with prompt payments of taxes, social insurance or payments to employees and suppliers.

The cash at hand and on bank accounts is sufficient to secure the Company's current needs and amounted to PLN 6,464 thousand as at 30.06.2010.

Total liabilities as at 30.06.2010 amounted to PLN 9,734 thousand, which comprised only 23.9% of shareholders' equity. At the same time, the level of receivables equal to PLN 15,514 thousand, significantly higher than the level of financial obligations, indicates the lack of risk of Company's debt. Up to 30.06.2010, the Company did not take any bank credits.

In first six months of 2010, 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. In case of the enterprise signing any significant agreements, the assets of the Company will make it possible for the enterprise to get a credit from the bank that offers its services to the Company.

Information on buying treasury shares

In the reported period, the Company did not hold or buy any treasury shares.

Financial risk management

Given the amount of the Company's cash, and so the high level of liquidity in the Company, stable for a couple of years now, and significantly higher level of receivables in relation to obligations, the risk of changes in interest rates does not threaten the activity of the enterprise. Moreover, the Company has not taken any bank credits or loans.

The risk of changes in foreign currency exchange rates against PLN is high regarding the current state of the market; and the Company has so far not used financial entities protecting from exchange rate risks in connection with the above services. In first six months of 2010, payments in foreign currencies comprised approximately 8.83% 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.

Employment

On 30.06.2010, the Company had 251 employees. The average employment expressed in full-time jobs equalled 234.72.

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 the Company 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 comprised 40.0% of total sales in the first six months of 2010. The Company managed to keep the level of revenues from services on the level similar to that of the first six months of the previous year. The fluctuation for this sales group equalled 127.0%. The remaining 60% are the revenues from the sales of goods and materials.

SPECIFICATION	First six months of 2010 (PLN in thds)	First six months of 2009 (PLN in thds)	Fluctuation
Revenues from sales of products	15,666	12,331	127.0%
Revenues from sales of goods and materials	23,570	16,353	144.1%
TOTAL NET SALES REVENUES	**39,236**	**28,684**	

Hardware maintenance and technical support services (38.1%), software development services (10.6%), structural cabling installation services (27.9%), and computer and other computer equipment installation services (9.6%) comprised the main share in sales. In the first six months of 2010 revenues from structural cabling installation increased significantly by 154.0% compared to the previous year. In subsequent years the Company will be consistent in carrying out its plans concerning application and IT devices servicing as well as installation and configuration of IT hardware.

SPECIFICATION	First six months of 2010 (PLN in thds)	First six months of 2009 (PLN in thds)	Fluctuation
- computer and other hardware component installation services	5,974	4,199	142.3%
- construction works related to structural cabling installation	4,366	1,713	254.9%
-services of software development for a specific customer	1,660	3,003	55.3%
-installation of personal computers and software	1,488	1,491	99.8%
-hosting, processing data located in own hardware	647	487	132.9%
-real estate renting and managing	393	13	2925.3%
-managing and servicing computer systems on client's hardware	316	332	95.2%
- other goods sales agency	268	378	70.8%
- sharing of transmission systems	145	78	185.3%

-installation of computers of great power	105	0	-
-computer hardware sales agency	91	163	55.7%
-call center services	61	0	-
- organization, promotion and management of events	53	42	126.4%
- computer classes and other out-of-school forms of education	31	0	-
- warehousing and storage of goods	24	51	47.2%
- rental and leasing of office machinery and equipment	20	381	5.4%
- performing air conditioning and ventilation systems	11	0	-
-computer systems designing	10	0	2,059.2%
-repair and maintenance of modems, cameras, communication devices	3	0	8,128.9%
- land transport of goods	0	6	-
TOTAL NET REVENUES FROM SALES OF PRODUCTS	**15,666**	**12,331**	**127.0%**

The fluctuation rate of the revenues from sales of goods and materials equalled 144.1% at the end of II Quarter, compared with the parallel period of the previous year.

SPECIFICATION	**First six months of 2010 (PLN in thds)**	**First six months of 2009 (PLN in thds)**	**Fluctuation**
- wholesale of computers, peripheral equipment and software	22,654	15,951	142.0%
-wholesale of electronic and telecommunication devices	565	4	15,756.6%
- remaining wholesale not specified	336	384	87.3%
- remaining out-of-shop retail sales	15	14	111.0%
TOTAL NET REVENUES FROM SALES OF GOODS AND MATERIALS	**23,570**	**16,353**	**144.10%**

Markets and sources of supply

In the first six months of 2010, the Company sold goods and products only on the Polish market.

Sales revenues by geographical location.

SPECIFICATION	First six months of 2010 (PLN in thds)	First six months of 2009 (PLN in thds)	Fluctuation
Net revenues from sales of products:	**15,666**	**12,331**	**127.0%**
Poland	15,666	12,331	127.0%
Export	-	-	-
Net revenues from sales of goods and materials:	**23,570**	**16,353**	**144.1%**
Poland	23,570	16,353	144.1%
Export	-	-	-
NET REVENUES FROM SALES OF PRODUCTS, GOODS AND MATERIALS	**39,236**	**28,684**	**136.8%**

The biggest recipients

RECIPIENTS	First six months of 2010	
	PLN in thds	%
FRSI	7,724	19.7
BZWBK Group	6,715	17.1
ING Group	4,855	12.4
PZU Group	3,063	7.8
KBC Group	2,008	5.1
Chemia Com S.A.	1,292	3.3
Advatech	1,107	2.8
Bank handlowy w Warszawie S.A.	1,037	2.6
Other	11,435	29.1
TOTAL	**39,236**	**100.0**

Structure of sales in first six months of 2010, by sectors of sale

Pie chart: sales structure in the first six months of 2009, by sectors of sales

50.03%	banking and finances
3.66%	public administration
10.54%	production and industry
10.45%	trade and services
1.21%	building industry
2.47%	utilities
0.27%	health service
0.74%	transport and logistics
0.63%	media and telecommunications
20.02%	education and culture

Main suppliers of the Company

SUPPLIERS	First six months of 2010	
	PLN in thds	%
ABC DATA Sp. z o.o.	5,225	37.5
Tech Data Polska Sp. z o.o.	3,262	23.4
Hewlwtt Packard Polska Sp. z o.o.	2,585	18.6
Image Recording Solutions Sp. z o.o.	1,093	7.8
Dell Computer Poland Sp. z o.o.	454	3.3
Other	1,311	9.4
TOTAL	**13,930**	**100.0**

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 1 February 2010, the Company signed the agreement with 3GNS Limited Partnership Company with its seat in Warsaw (3GNS), the subject of capital group P4 sp. z o. o. with its seat in Warszawa, operator of PLAY mobile network. The subject of the agreement is the delivery of IT services. Based on this agreement, the Company will provide outsourcing services of collocation for telecommunication devices in its Data Center. The agreement has been concluded for the period of 10 years. Remuneration for executing the subject of the agreement is estimated at PLN 6.7 mil.
- On 9 March 2010, the Company signed an agreement of 9th March 2010 with the Polish Agency for Enterprise Development with its seat in Warszawa. The subject of the agreement is subsidizing the project carried out by the Company of building an application to support information exchange between IT systems of the Company and of its clients. The maximum value of granted subsidy is equal to PLN 1.14 million net. The subsidy has been granted to the Company as part of Measure 8.2 "Support for the implementation of electronic business of B2B type, Priority Axis 8: Information Society - increase of innovativeness of economy" from the Operational Programme Innovative Economy, 2007 - 2013.
- On 9 April 2010, the Company has signed an agreement with Board of Wielkopolska Region, acting as the Managing Institution for Wielkopolska Regional Operational Programme for 2007 to 2013. The subject of the agreement is subsidizing the project carried out by the Company entitled "Creating a modern Data Center to increase the level of competitiveness and innovation of Talex S.A.". Maximum value of the granted funding is equal to PLN 2,3 mil. net. Funding has been provided under the Wielkopolska Regional Operational Programme for 2007 to 2013, co-financed by the European Regional Development Fund.
- On 20 April 2010, the consortium of Talex S.A. with its seat in Poznań and Biuro Informatyczno - Wdrożeniowe "Koncept" Sp. z o.o. located in Kraków signed an agreement with the Social Insurance Company located in Warszawa (ZUS). The subject of the agreement is the delivery of software of total net value PLN 24.8 mil.
- On 21 May 2010, the Company signed an agreement with Chemia.com S.A. located in Warszawa. The subject of the contract is the delivery of software, implemented over three years. The estimated net value of the contract denominated in Euros is equivalent to the amount of 4 million PLN. The final value of the contract depends on the value of any additional orders.
- On 28 May 2010, the Company, acting as a representative of a consortium of Talex S.A. with its seat in Poznań, AB-Micro Sp. z o.o. with its seat in Warszawa, DGT Sp. z o.o. with its seat in Straszyn, signed an agreement with the Tre3asury, represented by the Regional Police in Poznań. The subject of the agreement is delivery of IT solutions of total net valued of PLN 5.15 mil.
- On 29 June 2010, the consortium of Talex S.A. with its seat in Poznań and Internetia Sp. z o.o. with its seat in Warszawa signed an agreement with the Court of Appeal in Łódź. The subject of the agreement is the delivery ICT solutions and services of total net value of PLN 2.9 mil.
- In 2010 the Company has obtained several orders from Bank Zachodni WBK S.A. to provide IT solutions for the amount exceeding the criterion of significant agreement.

In the period presented, maintenance and outsourcing services, specified in agreements signed, among others, with the General Directorate of the State Forests, Bank Zachodni WBK S.A. in Wrocław, KBC Group, ING Group and PZU Group, was continued.

In addition, during the past period, the Company continued its activities related to the development and promotion of software and implementation services offered by the Company, and its activities relating to the execution of agreement signed in December 2009 with the Foundation for Development of Information Society, based in Warsaw (the Foundation). The subject of the contract was the delivery of IT solutions to public libraries throughout the country, implemented under the Programme for the Development of Libraries in the Polish-American Freedom Foundation. Polish-American Freedom Foundation is a partner of the Bill and Melinda Gates Foundation in the project for the Polish public libraries to facilitate access to computers, the Internet, and training. Programme for the Development of Libraries in Poland is carried out by the Foundation for the Development of Information Society.

Information on the organisational and capital relations of the issuer

The Company does not have any organisational or capital relations with other entities.

Information on credit and loan agreements

The Company does not have the need to take credits or loans. The Company's current assets fully secure its needs.

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 3,028 thousand. Those liabilities are secured with capped mortgage on the Company's headquarters building.

Conditional liabilities included performance bonds, tender bonds, warranty and payment guarantees. On 30 June 2010 performance bonds made about 68.72% of all guarantees. The purpose of those bonds was to protect against claims for improper execution of the agreement. Payment guarantees made almost 6.43%; their purpose is to guarantee the prompt payment of financial liabilities, tender bonds made about 13.44%, guarantees issued under the warranty and guarantee made about 11.41% on the last day of June 2010.

The agreement is secured by a capped mortgage created by the Company up to the amount of PLN 7 mln, on account of Bank Zachodni WBK S.A., headquartered in Wrocław. The mortgage was created on the real estate owned by the Company, registered in the Land Register kept by the District Court in Poznań – Stare Miasto in Poznań, 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 of the usable area of 2,445,80 sq. meters. The value of the real estate given in the accounting books of the Company equalled PLN 9.4 mil.

Explanation of differences between the financial results disclosed in the annual report and previously published estimates of the results

The Management of the Company did not publish forecasts for 2010.

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 liquidity, the current ratio equalled 2.70 at the balance sheet date, while the quick ratio equalled 2.31.

The high level of liquidity also confirms the large share of current assets in the total assets of the enterprise.

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

Supervisory Board on 24 March 2010 extended the Management Board and appointed Mr. Radosław Wesołowski as a Member of the Board.

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	293328	-	755544
Jacek Klauziński	34000	283000	145216	293328	-	755544
Andrzej Rózga	34000	283000	145216	293328	-	755544
Rafał Szałek	-	-	-	-	889	889

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
Andrzej Rózga	755,544	25.18	891,544	26.16
Jacek Klauziński	755,544	25.18	891,544	26.16
Janusz Gocałek	755,544	25.18	891,544	26.16

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.

In the first quarter of this year, Management Board members adopted the manager option scheme regulations on the basis of the resolution of General Meeting of Shareholders of 22.04.2008 and resolutions of Supervisory Board of 28.05.2008 and 29.12.2008. On June 21, 2010 The Supervisory Board passed a resolution on not fulfilling the conditions of the program set out in its rules by the Company.

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 are subject to the limitation of the transfer of ownership rights. They are the registered shares and 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 21 June 2010, the Supervisory Board of the Company, on the basis of the Company's Articles of Association, adopted a resolution to select "Poprawska i Kasztelan – Biegli Rewidenci", Partner Company, headquartered in 60-246 Poznań, ul. Winklera 1, as the auditor of the Company's financial statements. On 6 July 2010, agreements were signed with the auditor, whose subjects were the review of the semi-annual financial statement drawn up for 30.06.2010 and the audit of the annual financial statement drawn up for 31.12.2010 and 31.12.2011.
The entity selected is registered under the no. 2791 on the list maintained by the National Council of Chartered Auditors.
The total net value of auditors' remuneration amounted to PLN 40,660.00 net.
In 2010, the Company did not use tax consulting services.

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 2010.

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

On 24 March 2010, the Supervisory Board extended the Management Board and appointed Mr. Radosław Wesołowski as a Member of the Board. Mr. Radosław Wesołowski is a graduate of Computer Science Department at the Faculty of Mathematics and Computer Science at Poznan University. In 2006 he graduated from managerial courses at Business School in Poznan, obtaining an MBA from Nottingham Trent University and Wielkopolska Business School. He is associated with the Company since 1996. Initially employed in the business department of the company and since 2000, he worked as Director of the Talex SA Branch in Wroclaw. In the years 2001 - 2003 he served as member of the Board and President of Zachodnie Systemy Teleinformatyczne - ie, in the subsidiary Talex S.A. Since 2004 he was Director of the Silesian Region of Talex S.A. and from 2008 he worked as Director of the Department of Financial and Banking Services Sector.

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

The future results will be affected by the incomes from executing the agreements with long-term, regular customers of the Company.

In the past six months the Company continued its activities related to the development of outsourcing services. In particular, due to the expansion of the technical infrastructure provided by the company Data Center, the company works to acquire new customers for Data Center services. At the same time, in connection with the development of field

service units, the Company is conducting intensive efforts to attract more large, regular customers by offering IT support and maintenance services.

The agreements signed by the Company for grants will also affect the future results.

- Agreement of 9 April 2010 signed with Board of Wielkopolska Region, acting as the Managing Institution for Wielkopolska Regional Operational Programme for 2007 to 2013.The subject of the agreement is subsidizing the project carried out by the Company entitled "Creating a modern Data Center to increase the level of competitiveness and innovation of Talex S.A.".
- Agreement of 9 March 2010 signed with the Polish Agency for Enterprise Development with its seat in Warszawa. The subject of the agreement is subsidizing the project carried out by the Company of building an application to support information exchange between IT systems of the Company and of its clients.

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.

Poznań, 20 July, 2010

Members of the Management Board:

Janusz Gocałek.....

Jacek Klauziński.....

Andrzej Rózga.....

Rafał Szałek.....

Radosław Wesołowski .....