ATM S.A. Group of companies

CONSOLIDATED QUARTERLY REPORT
FOR THE FOURTH QUARTER OF 2011

KEY INFORMATION REGARDING CONSOLIDATED QUARTERLY REPORT

This consolidated quarterly report covers information prepared pursuant to § 86 item 2 and § 87 item 1 of the Regulation of the Minister of Finance of 19 October 2005, and includes consolidated financial statements of the ATM S.A. Group of Companies made in accordance with the International Financial Reporting Standards, as approved by the European Union.

Submission date: 27 February 2012

Information on the Issuer:

Full name of the Issuer: ATM S.A.
Short name of the Issuer: ATM
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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ATM S.A. GROUP OF COMPANIES FOR THE FOURTH QUARTER OF 2011

1. CONSOLIDATED STATEMENT OF TOTAL INCOME

	For the period 01/01 - 31/12/2011	For the period 01/10 - 31/12/2011	For the period 01/01 - 31/12/2010	For the period 01/10 - 31/12/2010
Continued operations				
Sales revenue	444,582	173,299	401,779	154,979
Cost of sales (variable)	311,175	139,022	271,235	115,827
Cost of sales (fixed)	27,126	6,846	30,968	8,842
Gross profit (loss) on sales	**106,281**	**27,431**	**99,577**	**30,310**
Other operating revenue	1,836	551	1,581	(54)
Selling costs	273	(194)	251	59
General and administrative costs	73,573	18,086	64,842	18,798
Other operating expenses	2,405	814	2,914	1,352
Restructuring costs	-	-	-	-
Operating profit (loss)	**31,867**	**9,276**	**33,150**	**10,047**
Share in the financial result of undertakings valued using the equity method	(713)	528	1,032	42
Financial revenue	7,699	(221)	9,152	1,127
Financial expenses	16,800	4,326	17,393	3,658
Profit (loss) before tax	**22,052**	**5,258**	**25,941**	**7,558**
Income tax	5,467	1,846	4,544	1,843
Net profit (loss) on continued operations	**16,585**	**3,412**	**21,397**	**5,715**
Discontinued operations				
Net profit (loss) on discontinued operations	115	-	-	-
Net profit (loss)	**16,700**	**3,412**	**21,397**	**5,715**
Net profit (loss) for the Group's shareholders	16,402	3,369	20,438	5,445
Net profit (loss) for minority shareholders	298	44	959	269
Other total income				
Share in other total income of associates	-	-	-	-
Income tax related to other total income items	-	-	-	-
Other total net income	-	-	-	-
Total amount of total income	**16,700**	**3,412**	**21,397**	**5,715**
Total income for the Group's shareholders	16,402	3,369	20,438	5,445
Total income for minority shareholders	298	44	959	269
From continued operations:				
Ordinary	0.46	0.09	0.59	0.16
Diluted	0.46	0.09	0.59	0.16
From continued and discontinued operations:				
Ordinary	0.46	0.09	0.59	0.16
Diluted	0.46	0.09	0.59	0.16
EBITDA	57,753	16,272	55,963	16,592

2. CONSOLIDATED FINANCIAL SITUATION STATEMENT – ASSETS

	End of period 31/12/2011	End of period 31/12/2010
Fixed assets		
Goodwill	18,579	18,580
Intangible assets	65,389	67,373
Tangible fixed assets	217,280	181,653
Investments in associates consolidated using the equity method	66,927	67,640
Other financial assets	80	80
Deferred income tax assets	-	1,374
Other fixed assets	861	2,310
	369,115	**339,010**
Current assets		
Inventories	8,746	25,997
Financial assets held for trading	104	94
Trading and other receivables	89,519	121,521
Income tax receivables	58	26
Other current assets	13,919	9,948
Other financial receivables	-	-
Cash and cash equivalents	56,566	40,269
	168,912	**197,855**
Fixed assets classified as held for sale	-	-
Total assets	**538,027**	**536,865**

CONSOLIDATED FINANCIAL SITUATION STATEMENT – LIABILITIES

	End of period 31/12/2011	End of period 31/12/2010
Equity		
Share capital	34,723	34,723
Supplementary capital from share premium	159,030	159,030
Revaluation reserve	-	-
Treasury shares	-	(13)
Capital reserves	40,428	38,298
Hedge valuation reserve and FX gains/losses due to consolidation	-	-
Retained earnings	41,812	35,424
Total Group shareholders' equity	**275,994**	**267,462**
Non-controlling shares	7,506	7,811
Total shareholders' equity	**283,501**	**275,273**
Long-term liabilities		
Long-term loans	2,103	1,889
Provisions for deferred tax	317	-
Provisions for liabilities	-	-
Long-term trade and other liabilities	31,069	31,436
Other financial liabilities	28,964	22,546
	62,452	**55,871**
Short-term liabilities		
Bank and other loans	41,337	13,846
Provisions for liabilities	-	-
Income tax liabilities	1,049	2,467
Trading and other liabilities	135,721	173,405
Other financial liabilities	13,967	16,003
	192,074	**205,721**
Liabilities related directly to fixed assets classified as held for sale	-	-
Total liabilities	**538,027**	**536,865**

3. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Core capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Total Group shareholders' equity	Non-controlling shares	**Total equity**
As at 1 January 2011	**34,723**	**159,030**	**(13)**	**38,298**	**-**	**35,424**	**267,462**	**7,811**	**275,273**
Increases:									
Capital increase	-	-	-	-	-	-	-	-	-
Current period results	-	-	-	-	-	16,402	16,402	298	16,700
Share subscription under the stock option plan	-	-	13	9	-	-	22	-	22
Valuation of management options	-	-	-	-	-	878	878	-	878
Changes to the Group's structure	-	-	-	-					-
Profit distribution	-	-	-	2,121	-	-	2,121	-	2,121
Decreases:									
Purchase of treasury shares under stock option plan	-	-	-	-	-	-	-	-	-
Current period results	-	-	-	-	-	-	-	-	-
Profit distribution to be allocated to reserve capital	-	-	-	-	-	2,122	2,122	-	2,122
Dividend payout	-	-	-	-	-	8,359	8,359	-	8,359
Changes to the Group's structure	-	-	-	-	-	410	410	603	1,013
As at 30 September 2011	**34,723**	**159,030**	**-**	**40,428**	**-**	**41,813**	**275,994**	**7,506**	**283,500**

	Core capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Total Group shareholders' equity	Non-controlling shares	Total equity
As at 1 January 2010	**34,723**	**159,030**	**(8)**	**30,608**	**72**	**23,392**	**247,817**	**8,218**	**256,035**
Increases:									
Capital increase	-	-	-	-	-	-	-		-
Current period results	-	-	-	-	-	20,438	20,438	959	21,397
Share subscription under the stock option plan	-	-	8	-	-	-	8	-	8
Valuation of management options	-	-	-	-	-	1,441	1,441	-	1,441
Changes to the Group's structure	-	-	-	-	-	-	-	-	-
Sale of treasury shares under the incentive scheme			2,335	714		-	3,049		3,049
Profit distribution	-	-	-	9,047	-	-	9,047	-	9,047
									-
Decreases:									-
Purchase of treasury shares under stock option plan	-	-	2,348	-	-	-	2,348	-	2,348
Adjustment concerning the result from previous years - changes in minority share					-	800	800	1,366	2,166
Current period results	-	-	-	-	-	-	-	-	-
Profit distribution to be allocated to reserve capital	-	-	-	-	-	9,047	9,047	-	9,047
Dividend payout	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	72	-	72	-	72
Financing of incentive scheme	-	-		2,071	-	-	2,071	-	2,071
As at 30 September 2010	**34,723**	**159,030**	**(13)**	**38,298**	**-**	**35,424**	**267,462**	**7,811**	**275,273**

4. CONSOLIDATED CASH FLOW STATEMENT

	For the period 01/01 - 31/12/2011	For the period 01/01 - 31/12/2010
Operating activities		
Profit (loss) before tax	**22,052**	**25,941**
Adjustment by items:	34,433	55,246
Share in net loss (profit) of undertakings valued using the equity method	(713)	1,032
Amortisation and depreciation	25,886	22,684
FX gains/losses	3,052	2,276
Interest received	124	89
Interest paid	7,069	4,687
Dividends received	-	-
Profit (loss) on investment activities	(5,382)	280
Movements in inventories	18,369	(16,118)
Movements in receivables	31,443	(60,602)
Movements in liabilities and provisions	(34,005)	103,327
Movements in other assets	(6,649)	3,297
Income tax paid	(4,663)	(2,192)
Other	(100)	(2,610)
	56,485	**81,187**
Investing activities		
Expenses on tangible fixed assets purchases	(68,124)	(42,816)
Expenses on financial asset purchases	-	379
Revenue from sale of tangible fixed assets	17,319	12,633
Repayments of long-term loans	-	
Long-term loans granted	-	-
Revenue from sales of financial assets	7,200	
Interest received		-
Dividends received		-
FX gains/losses	(72)	43
Other	(1,047)	(43)
	(44,724)	**(29,805)**
Financing activities		
Net proceeds from issue of shares and other capital contributions	365	
Subsidies received	7,885	360
Proceeds from loans	38,743	6,991
Repayments of loans	(10,983)	(2,495)
Purchase of treasury shares	13	(2,352)
Payment of liabilities arising from finance leases	(15,790)	(14,387)
Dividends paid	(8,359)	-
Interest received	-	10
Interest paid	(7,135)	(4,855)
Other profit-sharing		-
FX gains/losses	66	(236)
Other	(270)	(109)
	4,536	**(17,074)**
Movements in cash	**16,297**	**34,307**
Opening balance of cash	40,269	5,961
Closing balance of cash	**56,566**	**40,269**

ADDITIONAL NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIC INFORMATION

ATM S.A., being the parent company of the ATM S.A. Group of Companies, is a joint-stock company. The Company launched its operations in 1993 as ATM Sp. z o. o. limited liability company. On 10 July 1997, ATM Sp. z o.o. was transformed into a joint-stock company pursuant to a notarial deed drawn up at the Notarial Office in Raszyn on 16 May 1997 (Repertory No 3243/97).

The registered office of the Company is located in Warsaw at ul. Grochowska 21a. The Company was registered at the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register. The Company is registered under the National Court Register entry No KRS 0000034947.

ATM S.A. is listed on the Warsaw Stock Exchange. According to the Warsaw Stock Exchange classification, the core business of the Group concerns the IT sector.

2. GROUNDS FOR THE DRAWING UP OF CONSOLIDATED FINANCIAL STATEMENTS AND ACCOUNTING PRINCIPLES (POLICIES)

The interim condensed financial statements for the fourth quarter ended 31 December 2011 were prepared in accordance with IAS 34 *Condensed Interim Financial Reporting*.

Pursuant to IAS 1 Presentation of Financial Statements § 19, the Issuer's Management Board decided that compliance with the requirement of IAS 21 The Effects of Changes in Foreign Exchange Rates in relation to foreign currency valuation of liabilities resulting from lease agreements would be confusing and the financial statements would fail to fulfil their purpose, specified in The conceptual framework. Therefore, the Company, starting from the quarterly report for the fourth quarter of 2008, withdrew from full application of the said requirement and adopted a modification to it, discussed below.

Pursuant to IAS 21 § 28, exchange rate differences in the revaluation of lease liabilities, resulting from an alteration in foreign exchange rates, should be included in the financial result for the current reporting period. Because of the global financial crisis, significant and rapid fluctuations in currency exchange rates have occurred, beginning from the fourth quarter of 2008. In this situation, recognition of the valuation of currency lease liabilities directly in profit and loss account would result in a substantial change in the Company's profit in a given reporting period, unrelated to the factual state of the Company's business activity. Only a small portion of exchange rate differences on lease liabilities – related to instalments paid in a given reporting period – concerns the current reporting period, while the majority of these differences concern well-defined future periods for which the maturity date of subsequent lease instalments falls. Costs or profit on the revaluation of lease liabilities are actually realised (it affects the Company's finances) in the periods of lease instalments payment, taking into account the actual currency exchange rates as at the dates of lease instalments payment.

Therefore, pursuant to IAS 1 § 19, the Company adopted a partial exemption from IAS 21 (for the first time in the quarterly report for the fourth quarter of 2008), i.e. exchange rate differences on currency lease liabilities are recognised as the Company's financial costs for a given reporting period only in the portion concerning actually paid instalments. The remaining amount of exchange rate differences is recognised in the accruals, which are charged to financial costs for the month in which they are actually paid. At the same time, accruals shall be adjusted for subsequent exchange rate differences arising on lease liabilities (both gains and losses). This exemption from IAS 21 shall be applied by the Company also in the present financial statements and shall be applied up to the time of permanent stabilisation of currency exchange rates on the global markets, but no longer than until the third quarter of 2013, when the final payments of lease instalments in foreign currencies are due.

Detailed calculations and financial implications of the adopted solution for presenting exchange rate differences on currency lease liabilities have been presented below.

As at 30 December 2011, the balance of accruals resulting from exchange rate differences onlease liabilities was PLN 2,146,347.34. If exchange rates of EUR and JPY remain at the level from the balance sheet day, this sum would be recognised in costs for the following periods in the following amounts:

Year	Quarter	Amount
2012	1	397,264.24
	2	392,692.68
	3	389,921.06
	4	381,785.86
2013	1	305,143.07
	2	208,449.80
	3	71,090.65
	4	0.00
TOTAL		**2,146,347.34**

The Issuer shall consistently present accruals resulting from an increase or decrease in the value of lease instalments which are due in future periods.

Adopting the partial exemption from IAS 21 as at 31 December 2011 resulted in an increase in the value of other current assets by the aforementioned amount of PLN 2,146,347.34, as a result of which the gross income in the years 2008–2011 was increased by the same amount, and after deferred tax (19% of gross profit) in the amount of PLN 407,805.99 the net profit was higher by PLN 1,738,541.34. This result includes the increase in net profit for the years 2008–2010 amounting to PLN 2,973,453 and the decrease in net profit for the current period amounting to PLN 1,234,911.66.

Analogically, as at 31 December 2010 adopting the aforementioned exemption resulted in an increase in the value of other current assets by the amount of PLN 3,670,930.05, as a result of which the gross income in the years 2008–2010 was increased by the same amount, and after deferred tax (19% of gross profit) in the amount of PLN 697,476.71 the net profit was higher by PLN 2,973,453.34. This result includes the increase in net profit for the years 2008-2009 amounting to PLN 3,128,609.75 and the decrease in net profit for the current period amounting to PLN 155,156.41.

In summary, if the aforementioned exemption from IAS 21 had not been adopted by the company, its consolidated net profit in 2008 would have been lower by PLN 5.4 million, higher by PLN 2.3 million in 2009, higher by PLN 0.15 million in 2010 and higher by PLN 1.234 million in 2011.

The Management Board acknowledges that the financial statements (including the exception from IAS 21 pursuant to IAS 1 § 19) present fairly the financial position of the Company, financial results of its operations and its cash flows.

Accounting principles (policy) used for preparing the interim condensed financial statements are consistent with those used for preparing the annual consolidated financial statements of the Group for the previous year.

3. SEASONALITY OF OPERATIONS

Revenue from sales of telecommunications services is stable, recurrent and relatively resistant to the business cycle, mainly owing to the subscription nature of the contracts. This revenue is not seasonal but grows steadily from quarter to quarter. The commencement of the provision of telecommunications services for the purposes of the OST 112 contract was an exception in the fourth quarter of 2010, and it increased the sales revenue in the fourth quarter by PLN 43.2 million (PLN 60.0 million in the entire 2011), but it had no significant impact on the sales profit. Revenues on that account will also occur in the following reporting periods.

The Group's activity in the segment of ICT systems integration demonstrates seasonal nature of sales which is characteristic of the whole industry. In this segment in the first three quarters, sales revenue is usually lower and it increases in the fourth quarter. Since last year, this effect has been weakened because of a higher share of revenue from long-term contracts implemented during all four quarters.

Activity in the segment of mobile payments does not demonstrate any seasonality. A rapid growth of revenue from this activity is, however, expected in the nearest future due to dynamic development of mobile payments in Poland and in the world.

4. DIVIDENDS PAID AND DECLARED

On 16 May 2011, the Ordinary General Meeting of the Company adopted a resolution allocating a part of profit, i.e. PLN 8,358,969.12 to the payment of dividend, corresponding to PLN 0.23 per share. The number of shares eligible for the payment of dividend is 36,343,344. The dividend date was set to 5 July 2011, and the dividend payment date — to 19 July 2011.

5. SEGMENTS OF OPERATION

Telecommunications activity is the first segment characterised by stable revenues and profits in the consequent reporting periods. It includes the activity of ATM S.A. and Linx Telecommunications B.V. (Linxtelecom's operating results are not consolidated).

ICT systems integration is another segment responsible for the biggest portion of revenue, it comprises the activity carried out in 2011 by: ATM Systemy Informatyczne S.A., ATM Software Sp. z o.o., Impulsy Sp. z o.o. and Sputnik Software Sp. z o.o.

Finally, the third distinguished segment is mobile payment services (payments made with the use of a mobile phone), including the operations of subsidiaries: mPay S.A. and mPay International Sp. z o.o.

The basic financial parameters of the distinguished segments are presented below:

For the period 01/01 - 31/12/2011	Telecommunications	ICT systems integration	Mobile payments	Consolidation eliminations	Total
Fixed assets	338,326	50,886	10,724	(30,803)	369,133
Sales revenue	175,198	279,613	2,568	(12,797)	444,582
Sales margin[1]	**69,037**	**66,223**	**(1,853)**	**-**	**133,407**
Operating profit (loss)	**17,273**	**16,077**	**(1,545)**	**62**	**31,868**
EBITDA	37,084	20,990	(383)	62	57,754
Amortisation and depreciation	19,811	4,913	1,162	-	25,886

For the period 01/01 - 31/12/2010	Telecommunications	ICT systems integration	Mobile payments	Consolidation eliminations	Total
Fixed assets	307,453	49,927	11,259	(30,803)	339,010
Sales revenue [2]	116,832	312,283	1,963	(29,299)	401,779
Sales margin[1] [2]	**62,270**	**67,228**	**1,046**	**-**	**130,544**
Operating profit (loss)	**15,872**	**18,849**	**(1,688)**	**118**	**33,150**
EBITDA	33,534	22,914	(602)	118	55,964

[1] Sales margin = sales revenue less variable selling costs

[2] Sales revenue and margin of telecommunications segment were transformed according to the methodology applied after the first quarter of 2010.

Specific financial categories for operating segments constitute a sum of these categories for companies which belong to a given segment, excluding individual results of ATM S.A., which, apart from revenue from sales of telecommunications services, consist also of revenue from ICT systems integration, which were excluded from telecommunications segment and included in integration segment. Moreover, a separate column contains value of consolidation eliminations, which ensures the compliance of data presented with the consolidated financial statements of the Group.

Sales revenues broken down into geographical distribution are as follows:

	For the period 01/01 - 31/12/2011	For the period 01/10 - 31/12/2011	For the period 1/01 - 31/12/2010	For the period 01/10 - 31/12/2010
Country	438,469	171,311	395,040	150,972
Export	6,113	1,988	6,739	4,066
Total sales revenue	444,582	173,299	401,779	155,037

6. SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

There were no significant events after the end of the quarter.

7. CHANGE IN THE COMPANY STRUCTURE

On 13 October 2011, the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register, registered the entry of the increase of the share capital of mPay S.A. by means of the issue of 4,800,000 series L ordinary bearer shares, under which ATM S.A. subscribed 3,611,527 shares at PLN 0.51 per share. Pursuant to the updated entry in the National Court Register, the share capital of mPay S.A. amounts to PLN 22,400,000.00, and ATM S.A. holds 65.64% of share capital and the same number of votes at the General Meeting.

On 26 October 2011, the Extraordinary General Meeting of ATM Systemy Informatyczne S.A. decided to change the number of shares by splitting their nominal value 1:5 and to convert the registered shares into bearer shares. The previous face value of one share: PLN 1 was set to PLN 0.2. After the above changes, the share capital of ATM Systemy Informatyczne S.A. remained unchanged, and ATM S.A. still holds 100% of share capital of ATM Systemy Informatyczne S.A. entitling to 100% of votes at the General Meeting.

8. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Off-balance sheet items	As at 31/12/2011	As at 31/12/2010
1. Contingent receivables	-	-
1.1 From other undertakings	-	-
2. Contingent liabilities	71,745	71,306
2.1 To other undertakings, of which:	71,745	71,306
- Guarantees, sureties granted	33,987	57,832
- Mortgage collateral	35,395	9,595
- Collateral pledge	2,363	3,879

Since the end of the fiscal year 2010, the following changes have occurred with respect to contingent liabilities:

a) Guarantees and sureties granted have decreased by PLN 23,845 thousand because of:

- The expiry of bank and insurance guarantees (tender guarantees and performance bonds) at PLN 38,506 thousand
- Submitting the bank and insurance guarantees securing tenders and contracts — for the total amount of PLN 14,661.48

b) Pledge security decreased by PLN 1,516 thousand,

c) Mortgage security decreased by PLN 25,800 thousand.

OTHER INFORMATION

(REQUIRED BY REGULATION OF THE FINANCE MINISTER ON THE CURRENT AND PERIODICAL INFORMATION SUBMITTED BY THE ISSUERS OF SECURITIES)

SELECTED FINANCIAL DATA

	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	in PLN thousand		in EUR thousand	
Total sales revenue	444,582	401,779	107,384	100,336
Operating profit (loss)	31,867	33,150	7,697	8,279
Profit before tax	22,052	25,941	5,326	6,478
Net profit of parent undertaking shareholders	16,402	20,438	3,962	5,104
Net cash from operating activities	56,485	81,187	13,643	20,275
Net cash from financing activities	4,536	(17,074)	1,096	(4,264)
Net cash from investing activities	(44,724)	(29,805)	(10,803)	(7,443)
Increase (decrease) in cash	16,297	34,307	3,936	8,568
	31/12/2011	**31/12/2010**	**31/12/2011**	**31/12/2010**
Fixed assets	369,115	339,010	83,571	85,602
Current assets	168,912	197,855	38,243	49,960
Total assets	538,027	536,865	121,814	135,562
Long-term liabilities	62,452	55,871	14,140	14,108
Short-term liabilities	192,074	205,721	43,487	51,833
Equity	283,501	275,273	64,187	69,508
Share capital*	34,723	34,723	7,862	8,768
Parent undertaking shareholders’ equity	275,994	267,462	62,487	67,536
Number of shares	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	7.59	7.36	1.72	1.86
Diluted book value per share (PLN/EUR)	7.59	7.36	1.72	1.86

*) The share capital was restated in accordance with IAS 29

The above financial data for the third quarter of 2010 and 2011 were converted to EUR according to the following principles:

- Individual items of assets and liabilities were calculated with the average FX rate of the National Bank of Poland as of 31 December 2011 at PLN/EUR 4.4168 and as of 31 December 2010 at PLN/EUR 3.9603
- Individual items of the profit and loss account and the cash flow statement were calculated with the rate being arithmetic mean of rates of the National Bank of Poland as at the last day of each month of the fiscal year between 1 January and 31 December 2010 at PLN/EUR 4.0044 and between 1 January and 31 December 2011 at PLN/EUR 4.1401

DESCRIPTION OF THE ISSUER'S SIGNIFICANT ACHIEVEMENTS OR FAILURES DURING THE REPORTING PERIOD

ATM's consolidated results generated in the fourth quarter of 2011, as compared to historically high results of the Group in the last months of each year, should be considered worse than expected. Despite generating record sales revenues in that period, amounting to PLN 173.3 million (increase by 12% as compared to the fourth quarter of 2010), the group failed to attain equally good results on the remaining levels of financial result. In that period, the Group earned sales margin of PLN 34.3 million (12% decrease y/y), operating profit of PLN 9.3 million (8% decrease y/y) and net profit of only PLN 3.4 million (40% decrease y/y). When discussing the results of the fourth quarter, it should be noted that ATM reduced its fixed costs by more than 11% in that period (despite 7% increase in depreciation), adjusting them to the current revenue and, above all, profit generation abilities.

However, despite the fact that the fourth quarter was weaker, the consolidated financial results of the entire year look better, especially if compared to particularly good 2010. In 2011, the Group generated its all-time highest level of sales revenue of over PLN 444.5 million (11% increase y/y), sales margin of PLN 133.02 million (2% increase y/y) and net profit of PLN 16.7 million (22% decrease y/y). EBITDA increased by 3%, reaching PLN 57.75 million in 2011.

The main reasons of worse year ending, in particular in relation to the net profit, include the lack of significant participation in the consolidated result of IT activities which usually generated most of the operating profit and net profit in the fourth quarter and the increase in financial costs in the area of telecommunication services, resulting frorm the implementation of the key investment projects of the Issuer (in particular the development of new colocation objects: F3 building and the extension of the existing colocation objects: Thinx Poland).

The considerably worse net result of the entire year was also connected with the share in the financial result of undertakings valued using the equity method (loss of PLN 0.7 million as compared to PLN 1 million of profit in 2010) resulting from 21.27% share of the Issuer in Linx Telecommunications B.V. and financial results of mPay S.A. – worse than in 2010: net loss of 1.9 million (PLN 1.5 million of loss in 2010).

I. Telecommunications and value-added services

In the fourth quarter of 2011, the Group earned sales revenue of PLN 72.6 million from telecommunications services (78% increase y/y), sales margin of PLN 17.5 million (7% increase y/y), operating profit of PLN 4.4 million (26% increase y/y) and EBITDA profit of PLN 9.8 million (15% increase y/y). In 2011, the Group earned in this segment the following total record results: sales revenue of PLN 175.2 million (50% increase y/y), operating profit of PLN 17.3 million (9% increase y/y) and EBITDA profit of PLN 37.1 million (11% increase y/y).

The fourth quarter, like the entire 2011, brought record results regarding the sale of colocation services, which, similarly to previous periods, were the main driving force behind the Issuer's growth in the area of telecommunications services. During the last year only, the Issuer acquired 120 new clients in the three ATM data centers (36% increase) and achieved 37% increase in revenue from sales of colocation services in the entire 2011. Share of this revenue in total telecommunications revenue of the Issuer (net of revenue from OST 112) was 34%, at the end of 2011 (in 2010: 27%, 2009: 23%), and is currently the second source of telecommunications revenue, after the data transmission services.

The end of 2011 was particularly good for the colocation activities of the Issuer. As expected, the newly finished F3 building at ATMAN Data Centre aroused great interest of clients. Already in the first month since its completion, the Issuer leased, under the signed long-term contracts, more than 33% of space available in this one of the most modern facilities in Poland. It is worth emphasising that one of these agreements was concluded with a client with a global reach who will use the data centers infrastructure provided by ATM to render services to clients throughout Europe. The total value of these contracts exceeds PLN 13.5 million and the first revenue will be recorded in the first quarter of 2012.

The group of clients who chose the offer of telecommunications services in data centers of the Issuer in the fourth quarter of 2011 included: Kino Polska TV S.A., Dom Kredytowy NOTUS S.A., LexisNexis Polska publishing house, Siódemka S.A., as well as it WORKS (previously: Web Inn), Mercury Mobile.Polska, ITforMED, Archiwum 24, VoxNet S.A., Thomson Trading LLC Company and Generia.

A successful sale of previously built colocation area allows the Issuer to systematically commission new area in its three centres which, as at 31 December 2011, were already filled up in 64%.

Providing data transmission services and fiber optic services is the second significant area of the telecommunications activity of the ATM Group, with over 36% share in the total telecommunications revenue (excluding the revenue from the OST 112 contract). In this area, the Issuer recorded 9% increase in the sales revenue, resulting from two projects carried out for other telecommunication providers, including the purpose of the implementation of LTE technologies in Poland. The Issuer still has a strong position on the market of professional operator services and specialises in providing data transmission and Internet access services of high speed which are necessary for the popularisation of this technology. ATMAN has one of the largest metropolitan fiber optic networks in Poland, also in cities where the development of own fiber optics networks for the purposes of creating an LTE network would be very time consuming and expensive.

In the third sector of telecommunications activity — Internet access services, the Issuer has been observing, since the second half of 2011, a halt in the slowdown that started at the beginning of 2010. Although throughout the entire 2011 the revenue decreased by 13% as compared to 2010 and by 21% as compared to 2009, the sale of Internet access services in the third and fourth quarters of 2011 show a halt in this downward trend. Like other providers in the wholesale Internet access market, the Issuer noticed the drop in unit prices in 2010-2011 which, despite the increased volume of sales, had negative influence on the growth of telecommunication revenue, despite very good results of sales of data centers and fiber wire services.

Considering the telecommunications activity by sectors, in 2011 the number of the Issuer's clients increased by over 16%, exceeding the number of 1,000 active companies and institutions to whom the Issuer provides telecommunication services. Particularly noteworthy is the strengthening of the position of the leading telecommunications services provider for the telecommunications sector as well as for the financial and insurance sector which currently correspond to, accordingly: 50% and 20% of telecommunications revenue of ATM S.A.

II. ICT systems integration

In the fourth quarter of 2011, the Group earned sales revenue of PLN 101.7 million from ICT systems integration (19% decrease), sales margin of PLN 19.8 million (12% decrease) and operating profit of over PLN 5.3 million (24% decrease). Also in annual terms the financial results of this operational segment recorded a decrease on every level as compared to the all-time highest results of 2010, amounting to, accordingly: PLN 279.6 million of sales revenue (10% decrease y/y), PLN 66.2 million of sales margin (1% decrease y/y) and PLN 16.1 million of operating profit (15% decrease y/y).

The biggest integration contract implemented in the fourth quarter of 2011 was the continued development of the Nationwide ICT Network for the purposes of operating the emergency number 112 (OST 112). The completion of this project, implemented by ATM Systemy Informatyczne S.A. (ATM SI) in the area of integration, is planned at the end of the first quarter of 2012. The sales margin on this contract obtained on a quarterly basis is fixed throughout its implementation. With effective implementation of this big and difficult undertaking, ATM proves its ability to implement similar projects: with high degree of technical, logistics and organisational complexity.

ATM SI successfully obtains and implements also other projects in the public sector. In the fourth quarter of 2011, the Company signed, among others, a contract with the Poznań Supercomputing and Networking Centre affiliated with the Institute of Bioorganic Chemistry of the Polish Academy of Sciences for the delivery and installation of the infrastructure of the SMP Altix UV computing system with software and a cooling system, carried out as part of the Programme for Calculating Great Challenges of Science and Technology (Program Obliczeń Wielkich Wyzwań Nauki i Techniki — POWIEW). For this science institution, the Company also completed the installation of infrastructure elements of a computing cluster with GPGPU modules for the Polish Infrastructure for Supporting Computational Science in the European Research Space (PL-GRID). The total net value of the two contracts is PLN 8 million. ATM SI also singed a contract with City Hall in Katowice for the delivery and extension of current configuration of blade servers and current network configuration with management software. The net value of the contract is almost PLN 1.2 million.

In the fourth quarter of 2011, ATM SI was also successfully carrying out the sales of its services on the energy market. Acting as the ATM consortium (ATM SI, ATM S.A., ATM Software S.A., and ITG S.A.) the company continues the deployment and integration of the AMI (Advance Metering Infrastructure) application system for Energa-Operator S.A., one of the largest electric energy distributors in Poland. The Application System is aimed to handle processes related to managing, collecting, and distributing data from meters in the distributor's power grid. The following contracts in the energy sector are the five signed with one of the largest energy concerns in Poland. The first one concerns the supplementing the power supply system of the central server with an energy generator, the second one concerns the delivery of servers for VMware virtualisation platform. The next three contracts include the provision of periodical technical inspections and an ongoing maintenance and repairs of security systems of buildings and the delivery of Cisco equipment. The total net value these five contracts exceeds PLN 2.2 million. The company has also signed an agreement with one of the energy distributors to expand the backbone network for the net amount of over PLN 2.7 million. We must also mention the contract with one of the clients from the industrial market for the supply of HP servers and arrays, SAN HP switches and VMware licenses. The agreement's net value exceeds PLN 1.5 million.

In the fourth quarter of 2011, ATM SI increased the sales of its integration services on the key market for ICT operators. The Company implemented, *inter alia*, contracts for one of the leading mobile operators for the supply and installation Cisco devices and the replacement of processors in the Cisco routers at locations throughout the country. The total net value of signed contracts is PLN 20 million. Apart from that, ATM SI implemented also an agreement for the extension of the eGGSN network, for PLN 3.4 million net for one of the mobile telephony operators.

ATM SI successfully obtained and also other projects in the public sector of cable TV broadcasting companies and providers. In the fourth quarter of 2011, the Company singed, *inter alia*, two contracts with TVN. The first one is a framework contract for the supply of networking/IT equipment, the second is for the supply and implementation of network infrastructure and security for the TVN Player project. The total net value these contracts exceeds PLN 1.7 million.

In the fourth quarter of 2011, ATM SI was also successfully carrying out the sales of its services concerning the construction and equipment of server rooms. The Company carried out the construction of the most modern data centre in Poland — F3 building — located in Warsaw, within the ATMAN Data Centre. The agreement's net value is PLN 35 million. It is worth emphasising that the Company continued the implementation of previously signed contracts concerning the infrastructure of data centres, including those for the extension of Thinx Poland Data Centre with new functional modules and for the construction of data centre for one of the big media companies. The net value of new contracts exceeded PLN 1 million.

The Company is also successfully developing the sales of its services in the "cloud computing" model, introduced to the market by ATM SI under the brand name of CloudiA™. These services are provided based on a converged and integrated HP BladeSystem Matrix computing platform, whose main advantage is the automation of tasks and services, enabling the dynamic allocation of resources, and quick building of computing environment according to current needs of a client.

It is also worth mentioning that in the fourth quarter of 2011 ATM SI S.A. was first in the countrywide ranking "Skrzydła Biznesu", organised by Dziennik Gazeta Prawna for companies from the sector of small and medium enterprises. ATM SI was first in the category of medium companies of the Mazowieckie Voivodeship and first in the category of medium companies in all Poland. The company was recognised as the most dynamically developing Polish enterprise with revenues of up to PLN 200 million. The awards received perfectly presents the dynamics which ATM SI, established as a result of spinning off integration activities of ATM S.A. as a separate company, managed to achieve.

In the fourth quarter of 2011, Sputnik Software, a member of the ATM S.A. group, signed a contract for the delivery and installation of IT platform, e-Urząd PTeU, under the project "Development of e-services in the Sokołów powiat" for the local administrative unit (Starostwo Powiatowe) in Sokołów Podlaski. The net value of the contract exceeded PLN 5 million. In addition, the Company entered into an agreement with the Ministry of Culture and National Heritage for the preparation and maintenance of electronic application registration system with an electronic inbox. The following contracts in the energy sector are: contract with Zabrodzie Commune for the development of electronic information platform and contract with Marki Commune for the implementation of complete electronic public service platform and a delivery of the equipment required in connection with the project "E-Marki — development of electronic services and improvement of efficiency of administration with the use of ICT technologies". The total net value these three contracts exceeds PLN 1.5 million.

Impulsy, a company being also a member of the Issuer's capital group, specialising in software for the medical sector, continued to increase its portfolio of contracts in the fourth quarter of 2011. The group of the company's clients was joint by Independent Public Clusters of Healthcare Unit in Poznań. Computerisation projects realised in this unit comprise the delivery and implementation of IT environment for the purpose of generation of provision of electronic services for the patients and also for the purpose of collection, processing and exchange of medical data and documentation in an electronic flow of documents. The agreement's net value exceeds PLN 1.3 million.

2011 was definitely the best year in the entire history of ATM Software, with over 94% increase in revenue and 600% increase in net profit which amounted to PLN 1.5 million, significantly contributing to the consolidated result of the Group. In the fourth quarter of 2011 only, ATM Software specialising in the development of innovative multimedia related software and services and Smart Grid systems signed agreements with: Kopernik Science Centre, Redefine Sp. z o.o. (IPLA internet TV operator, member of Polsat Group), Totalizator Sportowy, the Chancellery of the Sejm of the Republic of Poland and Telewizja Polska S.A. Additionally, the company extended its cooperation with ITI Neovision concerning the streaming of video content for N television and with TVN concerning the coding of video content with the use of ATM MediaCoder application for the TVN Player project. In terms of activity relating to the Smart Grid, the company successfully continued the implementation of the AMI application system for Energa-Operator S.A., developing measurement data management application and system for the acquisition of data from measurement systems. It is also worth mentioning that in the fourth quarter of 2011, the Company was invited, among other leading companies from this sector, do participate in an international project for the standarisation of security in the Smart Grid systems named “European Network for Smart Grid Security Research”.

III. Mobile payments

The Group participates in this segment owing to the activity of mPay which allows making payments via mobile phones, being a pioneer in the implementation of this type of solutions in Poland.

In the fourth quarter of 2011, mPay S.A. successively implemented its development strategy concerning the development of sales o integration services in the mobile payment area. Launching of a project within the framework of the MasterCard Mobile initiative was very important for the Company. The goal of the initiative is to create a pan-European mobile payment acceptance platform, for payments made using a mobile phone directly from the user's MasterCard/Maestro payment card. Adaptation of the IT platform and organisation of mPay system in order to process the mobile payments made within the MasterCard system were one of the main goals financed with the funds obtained from the issue of L series shares.

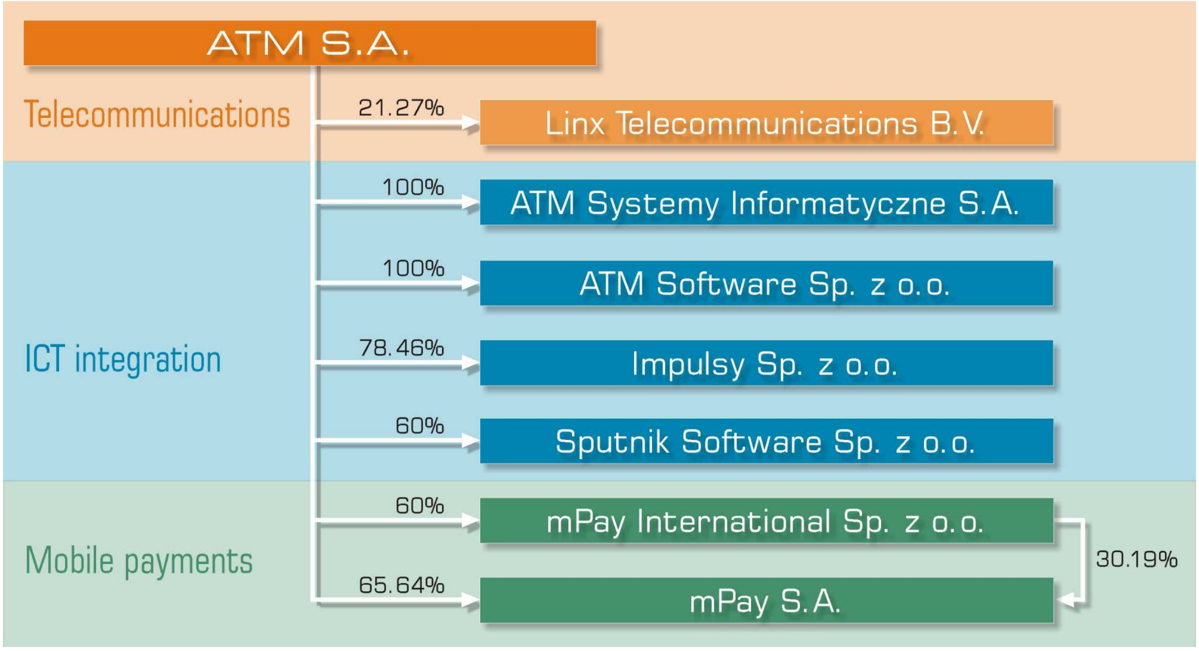
In the entire 2011, the Group earned in the mobile payments segment sales revenue of PLN 2.6 million (31% increase y/y), and recorded a loss at the operating level slightly lower than the one recorded in 2010, that is PLN 1.5 million.

DESCRIPTION OF ATYPICAL FACTORS AND EVENTS WHICH MATERIALLY AFFECT FINANCIAL RESULTS ACHIEVED

No atypical factors or events occurred in the fourth quarter of 2011 that might materially affect financial results achieved by the Group.

DESCRIPTION OF THE ORGANISATION OF THE ISSUER'S GROUP OF COMPANIES, WITH THE LIST OF CONSOLIDATED COMPANIES

As at the date of publication of this report, ATM S.A. Group of Companies included the following entities:



All of the aforementioned subsidiaries were subject to consolidation. Linx Telecommunications B.V.'s operating results are not consolidated at the operating level.

POSITION OF THE MANAGEMENT BOARD REGARDING THE VIABILITY OF ACHIEVING PREVIOUSLY PUBLISHED FORECAST RESULTS FOR A PARTICULAR YEAR, TAKING INTO ACCOUNT THE RESULTS PRESENTED IN THE QUARTERLY REPORT VERSUS PROJECTED RESULTS

The Company did not make the 2011 forecasts public.

INFORMATION ON SHAREHOLDERS HAVING DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE ISSUER'S ANNUAL GENERAL MEETING AS OF THE DATE OF SUBMISSION OF A QUARTERLY REPORT, STATING THE NUMBER OF SHARES HELD BY THOSE COMPANIES, THEIR PERCENTAGE STAKE IN THE SHARE CAPITAL, THE RESULTING NUMBER OF VOTES AND PERCENTAGE SHARE IN OVERALL NUMBER OF VOTES AT THE ANNUAL GENERAL MEETING AS WELL STATING CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT STAKES OF ISSUER'S SHARES IN THE PERIOD SINCE SUBMISSION OF PREVIOUS QUARTERLY REPORT

The table below presents data on shareholders holding at least 5% of the total number of shares at a General Meeting of the Issuer:

Shareholder	Number of shares held	Stake in share capital	Number of votes at the General Meeting	Share in the overall number of votes
Tadeusz Czichon	5,956,887	16.39%	5,956,887	16.39%
ING OFE	3,517,923	9.68%	3,517,923	9.68%
Polsat OFE	3,346,343	9.21%	3,346,343	9.21%
Roman Szwed	3,287,993	9.05%	3,287,993	9.05%
ING TFI*	1,868,360	5.14%	1,868,360	5.14%
Piotr Puteczny**	1,861,263	5.12%	1,861,263	5.12%

The data concerning POLSAT OFE and ING OFE refers to the number of shares owned by these shareholders as at 31 December 2010 based on the *"Annual asset structure"*.

*) number of shares as at 20 December 2010 based on the current report No 31/2010

** jointly with his spouse

Shareholder	Number of shares according to the previous quarterly report	Number of shares according to the current quarterly report	Change in the number of shares and number of votes
Tadeusz Czichon	5,956,887	5,956,887	0
Polsat OFE	3,346,343	3,346,343	0
ING OFE	3,517,923	3,517,923	0
Roman Szwed	3,287,993	3,287,993	0
ING TFI*	1,868,360	1,868,360	0
Piotr Puteczny**	1,861,263	1,861,263	0

The number of shares is equal to the number of votes at the General Meeting

The data concerning POLSAT OFE and ING OFE refers to the number of shares owned by these shareholders as at 31 December 2010 based on the *"Annual asset structure"*.

*) number of shares as at 20 December 2010 based on the current report No 31/2010

** jointly with his spouse

SUMMARY OF CHANGES IN THE NUMBER OF ISSUER'S SHARES OR STOCK OPTIONS HELD BY THE ISSUER'S MANAGERS AND SUPERVISORS, IN ACCORDANCE WITH THE INFORMATION AVAILABLE TO THE ISSUER, SINCE THE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT

A summary of changes in the ownership of Issuer's shares by the Issuer's managers and supervisors since the submission of the previous quarterly report is presented in the table below:

Forename and surname	As at 31 August 2011	Increases	Decreases	As at 14 November 2011
Tadeusz Czichon	5,956,887	-	-	5,956,887
Roman Szwed	3,287,993	-	-	3,287,993
Maciej Krzyżanowski	55,408	-	-	55,408
Anna Bugajska	59,000	-	-	59,000

PURCHASE OF TREASURY SHARES

The Issuer did not purchase treasury shares in the reported period.

INFORMATION ON PENDING PROCEEDINGS BEFORE COURT, ARBITRATION PANEL OR PUBLIC ADMINISTRATION BODY

There are no proceedings before the court, arbitration panel or a public administration body concerning liabilities or receivables of the Issuer or its subsidiary the value of which would constitute at least 10% of the Issuer's equity.

INFORMATION CONCERNING CONCLUSION BY THE ISSUER OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED UNDERTAKINGS WHICH ARE NOT TYPICAL OR ROUTINE TRANSACTIONS

During the reporting period, neither the Issuer nor any of the Issuer's subsidiaries concluded transactions with related undertakings, neither individually nor jointly, which were not typical or routine transactions concluded in the course of daily operations.

INFORMATION ON GRANTING BY THE ISSUER OR ISSUER'S SUBSIDIARY A LOAN OR BORROWING SURETY OR A GUARANTEE, IF THE TOTAL VALUE OF THE EXISTING SURETIES OR GUARANTEES IS EQUAL TO AT LEAST 10% OF THE ISSUER'S SHAREHOLDERS' EQUITY

During the reporting period, no loan or borrowing sureties or guarantees were extended by the Issuer or any of the Issuer's subsidiaries to any party that would in total exceed 10% of the Issuer's shareholders' equity.

OTHER INFORMATION CONSIDERED BY THE ISSUER AS IMPORTANT IN THE ASSESSMENT OF THE ISSUER'S PERSONNEL, ASSET AND FINANCIAL STANDING, NET PROFIT AND CHANGES TO SUCH ITEMS; INFORMATION RELEVANT TO THE ASSESSMENT OF THE ISSUER'S ABILITY TO FULFIL OBLIGATIONS

The Company has a stable personnel, asset and financial position. There are no known factors that could adversely affect the Issuer's ability to meet its obligations.

INFORMATION ON FACTORS WHICH IN THE ISSUER'S OPINION WILL AFFECT ITS PERFORMANCE DURING AT LEAST THE FOLLOWING QUARTER

With regard to telecommunications services, the Company still has high potential to increase revenue and generate profits, owing to its good investment policy. The demand for broadband data transmission and data centers services increases fast, which demonstrates the guarantee of a stable growth of this segment of activity. Therefore, the Issuer will continue the required investments by preparing further modules of Thinx Poland (formerly: Telehouse.Poland) data centre for sale and executing new objects within a project of construction of ATM Innovation Centre, in the case there is relevant demand of the market. The implementation of these investments shall bring a notable result in the increase of revenue and profits in the next financial periods.

It is also expected that the demand for high bandwidth networks, in particular optical networks, will grow owing to two factors: construction of the next generation LTE (Long Term Evolution) network by mobile providers and ubiquitous video transmission in telecommunications services. Certainly, it will have a positive impact on increased sales of services based on the existing optical infrastructure, which is becoming indispensable for telecommunications providers in the provision of the services mentioned.

Integration services are more exposed to economic phenomena, and therefore it is more difficult to predict the behaviour of this segment. However, projections for growth in demand for IT services, particularly in the telecommunications, energy and administration, and the market position of companies within the ATM Group pose a real chance to increase sales and profits in 2012.

Awarding the ATM consortium with the offer of Energa-Operator S.A. for deployment and integration of the remote metering system may be considered the first successful step towards the strategy of providing the energy industry with advanced ICT systems. It is the first that large a project of this type in Poland. It is said that in the nearest future investments of the energy industry in ICT systems will reach billions of zlotys. ATM Group, which is already competent in this field and further develops its competencies implementing the first remote metering system in Poland, has an opportunity to play an important role on this emerging market, comparable in terms of size only with the telecommunications market.

At the turn of 2011 and 2012, the Company will cease to generate sales revenue related to the implementation of integration part of the OST 112 project. Unfortunately, no decisions regarding the appointment of a contractor for large infrastructure projects announced or carried out in the public sector have been made in 2011. This creates a risk that the drop in revenues resulting from the completion of the OST 112 project will not be offset by revenue from other contract of similar scale. ATM SI company seeks to generate revenue from smaller contracts balancing the expected drop in revenue from OST 112.

At the turn of the first and second quarter of 2012, the Issuer is expected to be divided into two companies: telecommunications and information technology, both of which will be listed on the Warsaw Stock Exchange. The division will be conducted in accordance with the information published by the Issuer in current reports. As a result of the division, each shareholder holding one share in ATM S.A. will become, upon the division, a holder of one share of the ATM S.A. and one share in ATM Systemy Informatyczne S.A. The reference price for the shares of each of the two companies on the first day of trading will be determined based on the closing price of shares of ATM SA before the division, at the rate calculated from the relation of the value of both companies resulting from the valuation of each of the companies after the split, carried out by selected brokerage house. Information about this proportion will be provided by the Issuer to the public in the current reports immediately before the Extraordinary General Meeting approving the division of the Issuer and again before the first day of trading of companies after the division.

As a result of the division of the company into two independent companies, from the date of the division the results of the Issuer will be limited to the results obtained from the segments of telecommunications services and mobile payment services. At the same time, the results from the segment of IT services will be realised by ATM Systemy Informatyczne S.A. It is expected that, as a result of the division, these results should be increased due to the possibility of more effective sales to entities, which in current practice could see the Issuer as a competitor.

QUARTERLY FINANCIAL INFORMATION OF ATM S.A.

(REQUIRED BY REGULATION OF THE FINANCE MINISTER ON THE CURRENT AND PERIODICAL INFORMATION SUBMITTED BY THE ISSUERS OF SECURITIES)

1. TOTAL INCOME STATEMENT

	For the period 01/01 - 31/12/2011	For the period 01/10 - 31/12/2011	For the period 01/01 - 31/12/2010	For the period 01/10 - 31/12/2010
Continued operations				
Sales revenue	177,021	73,109	126,687	42,061
Cost of sales (variable)	108,024	55,549	63,963	25,208
Cost of sales (fixed)	13,944	3,680	13,717	3,284
Gross profit (loss) on sales	**55,553**	**13,880**	**49,007**	**13,569**
Other operating revenue	69	20	363	74
Selling costs	-	-	-	-
General and administrative costs	36,577	9,144	31,577	8,902
Other operating expenses	1,271	305	1,921	1,216
Restructuring costs	-	-	-	-
Operating profit (loss)	**17,273**	**4,451**	**15,872**	**3,525**
Share in the financial result of undertakings valued using the equity method	-	-	-	-
Financial revenue	11,087	66	567	120
Financial expenses	9,528	2,995	6,758	2,002
Profit (loss) before tax	**18,833**	**1,522**	**9,681**	**1,643**
Income tax	2,938	591	1,175	680
Net profit (loss) on continued operations	**15,895**	**931**	**8,506**	**963**
Discontinued operations	-	-	-	-
Net profit (loss) on discontinued operations	-	-	-	-
Net profit (loss)	**15,895**	**931**	**8,506**	**963**
Other total income				
Share in other total income of associates	**-**	**-**	**-**	**-**
Income tax related to other total income items	-	-	-	-
Other total net income	-	-	-	-
Profit (loss) per share *)				
Total amount of total income	**15,895**	**931**	**8,506**	**963**
From continued operations:				
Ordinary	0.44	0.03	0.23	0.03
Diluted	0.44	0.03	0.23	0.03
From continued and discontinued operations:				
Ordinary	0.44	0.03	0.23	0.03
Diluted	0.44	0.03	0.23	0.03
EBITDA	37,084	9,817	33,405	8,435

*) The individual data of ATM S.A. was adjusted by the reduction in revenues and sales costs (variable) by PLN 90,675 thousand resulting from recharging the integration activity between ATM S.A. and ATM SI S.A.

2. FINANCIAL SITUATION STATEMENT

	End of period 31/12/2011	End of period 31/12/2010
Fixed assets		
Goodwill		
Intangible assets	46,223	48,565
Tangible fixed assets	197,631	165,082
Investments in associates consolidated using the equity method	63,487	63,487
Investments in subsidiaries	49,184	46,973
Deferred income tax assets	-	-
Other fixed assets	379	1,924
	356,905	**326,031**
Current assets		
Inventories	1,100	1,127
Financial assets held for trading	1,546	1,906
Trading and other receivables	22,567	67,821
Income tax receivables	58	25
Other current assets	5,171	4,133
Other financial receivables		-
Cash and cash equivalents	36,229	20,513
	66,671	**95,525**
Fixed assets classified as held for sale	-	-
Total assets	**423,576**	**421,556**

	End of period 31/12/2011	End of period 31/12/2010
Equity		
Share capital	34,723	34,723
Supplementary capital from share premium	159,030	159,030
Revaluation reserve	-	-
Treasury shares	-	(13)
Capital reserves	36,124	35,969
Hedge valuation reserve and FX gains/losses due to consolidation	-	-
Retained earnings	32,343	24,088
Total equity	**262,221**	**253,797**
Long-term liabilities		
Long-term loans	-	-
Provisions for deferred tax	3,273	2,409
Provisions for liabilities	-	-
Long-term trade and other liabilities	30,220	29,912
Other financial liabilities	24,774	20,176
	58,267	**52,497**
Short-term liabilities		
Bank and other loans	40,206	10,000
Provisions for liabilities	-	-
Income tax liabilities	418	555
Trading and other liabilities	51,287	91,131
Other financial liabilities	11,178	13,576
	103,089	**115,262**
Liabilities related directly to fixed assets classified as held for sale	-	-
Total liabilities	**423,576**	**421,556**

3. STATEMENT OF CHANGES IN EQUITY

	Core capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Retained earnings	Equity
As at 1 January 2011	**34,723**	**159,030**	**(13)**	**35,969**	**24,088**	**253,798**
Increases:						
Current period results	-	-	-	-	15,895	15,895
Valuation of management options	-	-	-	-	878	878
Profit distribution	-	-		146	-	146
Share subscription under the stock option plan	-	-	13	9	-	22
Decreases:						
Profit distribution to be allocated to equity	-	-	-	-	146	146
Dividend payout	-	-	-	-	8,359	8,359
Financing of Incentive Scheme	-	-	-	-	13	13
As at 31 December 2011	**34,723**	**159,030**	**-**	**36,124**	**32,343**	**262,221**

	Core capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Retained earnings	Total equity
As at 1 January 2010	**34,723**	**159,030**	**(8)**	**29,584**	**21,883**	**245,212**
Increases:						
Current period results	-	-	-	-	8,506	8,506
Share subscription under the stock option plan	-	-	8	-	-	8
Valuation of the incentive scheme	-	-	-		1,441	1,441
Profit distribution to be allocated to equity	-	-	-	7,742	-	7,742
Sale of treasury shares under the incentive scheme	-	-	2,335	714	-	3,049
Decreases:						0
Profit distribution to be allocated to equity	-	-	-	-	7,742	7,742
Financing of Incentive Scheme		-	-	2,071	-	2,071
Purchase of treasury shares	-	-	2,348	-	-	2,348
As at 31 December 2010	**34,723**	**159,030**	**(13)**	**35,969**	**24,088**	**253,797**

4. CASH FLOW STATEMENT

	For the period 01/01 - 31/12/2011	For the period 01/01 - 31/12/2010
Operating activities		
Profit (loss) before tax	**18,833**	**9,681**
Adjustment by items:	26,420	46,370
Amortisation and depreciation	19,811	17,533
FX gains/losses	2,731	2,304
Interest received	-	(122)
Interest paid	6,358	4,014
Dividends received	(4,000)	-
Profit (loss) on investment activities	(6,731)	445
Movements in inventories	325	794
Movements in receivables	20,334	(18,474)
Movements in liabilities and provisions	(7,279)	39,288
Movements in other assets	(2,579)	784
Income tax paid	(2,245)	198
Other	(305)	(394)
	45,253	**56,051**
Investing activities		
Expenses on tangible fixed assets purchases	(64,925)	(37,018)
Expenses on financial asset purchases	(2,566)	(1,846)
Revenue from sale of tangible fixed assets	16,662	11,993
Repayments of long-term loans	527	1,025
Loans granted	(167)	-
Revenue from sales of financial assets	7,200	4
Cost of incomes from financial asset	(469)	-
Dividends received	4,000	-
FX gains/losses	(68)	44
Other		
	(39,808)	**(25,798)**
Financing activities		
Net proceeds from issue of shares and other capital contributions	-	-
Subsidies received	7,885	360
Proceeds from loans	30,206	6,864
Repayments of loans	-	-
Purchase of treasury shares	-	(2,352)
Sale of treasury shares under the incentive scheme	13	(272)
Payment of liabilities arising from finance leases	(13,267)	(12,446)
Dividends paid	(8,359)	-
Interest received	85	8
Interest paid	(6,358)	(4,014)
Other profit-sharing	-	-
FX gains/losses	66	(265)
Other	-	-
	10,271	**(12,118)**
Movements in cash	**15,716**	**18,135**
Opening balance of cash	20,513	2,381
Closing balance of cash	**36,229**	**20,513**

ADDITIONAL NOTES TO QUARTERLY REPORT FOR THE FOURTH QUARTER 2011

1. SALES REVENUE BROKEN DOWN INTO GEOGRAPHICAL DISTRIBUTION

Sales revenue broken down into geographical distribution is as follows:

	For the period 01/01 - 31/12/2011	For the period 01/10 - 31/12/2011	For the period 01/01 - 31/12/2010	For the period 01/10 - 31/12/2010
Country	173,083	70,324	123,625	41,392
Export	3,938	2,786	3,062	668
Total sales revenue	**177,021**	**73,109**	**126,687**	**42,061**

2. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Off-balance sheet items	As at 31/12/2011	As at 31/12/2010
1. Contingent receivables	-	-
1.1 From other undertakings	-	-
2. Contingent liabilities	28,246	49,293
2.1 To other undertakings, of which:	28,246	49,293
- Guarantees, sureties granted	28,246	49,293
- Mortgage collateral	-	-
- Collateral pledge	-	-

Since the end of the fiscal year 2010, the following changes in contingent liabilities have occurred:

a) Guarantees and sureties granted have decreased by PLN 21,047 thousand because of:

- Term expiry of bank and insurance guarantees (tender bonds, performance bonds) for the total amount of PLN 25,573 thousand
- Submitting the bank and insurance guarantees securing tenders and contracts — for the total amount of PLN 4,526 thousand

b) Mortgage collaterals and collateral pledges remain unchanged.

OTHER INFORMATION

(REQUIRED BY REGULATION OF THE FINANCE MINISTER ON THE CURRENT AND PERIODICAL INFORMATION SUBMITTED BY THE ISSUERS OF SECURITIES)

SELECTED FINANCIAL DATA

	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	in PLN thousand		in EUR thousand	
Total sales revenue	177,021	126,687	42,757	31,637
Operating profit (loss)	17,273	15,872	4,172	3,964
Profit before tax	18,833	9,681	4,549	2,418
Net profit	15,895	8,506	3,839	2,124
Net cash from operating activities	45,253	56,051	10,930	13,997
Net cash from investing activities	(39,808)	(25,798)	(9,615)	(6,443)
Net cash from financing activities	10,271	(12,118)	2,481	(3,026)
Increase (decrease) in cash	15,716	18,135	3,796	4,529
	31/12/2011	**31/12/2010**	**31/12/2011**	**31/12/2010**
Fixed assets	356,905	326,031	80,806	82,325
Current assets	66,671	95,525	15,095	24,121
Total assets	423,576	421,556	95,901	106,446
Long-term liabilities	58,267	52,497	13,192	13,256
Short-term liabilities	103,089	115,262	23,340	29,104
Equity	262,221	253,797	59,369	64,085
Share capital*	34,723	34,723	7,862	8,768
Number of shares	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	7.22	6.98	1.63	1.76
Diluted book value per share (PLN/EUR)	7.22	6.98	1.63	1.76

*) The share capital was restated in accordance with IAS 29

The above financial data for the third quarter of 2010 and 2011 were converted to EUR according to the following principles:

- Individual items of assets and liabilities were calculated with the average FX rate of the National Bank of Poland as of 31 December 2011 at PLN/EUR 4.4168 and as of 31 December 2010 at PLN/EUR 3.9603;
- Individual items of the profit and loss account and the cash flow statement were calculated with the rate being arithmetic mean of rates of the National Bank of Poland as at the last day of each month of the fiscal year between 1 January and 31 December 2010 at PLN/EUR 4.0044 and between 1 January and 31 December 2011 at PLN/EUR 4.1401.