ATM S.A. CAPITAL GROUP

CONSOLIDATED QUARTERLY REPORT FOR THE FIRST QUARTER OF 2013

KEY INFORMATION REGARDING THE 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 February 2009 with regard to amendments arising from the Regulation of the Minister of Finance of 3 April 2012, and includes consolidated financial statements of the ATM S.A. capital group drawn up according to the International Financial Reporting Standards, as approved by the European Union.

Submission date: 15 May 2013

Information on the Issuer:

Full name of the Issuer: ATM S.A.
Abbreviated name of the Issuer: ATM
Sector according to the Warsaw Stock Exchange classification: information technology
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REGON (Statistical ID No): 012677986

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS OF THE ATM S.A. CAPITAL GROUP FOR THE FIRST QUARTER OF 2013

1. CONSOLIDATED STATEMENT OF TOTAL INCOME

	For the period 01/01–31/03/2013	For the period 01/01–31/03/2012
Continuing operations		
Sales revenue*	41,859	56,560
Cost of sales (variable)	23,088	38,125
Sales margin**	**18,771**	**18,434**
Cost of sales (fixed)	5,352	4,830
Gross profit (loss) on sales	**13,419**	**13,605**
Other operating revenue	450	784
Cost of sales		
General and administrative costs	7,572	8,007
Other operating costs	358	780
Restructuring costs		
Operating profit (loss)	**5,939**	**5,602**
Share in the financial result of undertakings valued using the equity method	(1,256)	1,206
Financial revenues	377	84
Financial expenses	1,652	1,829
Profit (loss) before tax	**3,407**	**5,064**
Income tax	815	456
Net profit (loss) on continuing operations	**2,592**	**4,609**
Discontinued operations		
Net profit (loss) on discontinued operations	-	375
of which:		
referring to the separation of the organized part of the enterprise relating to integrating operations	-	
referring to mPay International Sp. z o.o. in bankruptcy liquidation	-	
Net profit (loss)	**2,592**	**4,984**
Net profit (loss) attributable to the Group's shareholders	2,621	4,678
Net profit (loss) attributable to minority shareholders	(29)	(69)
Other total income		
Share in other comprehensive income of associates	-	-
Income tax related to other comprehensive income items	-	-
Other comprehensive income		
Total comprehensive income	**2,592**	**4,984**
Comprehensive income attributable to the Group's shareholders	2,621	4,678
Comprehensive income attributable to minority shareholders	(29)	(69)
Profit (loss) per share		
From continuing operations:		
Ordinary	0.07	0.13
Diluted	0.07	0.13
From continuing and discontinued operations:		
Ordinary	0.07	0.1
Diluted	0.07	0.1
EBITDA	11,008	10,266

NOTES:

*) Sales revenue includes revenue from sales of telecommunications services provided as part of the implementation of the OST 112 contract. Since the telecommunications part of the contract is implemented by subcontractors, this part of the revenue has a negligible effect on the results of the Company. Revenue in this respect amounted to PLN 25.65 million in the first quarter of 2012, whereas in the first quarter of 2013 it stood at PLN 10.16 million.

**) The Issuer discloses additionally in relation to the IFRS requirements the “Sales margin” category which represents the difference of sales revenue and variable costs of sales, i.e. those that are directly related to the value of the revenue (cost of goods sold, costs of subcontractors in the implementation of services). This category — according to the Issuer's Management Board — is important for the analysis of the company's finances as it is correlated with the value of sales and determines a break-even point for fixed costs, i.e. a point at which company’s activities are operationally profitable.

2. CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION — ASSETS

	End of period 31/03/2013	End of period 31/12/2012	End of period 31/03/2012
Fixed assets			
Goodwill	128	128	131
Intangible assets	44,272	44,972	48,049
Tangible fixed assets	212,441	207,697	203,468
Investments in associates consolidated using the equity method	67,110	68,367	68,133
Other financial assets	-	-	-
Deferred income tax assets	-	-	-
Other fixed assets	183	162	417
	324,135	**321,326**	**320,199**
Current assets			
Inventories	1,272	1,340	1,369
Financial assets held for trading	1,008	970	206
Trade and other receivables	26,640	24,297	57,381
Income tax receivables	57	57	54
Other current assets	-	4,011	5,221
Other financial receivables	3,509	-	-
Cash and cash equivalents	1,595	4,578	29,089
	34,081	**35,253**	**93,320**
Fixed assets held for sale	-	2,589	135,762
Total assets	**358,216**	**359,168**	**549,281**

CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION — LIABILITIES

	End of period 31/03/2013	End of period 31/12/2012	End of period 31/03/2012
Equity			
Share capital	34,723	34,723	34,723
Supplementary capital from share premium	123,735	123,735	123,915
Revaluation reserve	-	-	-
Treasury shares	(1)	(1)	-
Capital reserves	52,505	52,505	36,124
Hedge valuation reserve and FX gains/losses due to consolidation	-	-	-
Retained earnings	21,833	22,412	24,530
Total Group shareholders' equity	**232,795**	**233,374**	**219,293**
Non-controlling interests	244	2,251	4,123
Total shareholders' equity	**233,038**	**235,625**	**223,415**
Long-term liabilities			
Long-term loans and borrowings	38,934	31,376	33,740
Provisions for deferred tax	458	34	1,674
Provisions for liabilities	-	-	-
Long-term trade and other liabilities	26,117	27,036	30,732
Other financial liabilities	14,391	19,208	32,095
	79,899	**77,654**	**98,242**
Short-term liabilities			
Bank loans and borrowings	16,126	13,852	16,260
Provisions for liabilities	-	-	-
Income tax liabilities	-	2,037	1,122
Trade and other liabilities	22,219	20,115	66,700
Other financial liabilities	6,934	11,498	8,107
	45,279	**47,502**	**92,188**
Liabilities related directly to fixed assets held for sale	-	(1,613)	135,436
Total liabilities	**358,218**	**359,168**	**549,281**

3. STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Total Group shareholders' equity	Non-controlling interests	Total equity
As at 1 January 2013	**34,723**	**123,735**	**(1)**	**52,505**	**-**	**22,411**	**233,373**	**2,251**	**235,624**
Increases:									
Current period results	-	-	-	-	-	2,621	2,621	(29)	2,592
Valuation of management options	-	-	-	-	-	33	33	-	33
Changes to the Group's structure	-	-	-	-	-		-	-	-
Decreases:									
Purchase of shares after the control taking date		-	-	-	-		-	-	-
Current period results	-	-	-	-	-	-	-	-	-
Changes to the Group's structure (division)	-	-	-	-	-	3,231	3,231	1,979	5,210
									-
As at 31 March 2013	**34,723**	**123,735**	**(1)**	**52,505**	**-**	**21,834**	**232,796**	**243**	**233,039**

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Total Group shareholders' equity	Non-controlling interests	Total equity
As at 1 January 2012	**34,723**	**159,030**	**-**	**40,429**	**-**	**41,589**	**275,771**	**7,319**	**283,090**
Increases:									
Current period results	-	-	-	-	-	13,055	13,055	(463)	12,592
Share subscription under the stock option plan	-	-	-	-	-	445	445	-	445
Profit distribution	-	-	-	16,381	-	-	16,381	-	16,381
Decreases:									
Purchase of treasury shares under the stock option plan	-	-	1	-	-	-	1	-	1
Current period results	-	-	-	-	-	-	-	-	-
Profit distribution to be allocated to reserve capital	-	-	-	-	-	16,381	16,381	-	16,381
Changes to the Group's structure (division)	-	35,295	-	4,305	-	16,297	55,897	4,605	60,502
									-
As at 31 December 2012	**34,723**	**123,735**	**(1)**	**52,505**	**-**	**22,411**	**233,373**	**2,251**	**235,624**

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Revaluation reserve	Retained earnings	Total Group shareholders' equity	Non-controlling interests	Total equity
As at 1 January 2012	**34,723**	**159,030**	**-**	**40,429**	**-**	**41,589**	**275,771**	**7,319**	**283,090**
Increases:									
Current period results	-	-	-	-	-	4,678	4,678	(69)	4,609
Valuation of management options	-	-	-	-	-	139	139	-	139
Decreases:									
Changes to the Group's structure (division — disclosure of assets and liabilities held for sale)	-	35,115		4,305		21,875	61,295	3,127	64,422
As at 31 March 2012	**34,723**	**123,915**	**-**	**36,124**	**-**	**24,531**	**219,293**	**4,123**	**223,416**

4. CONSOLIDATED CASH FLOW STATEMENT

	For the period 01/01–31/03/2013	For the period 01/01–31/03/2012
Operating activities		
Profit (loss) before tax	**3,407**	**5,064**
Adjustment by items:	4,711	(7,139)
Share in net loss (profit) of undertakings valued using the equity method	(1,256)	1,206
Amortisation and depreciation	5,069	4,663
FX gains/losses	109	288
Interest received	1	29
Interest paid	1,503	1,435
Dividends received	-	-
(Profit) loss on investment activities	26	10
Change in inventories	(224)	(51)
Change in receivables	(2,424)	(11,360)
Change in liabilities and provisions	2,044	(3,485)
Changes in other assets	362	2,972
Income tax paid	(2,432)	(1)
Other	1,932	(2,845)
	8,118	**(2,075)**
Investing activities		
Expenses on tangible fixed asset purchases	(17,279)	(16,873)
Expenses on financial asset purchases	(1,359)	
Revenue from sale of tangible fixed assets	81	
Repayment of long-term loans	-	-
Long-term loans granted	3	(18)
Revenue from sales of financial assets	51	8,091
Interest received	1	
Dividends received		
FX gains/losses	(10)	17
Other	-	
	(18,513)	**(8,783)**
Financing activities		
Net proceeds from issue of shares and other capital contributions	-	-
Subsidies received	136	512
Proceeds from loans and borrowings	9,778	9,821
Repayment of loans and borrowings	-	-
Purchase of treasury shares	1	-
Payment of liabilities arising from finance leases	(946)	(2,964)
Dividends paid	-	-
Interest received	-	-
Interest paid	(1,505)	(1,463)
Other distributions	-	-
FX gains/losses	51	(22)
Other	(100)	(22,506)
	7,414	**(16,622)**
Changes in cash	**(2,980)**	**(27,480)**
Opening balance of cash	4,578	56,566
Closing balance of cash	**1,595**	**29,089**

ADDITIONAL NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIC INFORMATION

ATM S.A., being the parent company of the ATM S.A. Capital Group, is a joint-stock company. The Company launched its operation in 1994 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 is 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 (KRS) No 0000034947.

On 25 April 2012, the National Court Register registered a division of the company by separation of an organized part of the enterprise relating to the integrating part of the Issuer's operations (providing ICT systems) and its acquisition by ATM Systemy Informatyczne S.A. (currently: Atende S.A.), which is also listed on the Warsaw Stock Exchange. As a result of the division, the ATM S.A. shareholders additionally received one share of ATM Systemy Informatyczne S.A. for each share of ATM S.A. The division of ATM did not result in a decrease in the share capital.

ATM S.A. has been listed on the Warsaw Stock Exchange since 2004. According to the Warsaw Stock Exchange classification, the core business of the Group concerns the IT sector.

The Company is managed by the Management Board comprising two members. Its composition as at the date of submission of this report is as follows:

- Maciej Krzyżanowski — President of the Management Board,
- Tadeusz Czichon — Vice-President of the Management Board.

No changes in the composition of the Management Board took place in the first quarter of 2013 or after the balance sheet date.

Currently, the Company is supervised by a Supervisory Board comprising the following five members:

- Sławomir Kamiński — Chairman of the Supervisory Board,
- Tomasz Tuchołka — Vice-Chairman of the Supervisory Board,
- Grzegorz Domagała — Member of the Supervisory Board,
- Mirosław Panek — Member of the Supervisory Board,
- Marcin Wysocki — Member of the Supervisory Board.

On 8 March 2013, Roman Szwed resigned from serving on the Company's Supervisory Board, and on 4 August 2013, the Extraordinary General Meeting of the Company's Shareholders appointed Marcin Wysocki to the Supervisory Board.

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

The interim condensed financial statements for the first quarter ended 31 March 2013 were prepared in accordance with IAS 34 *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. Due to the global financial crisis, significant and rapid fluctuations in exchange rates have occurred, starting 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 part of exchange rate differences on lease liabilities — related to instalments paid in a given reporting period — refers to 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 realized (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 recognized in accruals which are charged to financial costs for the month in which they are actually paid. Simultaneously, accruals shall be adjusted for subsequent exchange rate differences arising on lease liabilities (both gains and losses). The exemption from IAS 21 shall be applied by the Company also in the present financial statements and shall be applied 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 31 March 2013, the balance of accruals resulting from exchange rate differences on lease liabilities amounted to PLN 129,011.87. If the exchange rate of JPY remained at the level from the balance sheet day, this sum would be recognized in costs for the following periods in the following amounts:

Year	Quarter	Amount
2013	2	95,517.47
	3	33,494.39
	4	0.00
TOTAL		**129,011.87**

The Issuer shall consistently present accruals resulting from an increase or decrease in the value of lease instalments which are due in the second and third quarter of 2013.

Adopting the partial exemption from IAS 21 as at 31.03.2013 resulted in an increase in the value of other current assets by the aforementioned amount of PLN 129,011.87, as a result of which the gross income in the years 2008–2013 was increased by the same amount, and after deferred tax (19% of gross profit) in the amount of PLN 24,512.25, the net profit was higher by PLN 104,499.61. This result included the increase in net profit for the years 2008–2013 amounting to PLN 249,003.72 and the decrease in net profit for the current period, amounting to PLN 144,504.11.

Adopting the partial exemption from IAS 21 as at 31.12.2012 resulted in an increase in the value of other current assets by the amount of PLN 307,412.01, as a result of which the gross income in the years 2008–2012 was increased by the same amount, and after deferred tax (19% of gross profit) in the amount of PLN 58,408.28, the net profit was higher by PLN 249,003.72. This result included the increase in net profit for the years 2008–2011 amounting to PLN 1,738,541.34 and the decrease in net profit for the period, amounting to PLN 1,489,537.62.

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 period amounting to PLN 1,234,911.66.

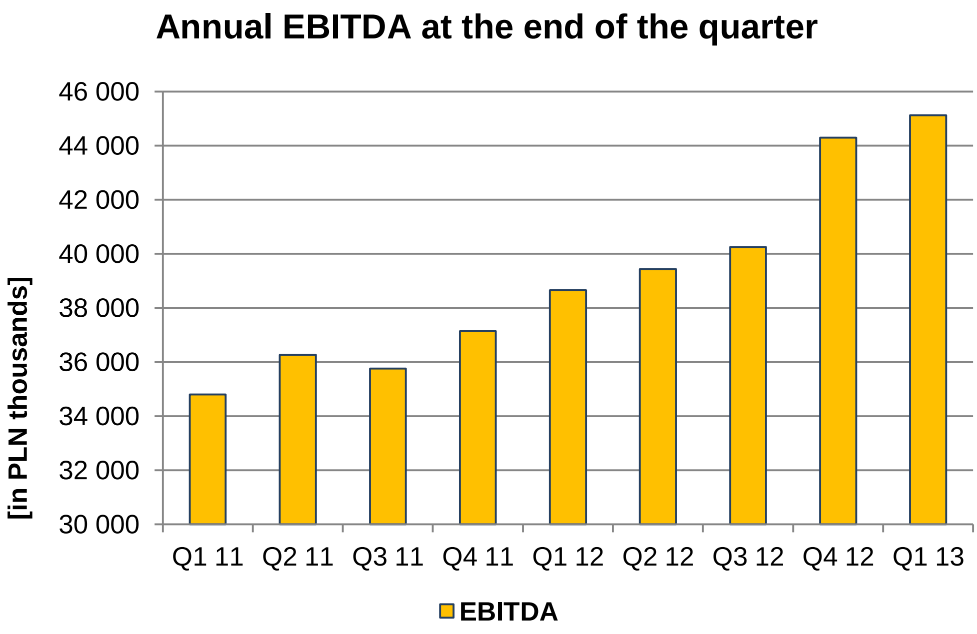
In summary, if the aforementioned exemption from IAS 21 had not been adopted by the Company, its consolidated net profit in 2008 would have been lower by PLN 5.4 million, higher by PLN 2.3 million in 2009, higher by PLN 0.15 million in 2010, higher by PLN 1.23 million in 2011, higher by PLN 1.48 million in 2012 and higher by PLN 0.14 million in the first quarter of 2013.

3. DESCRIPTION OF THE ISSUER'S MATERIAL ACHIEVEMENTS OR FAILURES DURING THE REPORTING PERIOD, TOGETHER WITH THE LIST OF THE MOST IMPORTANT EVENTS CONCERNING THE ISSUER

In the first quarter of 2013, the Company improved its financial performance from the first quarter of the previous year, which was particularly successful for the Company. Apart from the sales revenue under the OST 112 contract, which was characterised by large fluctuations and a negligible impact on the Company's profits, in the first quarter of 2013, the revenue increased by 2.7% as compared with the previous year. The sales margin of PLN 18.8 million increased by 1.8%, which — owing to stable fixed costs — led to an increase in the operating profit by 6.0% and in the case of EBITDA — by 7.2%. At the level of individual entities, there was also an increase in gross profit and net profit from continuing operations (22.3% and 15.4%, respectively), although at the consolidated level, due to the decline in value of the stake in the associated company, Linx Telecommunications B.V., by PLN 1.2 million (as compared with an increase in its value in the first quarter of 2012 of PLN 1.2 million), the consolidated gross profit and net profit from continuing operations decreased by PLN 1.7 million and PLN 2.0 million, respectively.

It should be noted that the results for the first quarter of 2013 were worse than the results for the fourth quarter of 2012, in which significant revenues from sources other than subscriptions occurred, associated with providing the clients with new telecommunications lines and extra colocation space. This type of revenue occurs in all four quarters of the year, but its share in the remaining quarters of the year is relatively smaller.

It is worth noting the gradual improvement of the basic performance of the Company (such as sales revenue, excluding revenue under the OST 112 contract, operating profit, EBITDA, gross profit and net profit from continuing operations), as each time representing four full quarters of operation. A sample graph of annual EBITDA achieved by the company in the course of the four quarters is presented below:



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The most dynamic growth is still displayed by revenue from data center services (colocation and hosting). In the first quarter of 2013, this revenue amounted to PLN 13.8 million, and increased by over 15% as compared with the first quarter of the previous year. The share of revenue from colocation in total revenues of the Company is growing steadily and in the first quarter of this year reached 43%. During this period, the Company acquired a number of smaller clients interested in its services provided in data centers.

In the first quarter of 2013, the Issuer recorded good financial results also in the other area of its business, i.e. data transmission and fibre-optic services, generating PLN 12.2 million in sales revenue and an 11% growth as compared with the first quarter of the previous year of 2012.

As regards revenue from sales of Internet access services, the Issuer, similarly to other telecommunication providers, records decreased revenue. Annualised revenue from Internet access services has dropped by 17%, and in the first quarter of 2013, the Company generated PLN 4.7 million in revenue in this sector. The share of sales of these services in the total revenue of the company is systematically decreasing, and in the first quarter of this year, it amounted to 15%.

In the past period, positive effects of the separation of integrating operations in the form of an independent company were noticeable, as the Issuer's offer was gaining popularity among a number of IT integrators. Recently, this interest resulted in new contracts — for example with ITelo, EmiD and a leading Polish developer and distributor of video games. Also IT companies which have already been ATM's clients, i.e. Infovide-Matrix, e-Point and Netwise, decided to extend the scope of colocation services.

High level of safety of the systems at ATM's colocation facilities was appreciated by the financial industry — the most demanding industry when it comes to reliability and security of data center services. For many years now, the Issuer has been recommended by major banks and financial institutions. Recently, it was also recommended by ICP Polska — Europe's largest consumer payments acceptance network and the Polish branch of a French provider of financial services to retail chains. The financial clients who have extended the colocation services provided to them by the Issuer included also X-Trade Brokers and Open Finance TFI.

Most of the signed contracts are long-term or have been concluded for an indefinite term, which guarantees stable revenues for the Company in subsequent periods.

In the "mobile payments" operating segment, the Company continues its operations through its subsidiary, mPay S.A., which is listed on the NewConnect market. The company continues its mission to perform a significant role in the currently developing market of mobile payments, continuing its cooperation with mobile operators and MasterCard. The company is financially stable and generates EBITDA of around zero.

The mPay International Sp. z o.o. company, in which the Issuer holds a 60% stake, currently undergoes final stages of bankruptcy liquidation. The company did not conduct any operating activities, and its shares in mPay S.A. were acquired by the Issuer. In the near future, it is expected to be deleted from the Court Register. Since 2012, the company has been recognized in the financial statements of ATM as discontinued operations.

The Issuer will continue its efforts to attract investors in respect of the held shares of mPay S.A. It is expected that ATM will exit from this investment by the end of this year.

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

No atypical factors or events occurred which might materially affect financial results achieved by the Group.

5. SEASONALITY OF OPERATIONS

Revenue from sales is stable, recurrent and relatively resistant to the business cycle, owing to the predominant subscription nature of the contracts. This revenue is not seasonal but grows steadily from quarter to quarter. A periodic rise in revenues may be due to a greater share of revenue from sources other than subscription services relating to providing the clients with new telecommunications lines and colocation space. Such an increase in revenue occurred in the fourth quarter of 2012.

The irregular volatility in revenue was also due to the delivery of telecommunications lines within the OST 112 project. In the first quarter of 2013, revenue in this respect amounted to PLN 10,158 thousand, whereas in the first quarter of 2012 it amounted to PLN 25,648 thousand. However, this part of revenue has no significant impact on the margin and sales profit. Corresponding revenue will be generated in the remaining quarters of the current year, in amounts similar to that of the first quarter of 2013.

6. INVENTORIES REVALUATION WRITE-DOWNS REDUCING THE VALUE TO NET REALIZABLE VALUE

By 31 March 2013, the Company made inventories revaluation write-off amounting to PLN 43 thousand.

7. Revaluation write-downs for fixed assets

In the first quarter of 2013, the Company did not make any revaluation write-downs for fixed assets.

8. Making, increasing, implementing and dissolving provisions

The Company did not make any provisions.

9. Deferred income tax assets and provisions

	Statement of the financial position		Total income statement	
	End of period 31/03/2013	End of period 31/12/2012	For the period 01/01–31/03/2013	For the period 01/01–31/12/2012
Deferred tax provision				
Difference between the balance sheet and tax value of wnip-dot	-	-	-	-
Difference between the balance sheet and tax value of leased fixed assets	-	-	-	-
Difference between the balance sheet and tax value of tangible fixed assets	2,406	2,435	(29)	(673)
Recognized service revenue	212	-	212	(388)
Receivable compensation	-	-	-	-
Accrued interest	109	110	(1)	63
Valuation of financial instruments	-	-	-	-
Subsidies received — settlement	10	-	10	(2)
FX gains	-	-	-	-
Provisions for deferred tax acquired as a result of business combination	-	-	-	-
Gross deferred tax provision	**2,737**	**2,545**	**192**	**(1,000)**
Deferred tax assets				
Valuation of financial instruments	-	-	-	-
Difference between the balance sheet and tax value of tangible fixed assets	-	-	-	-
Deferred payment revenue	2	2	-	15
Revenue settled over time	-	-	-	-
Inventory write-downs	166	155	(11)	(6)
Receivable write-downs	217	238	21	(160)
Write-downs on financial assets	-	-	-	-
Provisions for service expenses	339	298	(41)	(275)
Provisions for employee benefits	-	-	-	-
Negative exchange differences	-	-	-	-
Liabilities to the Social Insurance Institution (ZUS)	-	-	-	-
Liabilities to employees	-	-	-	-
Deferred income/expenses	-	181	181	(181)
Subsidies received	-	5	5	(5)
Effects of IRS valuation	306	319	13	(319)
Recognized interest	224	285	61	(285)
Tax loss for settlement	1,025	1,025	-	-
Deferred tax assets acquired as a result of business combination	-	-	-	-
Gross deferred tax assets	**2,279**	**2,508**	**229**	**(1,216)**
Net tax assets (tax provision)	**(458)**	**(37)**		
Deferred income tax charge against profit			**421**	**(2,216)**

10. Significant tangible fixed asset sales and acquisitions

The Company did not carry out any transaction concerning fixed assets.

11. Significant liabilities for acquisition of tangible fixed assets

There were no significant liabilities for tangible fixed assets purchases.

12. Significant settlements arising from court cases

There were no significant settlements arising from court cases.

13. Adjustment of errors from previous periods

The company did not make any adjustments of errors from previous periods.

14. Changes of economic situation, as well as business environment, which significantly influence the entity's financial assets and liabilities fair value

There were no changes in economic situation that could have had a significant influence on the financial assets and liabilities fair value.

15. Bank loans and lease liabilities

Bank loans include:

1. Investment loan for the period of 5 years (2012–2017) of PLN 33.32 million, secured by mortgage on real estate, where the Issuer develops data centers,
2. Investment loan for the period of 5 years (2013–2019) of PLN 3.61 million, secured by pledge on capital expenditure,
3. Overdraft facility, which revolves annually, with a total limit up to PLN 35.0 million, used as at the balance-sheet date up to the amount of PLN 11.73 million.

The loans include a liability towards a financial institution issued to refinance capital expenditures to be repaid between 2013 and 2016 with a value of PLN 6.39 million as at 31 March 2013.

Other financial liabilities include finance lease agreement of the net total value of liabilities amounting to PLN 21.48 million as at the balance sheet date. The lease agreements are concluded in order to refinance investment expenditures, and they are usually entered into for the period of 5 years. Liabilities arising from lease agreements are at a stable level due to the fact that expired agreements are substituted with new agreements.

16. Failure to pay off a loan or borrowing

There was no breach of bank loan or borrowing contract, and there was no failure to pay off any loan or borrowing.

17. Financial assets at fair value

There were not changes in the manner and methods of determining fair value of financial instruments.

18. Changes in the classification of financial assets due to a change of their purpose or use

There were no changes in the classification of financial assets due to a change of their purpose or use.

19. ISSUE, REDEMPTION AND REPAYMENT OF NON-SHARE SECURITIES AND EQUITIES

The Company did not make the aforementioned transactions.

20. DIVIDENDS PAID AND DECLARED

Pursuant to the current report No 13/2013 of 11 March 2013, the Management Board of ATM S.A. will recommend to the Ordinarily General Meeting to adopt a resolution on payment of the dividend for the year 2012 in the amount of PLN 0.10 per share, i.e. in the total amount of PLN 3,634,334.40

In the Current Report No 25/2012 of 25 April 2012, the Management Board of ATM announced the suspension of payment of dividends by the Company due to the planned extensive investments concerning the expansion of data centers until 2015. However, because of the Company's very good financial situation, the Management Board is of the opinion that the Company is now able to pay a small dividend, without limiting the ambitious investment plans.

21. SEGMENTS OF OPERATION

Telecommunications activity is the principal segment of the Issuer's operations characterized by stable revenues and profits in consequent reporting periods. It includes the activity of ATM S.A. and Linx Telecommunications B.V. (Linxtelecom's operating results are not consolidated). This segment is responsible for a considerable portion of the generated revenue and profit of the Group.

The second distinguished segment of the Group's operations, with a minor effect on consolidated results, is the provision of mobile payment services (payments made with the use of mobile phone), including the operations of a subsidiary, mPay S.A., listed on the NewConnect market.

ICT systems integration is a segment which constituted a part of the financial results for the first quarter of 2012. This activity was conducted by the companies belonging, at that time, to the ATM capital group, i.e. ATM Systemy Informatyczne S.A., ATM Software Sp. z o.o., Impulsy Sp. z o.o. and Sputnik Software Sp. z o.o. Currently, this segment of operations is not present at ATM due to the separation of a part of the enterprise related to integrating activities and its acquisition by ATM Systemy Informatyczne S.A. (currently: Atende S.A.). This operating segment is reported in these financial statements — from the Issuer's perspective — as discontinued operations.

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

For the period 01/01–31/03/2013	Telecommunications	Mobile payments	Consolidatng exclusions	Total
Fixed assets	315,450	5,958	(81)	321,327
Sales revenue	41,606	313	(60)	41,859
of which: revenue excluding the OST 112 contract	31,448	313	(60)	31,701
Sales margin*	**18,663**	**109**		**18,771**
Operating profit (loss)	**6,395**	**(692)**	**236**	**5,939**
Profit (loss) before tax	3,858	(688)	236	3,407
Net profit (loss) on continuing operations	**3,043**	**(688)**	**236**	**2,592**
EBITDA	11,050	(278)	236	11,008

For the period 01/01–31/03/2012	Telecommunications	Mobile payments	Consolidating exclusions	Total
Fixed assets	307,932	9,210	3,057	320,199
Sales revenue	56,004	541	15	56,560
of which: revenue excluding the OST 112 contract*	30,356	541	15	30,912
Sales margin*	**18,155**	**280**		**18,435**
Operating profit (loss)	**5,907**	**(366)**	**62**	**5,603**
Profit (loss) before tax	5,387	(385)	62	5,065
Net profit (loss) on continuing operations	**4,931**	**(385)**	**62**	**4,609**
EBITDA	10,221	(18)	62	10,266

NOTES:

*) The Issuer discloses additionally in relation to the IFRS requirements the “Sales margin” category which represents the difference of sales revenue and variable costs of sales, i.e. those that are directly related to the value of the revenue (cost of goods sold, costs of subcontractors in the implementation of services). This category — according to the Issuer's Management Board — is important for the analysis of the company's finances as it is correlated with the value of sales and determines a break-even point for fixed costs, i.e. a point at which company’s activities are operationally profitable.

Sales revenues broken down into geographical distribution are as follows:

	For the period 01/01–31/03/2013	For the period 01/01–31/03/2012
Country	40,719	54,903
Export	1,140	1,657
Total sales revenue	41,859	56,560

22. SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER

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

23. CHANGES IN THE COMPANY STRUCTURE

On 25 January 2013, ATM S.A. acquired from the receiver of mPay International Sp. z o.o. 13,522,700 bearer shares of mPay S.A. Thus, ATM S.A. has increased its interest in the share capital of mPay S.A. from 65.6% to 95.8%, and the 42,927,227 mPay S.A. shares currently owned by ATM S.A. also constitute 95.8% of the total number of mPay S.A. votes.

24. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Off-balance sheet items	End of period 31/03/2013	End of period 31/12/2012
1. Contingent receivables		
1.1 From other undertakings		
2. Contingent liabilities	58,850	49,423
2.1 To other undertakings, of which:	58,850	49,423
– Guarantees, sureties granted	6,670	7,423
– Mortgage collateral	42,000	42,000
– Collateral pledge	10,180	

Since the end of the fiscal year 2012, the following changes have occurred with respect to contingent liabilities:

a) The granted guarantees and sureties decreased by PLN 753 thousand, which results from the expiry of contingent liabilities of PLN 1,051 thousand and the establishment of a guarantee of PLN 297 thousand
b) Security in the form of pledge has increased by PLN 10,180 thousand
c) Security in the form of mortgage has remained unchanged.

OTHER INFORMATION

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

SELECTED FINANCIAL DATA

	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	in PLN thousand		in EUR thousand	
Total sales revenue	41,859	56,560	10,029	13,547
Operating profit (loss)	5,939	5,602	1,423	1,342
Profit before tax	3,407	5,064	816	1,213
Net profit of parent undertaking shareholders	2,621	4,678	628	1,120
Net cash from operating activities	8,118	(2,075)	1,945	(497)
Net cash from financing activities	7,414	(16,622)	1,776	(3,981)
Net cash from investing activities	(18,513)	(8,783)	(4,435)	(2,103)
Increase (decrease) in cash	(2,980)	(27,480)	(714)	(6,581)
	31/03/2013	**31/12/2012**	**31/03/2013**	**31/12/2012**
Fixed assets	324,135	321,326	77,593	78,598
Current assets	34,081	35,253	8,158	8,623
Total assets	358,216	359,168	85,751	87,855
Long-term liabilities	79,899	77,653	19,127	18,995
Short-term liabilities	45,279	47,501	10,839	11,619
Equity	233,038	235,625	55,786	57,635
Share capital*	34,723	34,723	8,312	8,494
Parent undertaking shareholders' equity	232,795	233,374	55,727	57,085
Number of shares	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	6.41	6.42	1.53	1.57
Diluted book value per share (PLN/EUR)	6.41	6.42	1.53	1.57

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

The above financial data for the first quarter of 2013 and 2012 were converted to EUR in accordance with the following principles:

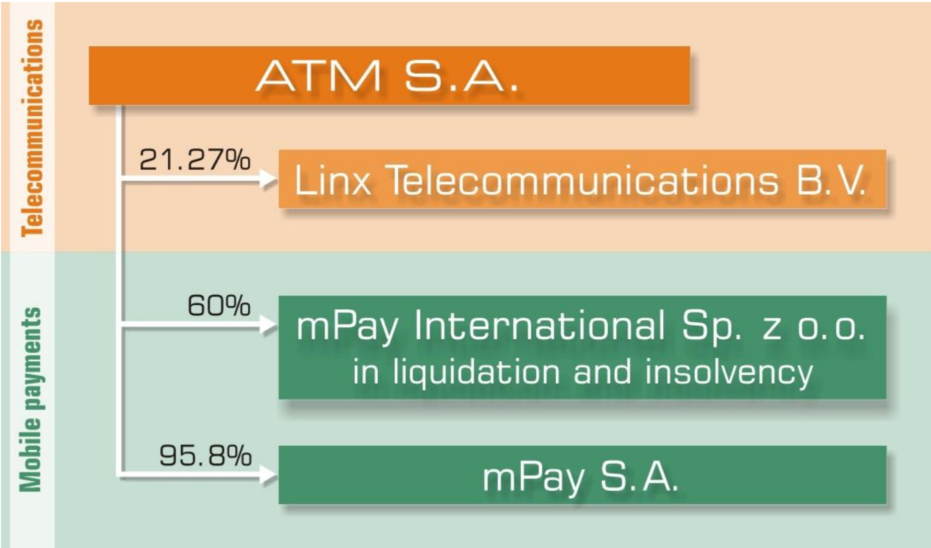
- Individual items of assets and liabilities were converted at the average FX rate of the National Bank of Poland as of 31 March 2013, at PLN/EUR 4.1774 and as of 31 December 2012, at PLN/EUR 4.0882;
- Individual items of the profit and loss account and the cash flow statement were converted at the rate being an arithmetic mean of the rates of the National Bank of Poland as at the last day of each month of the fiscal year between 1 January and 31 March 2013, at PLN/EUR 4.1738 and between 1 January and 31 March 2012 at PLN/EUR 4.1750.

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

No atypical factors or events occurred which might materially affect financial results achieved by the Group in the first quarter of 2013.

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

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



ATM and mPay S.A. are subject to full consolidation, whereas mPay International Sp. z o.o. is in bankruptcy liquidation. Operating results of Linx Telecommunications are not consolidated.

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 2013 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 AT THE DATE OF SUBMISSION OF THE 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 THE OVERALL NUMBER OF VOTES AT THE GENERAL MEETING AS WELL AS STATING CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT STAKES OF ISSUER'S SHARES IN THE PERIOD SINCE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT

The table below presents data on shareholders holding at least 5% of the total number of shares at the general meeting of the Issuer:

Shareholder	Number of shares held	Interest in share capital	Number of votes at the General Meeting	Share in the overall number of votes
ATP Invest Sp. z o.o. S.K.A.*	9,047,924	24.9%	9,047,924	24.9%
ING OFE**	3,535,569	9.73%	3,535,569	9.73%
Polsat OFE**	2,817,842	7.75%	2,817,842	7.75%
Piotr Puteczny***	2,243,066	6.17%	2,243,066	6.17%
ALTUS TFI****	1,828,065	5.03%	1,828,065	5.03%

**) An entity controlled by Tadeusz Czichon, Vice-President of the Management Board of ATM S.A.*
***) Number of shares as at 30 December 2012 based on the "Annual asset structure"*
****) Jointly with his spouse*
*****) Number of shares pursuant to a notification received on 17 December 2012*

Summary of changes in the ownership structure of material blocks of Issuer's shares in the period since submission of the previous quarterly report is presented in the table below:

Shareholder	Number of shares in accordance with the previous quarterly report	Number of shares in accordance with the current quarterly report	Change in the number of shares and number of votes
ATP Invest Sp. z o.o. S.K.A.*	9,036,756	9,047,924	11,168
ING OFE**	3,535,569	3,535,569	0
Polsat OFE**	2,817,842	2,817,842	0
Piotr Puteczny***	2,243,066	2,243,066	0
ALTUS TFI****	1,828,065	1,828,065	0

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

**) An entity controlled by Tadeusz Czichon, Vice-President of the Management Board of ATM S.A.*

***) Number of shares as at 30 December 2012 based on the "Annual asset structure"*

****) Jointly with his spouse*

*****) Number of shares pursuant to a notification received on 17 December 2012*

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 PERIODICAL 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:

Name and surname	As at 26 February 2013	Increases	Decreases	As at 15 May 2012
ATP Invest Sp. z o.o. S.K.A.*	9,036,756	11,168	-	9,047,924
Maciej Krzyżanowski	58,608	-	-	58,608
Anna Bugajska	57,000	-	-	57,000

**) An entity controlled by Tadeusz Czichon, Vice-President of the Management Board of ATM S.A.*

PURCHASE OF TREASURY SHARES

The Issuer did not purchase treasury shares in the reporting 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 ON THE CONCLUSION BY THE ISSUER OR ITS SUBSIDIARY OF ONE OR MORE TRANSACTIONS WITH RELATED UNDERTAKINGS, IF SEPARATELY OR JOINTLY THEY ARE SIGNIFICANT AND WERE CONCLUDED UNDER NON-MARKET CONDITIONS

During the reporting period, neither the Issuer nor any of the Issuer's subsidiaries concluded transactions with related undertakings, individually or jointly, which were significant and concluded under non-market conditions.

INFORMATION ON GRANTING BY THE ISSUER OR ISSUER'S SUBSIDIARY OF 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 equity.

OTHER INFORMATION CONSIDERED BY THE ISSUER AS IMPORTANT IN THE ASSESSMENT OF THE ISSUER'S PERSONNEL, ASSET AND FINANCIAL STANDING, FINANCIAL RESULT 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 NEXT QUARTER

With regard to telecommunications services, the Company still has a high potential to increase revenue and generate profits, owing to its good investment policy. The demand for broadband data transmission and data center services should increase, which demonstrates the opportunities for a stable growth of this segment of activity. Extremely good highlights concern the increase in demand for colocation services (data center services), due to the changes in technology of using software and the fact that outsourcing of ICT resources gains an increased popularity among companies. Therefore, the Issuer shall continue to make necessary investments by preparing new modules of Thinx Poland Data Center for sale and constructing new facilities under ATM Innovation Center project. 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 fibre-optic networks, will grow owing to two factors: construction of a 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.

QUARTERLY FINANCIAL INFORMATION OF ATM S.A.

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

1. TOTAL INCOME STATEMENT

	For the period 01/01–31/03/2013	For the period 01/01–31/03/2012
Continuing operations		
Sales revenue	41,606	56,004
of which: revenue excluding the OST 112 contract	31,448	30,356
Cost of sales (variable)	22,943	37,889
Sales margin*	18,663	18,115
Cost of sales (fixed)	5,352	4,830
Gross profit (loss) on sales	**13,310**	**13,285**
Other operating revenue	83	716
Selling costs		-
General and administrative costs	6,641	7,317
Other operating costs	358	778
Restructuring costs		
Operating profit (loss)	**6,395**	**5,906**
Share in the financial result of undertakings valued using the equity method	-	-
Financial revenues	371	91
Financial expenses	1,651	1,817
Profit (loss) before tax	**5,115**	**4,181**
Income tax	815	456
Net profit (loss) on continuing operations	**4,300**	**3,725**
Discontinued operations		
Net profit (loss) on discontinued operations		(49)
Including the cost related to the revaluation write-down for shares in mPay International Sp. z o.o. in bankruptcy liquidation		
Net profit (loss)	**4,300**	**3,676**
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	**4,300**	**3,676**
Profit (loss) per share		
From continuing operations:		
Ordinary	0.12	0.10
Diluted	0.12	0.10
From continued and discontinued operations:		
Ordinary	0.12	0.10
Diluted	0.12	0.10
EBITDA	11,050	10,221

NOTES:

*) The Issuer discloses additionally in relation to the IFRS requirements the "Sales margin" category which represents the difference of sales revenue and variable costs of sales, i.e. those that are directly related to the value of the revenue (cost of goods sold, costs of subcontractors in the implementation of services). This category — according to the Issuer's Management Board — is important for the analysis of the company's finances as it is correlated with the value of sales and determines a break-even point for fixed costs, i.e. a point at which company's activities are operationally profitable.

STATEMENT OF THE FINANCIAL POSITION

	End of period 31/03/2013	End of period 31/12/2012	End of period 31/03/2012
Fixed assets			
Goodwill			
Intangible assets	39,464	39,760	40,595
Tangible fixed assets	212,349	207,728	203,471
Investments in associates consolidated using the equity method	63,487	63,487	63,487
Investments in subsidiaries	16,098	14,739	20,290
Deferred income tax assets	0	0	-
Other fixed assets	150,637	124,639	379
	331,548	**325,839**	**328,222**
Current assets			
Inventories	1,261	1,330	1,360
Financial assets held for trading	1,008	970	1,564
Trade and other receivables	26,583	24,174	57,015
Income tax receivables	57	57	54
Other current assets	3,428	3,942	4,975
Other financial receivables			
Cash and cash equivalents	1,122	3,599	27,861
	33,459	**34,072**	**92,830**
Fixed assets held for sale	0	0	38,774
Total assets	**365,008**	**359,911**	**459,826**

	End of period 31/03/2013	End of period 31/12/2012	End of period 31/03/2012
Equity			
Share capital	34,723	34,723	34,723
Supplementary capital from share premium	123,735	123,735	123,915
Revaluation reserve			
Treasury shares	(1)	(1)	
Capital reserves	52,505	52,505	36,124
Hedge valuation reserve and FX gains/losses due to consolidation			
Retained earnings	28,350	24,016	36,644
Total equity	**239,312**	**234,978**	**231,406**
Long-term liabilities			
Long-term loans and borrowings	38,934	31,430	33,740
Provisions for deferred tax	1,483	1,062	3,140
Provisions for liabilities			
Long-term trade and other liabilities	26,117	27,036	30,732
Other financial liabilities	14,357	19,174	32,040
	80,891	**78,703**	**99,652**
Short-term liabilities			
Bank loans and borrowings	16,126	13,852	16,260
Provisions for liabilities	-	-	-
Income tax liabilities	-	2,037	1,122
Trading and other liabilities	21,550	18,844	64,457
Other financial liabilities	7,129	11,497	8,107
	44,804	**46,230**	**89,945**
Liabilities related directly to fixed assets held for sale	-	-	38,823
Total liabilities	**365,008**	**359,911**	**459,826**

2. STATEMENT OF CHANGES IN EQUITY

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Retained earnings	Equity
As at 1 January 2013	**34,723**	**123,735**	**(1)**	**52,505**	**24,016**	**234,979**
Increases:						
Current period results	-	-	-	-	4,300	4,300
Repurchase of treasury shares	-	-	-	-	-	-
Profit distribution	-	-	-	-	-	-
Share subscription under the stock option plan	-	-	-	-	33	33
Decreases:						
Division eliminations	-	-	-	-	-	-
Profit distribution to be allocated to equity	-	-	-	-	-	-
Dividend payout	-	-	-	-	-	-
Financing of Incentive Scheme	-	-	-	-	-	-
As at 31 March 2013	**34,723**	**123,735**	**(1)**	**52,505**	**28,350**	**239,312**

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Retained earnings	Equity
As at 1 January 2012	**34,723**	**159,030**	**0**	**36,124**	**32,829**	**262,706**
Increases:						
Current period results	-	-	-	-	7,123	7,123
Repurchase of treasury shares	-	-	(1)	-		
Profit distribution	-	-	-	16,381	-	16,381
Share subscription under the stock option plan	-	-	-	-	445	445
Decreases:						
Division eliminations	-	35,295	-	-		35,295
Profit distribution to be allocated to equity	-	-	-	-	16,381	16,381
Dividend payout	-	-	-	-	-	-
Financing of Incentive Scheme	-	-	-	-	-	-
As at 31 December 2012	**34,723**	**123,735**	**-1**	**52,505**	**24,016**	**234,979**

	Share capital	Supplementary capital from share premium	Treasury shares	Capital reserve	Retained earnings	Equity
As at 1 January 2012	**34,723**	**159,030**	**0**	**36,124**	**32,829**	**262,706**
Increases:						
Current period results	-	-	-	-	3,676	3,676
Valuation of Incentive Scheme	-	-	-	-	139	139
Profit distribution	-	-	-	-	-	-
Share subscription under the stock option plan	-	-	-	-	-	-
Decreases:						
Division eliminations	-	35,115	-	-	-	35,115
Profit distribution to be allocated to equity	-	-	-	-	-	-
Dividend payout	-	-	-	-	-	-
Financing of Incentive Scheme	-	-	-	-	-	-
As at 31 March 2012	**34,723**	**123,915**	**0**	**36,124**	**36,644**	**231,406**

3. CASH FLOW STATEMENT

	For the period 01/01–31/03/2013	For the period 01/01–31/03/2012
Operating activities		
Profit (loss) before tax	**5,115**	**4,181**
Adjustment by items:	3,493	(10,199)
Amortisation and depreciation	4,655	4,315
FX gains/losses	109	288
Interest received	-	-
Interest paid	1,503	1,435
Dividends received	-	-
(Profit) loss on investment activities	26	10
Changes in inventories	(175)	(21)
Change in receivables	(2,433)	(11,715)
Change in liabilities and provisions	2,188	(3,521)
Changes in other assets	334	(683)
Income tax paid	(2,432)	(1)
Other	(282)	(306)
	8,608	**(6,018)**
Investing activities		
Expenses on tangible fixed assets purchases	(17,280)	(13,001)
Expenses on financial asset purchases	(1,359)	-
Revenue from sale of tangible fixed assets	81	-
Repayment of long-term loans		-
Loans granted	(38)	(18)
Revenue from sales of financial assets	-	8,091
Interest received	-	(1)
Dividends received		-
FX gains/losses	(10)	17
Other	-	-
	(18,606)	**(4,912)**
Financing activities		
Net proceeds from issue of shares and other capital contributions	-	-
Subsidies received	136	512
Proceeds from loans and borrowings	9,778	9,794
Repayment of loans and borrowings	-	-
Purchase of treasury shares	-	-
Payment of liabilities arising from finance leases	(941)	(2,956)
Dividends paid	-	-
Interest received	(1)	-
Interest paid	(1,503)	(1,434)
Other distributions	-	-
FX gains/losses	51	(22)
Other (division adjustment)	-	(3,334)
	7,520	**2,562**
Changes in cash	**(2,478)**	**(8,368)**
Opening balance of cash	3,599	36,229
Closing balance of cash	**1,122**	**27,861**

NOTES TO THE QUARTERLY REPORT FOR THE FIRST QUARTER OF 2013

1. SALES REVENUE BROKEN DOWN INTO GEOGRAPHICAL DISTRIBUTION

Sales revenue broken down into geographical distribution is as follows:

	For the period 01/01–31/03/2013	**For the period 01/01–31/03/2012**
Country	40,466	54,347
Export	1,140	1,657
Total sales revenue	**41,606**	**56,004**

2. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Off-balance sheet items	**End of period 31/03/2013**	**End of period 31/12/2012**
1. Contingent receivables		
1.1 From other undertakings		
2. Contingent liabilities	58,850	49,423
2.1 To other undertakings, of which:	58,850	49,423
– Guarantees, sureties granted	6,670	7,423
– Mortgage collateral	42,000	42,000
– Collateral pledge	10,180	-

Since the end of the fiscal year 2012, the following changes have occurred with respect to contingent liabilities:

a) The granted guarantees and sureties decreased by PLN 753 thousand which results from the expiry of contingent liabilities of PLN 1,051 thousand and the establishment of a guarantee of PLN 297 thousand;
b) Security in the form of pledge has increased by PLN 10,180 thousand;
c) Security in the form of mortgage has remained unchanged.

OTHER INFORMATION

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

SELECTED FINANCIAL DATA

	31/03/2013	31/03/2012	31/03/2013	31/03/2012
	in PLN thousand		in EUR thousand	
Total sales revenue	41,606	56,004	9,968	13,414
Operating profit (loss)	6,395	5,906	1,532	1,415
Profit before tax	5,115	4,181	1,226	1,001
Net profit	4,300	3,676	1,030	880
Net cash from operating activities	8,608	(6,018)	2,062	(1,441)
Net cash from investing activities	(18,606)	(4,912)	(4,458)	(1,177)
Net cash from financing activities	7,520	2,562	1,802	614
Increase (decrease) in cash	(2,478)	(8,368)	(594)	(2,004)
	31/03/2013	**31/12/2012**	**31/03/2013**	**31/12/2012**
Fixed assets	331,548	325,839	79,367	79,702
Current assets	33,459	34,072	8,010	8,334
Total assets	365,008	359,911	87,377	88,037
Long-term liabilities	80,891	78,703	19,364	19,251
Short-term liabilities	44,804	46,230	10,725	11,308
Equity	239,312	234,978	57,287	57,477
Share capital*	34,723	34,723	8,312	8,494
Number of shares	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	6.58	6.47	1.58	1.58
Diluted book value per share (PLN/EUR)	6.58	6.47	1.58	1.58

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

The above financial data for the first quarter of 2013 and 2012 were converted to EUR in accordance with the following principles:

- Individual items of assets and liabilities were converted at the average FX rate of the National Bank of Poland as of 31 March 2013, at PLN/EUR 4.1774 and as of 31 December 2012, at PLN/EUR 4.0882;
- Individual items of the profit and loss account and the cash flow statement were converted at the rate being an arithmetic mean of the rates of the National Bank of Poland as at the last day of each month of the fiscal year between 1 January and 31 March 2013, at PLN/EUR 4.1738 and between 1 January and 31 March 2012 at PLN/EUR 4.1750.

SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD:

Name and surname	Position/function	Date	Signature
Maciej Krzyżanowski	President of the Management Board	15 May 2013	....
Tadeusz Czichon	Vice-President of the Management Board	15 May 2013	....

SIGNATURE OF THE PERSON RESPONSIBLE FOR KEEPING ACCOUNTING RECORDS:

Kinga Bogucka	Chief Accountant	15 May 2013	....