Atende S.A.

Consolidated quarterly report

for the 3rd quarter of 2013

Polish Financial Supervision Authority
Consolidated quarterly report for the 3rd quarter of 2013

This report has been prepared in accordance with Articles 82(2) and 83(1) of the Regulation of the Minister of Finance dated February 19th, 2009 — Journal of Laws No 33, item 259 for issuers of securities conducting manufacturing, construction, commercial or services activity.

The report for the third quarter of the financial year 2013 covers the period from July 1st, 2013 to September 30th, 2013. It includes condensed consolidated financial statements prepared in accordance with the IFRS in the Polish currency (PLN) and condensed financial statements prepared in accordance with IFRS in the Polish currency (PLN).

Full name of the Issuer: Atende Spółka Akcyjna
Registered office: ul. Grochowska 21a, 04-186 Warsaw
Sector according to the Warsaw Stock Exchange classification: information technology
Core business: ICT systems integration and integration of technological infrastructure
KRS number: 0000320991
NIP (Tax ID No): 954-23-57-358
REGON (Statistical ID No): 276930771

Date of report approval and filing: 12 November 2013

Selected financial data

Selected consolidated financial data	in PLN thousands		in EUR thousands	
	3 quarters of 2013 YTD	3 quarters of 2012 YTD	3 quarters of 2013 YTD	3 quarters of 2012 YTD
Net sales revenue	144,793	128,463	34,286	30,624
Operating profit (loss)	8,135	3,933	1,926	938
EBITDA	12,572	7,123	2,977	1,698
Gross profit (loss)	7,918	2,391	1,875	570
Net profit (loss)	6,063	1,816	1,436	433
Net profit (loss) attributable to shareholders of the parent entity	5,941	1,731	1,407	413
Net cash flows from operating activities	17,415	(9,226)	4,122	(2,199)
Net cash flows from investing activities	(1,047)	(11,445)	(248)	(2,728)
Net cash flows from financial activities	(10,029)	7,904	(2,375)	1,884
Total net cash flows	6,339	(12,767)	1,499	(3,044)
Profit (loss) per ordinary share (PLN/EUR)	0.17	0.05	0.04	0.01
Diluted profit (loss) per ordinary share (PLN/EUR)	0.17	0.05	0.04	0.01
	As at 30.09.2013	As at 31.12.2012	As at 30.09.2013	As at 31.12.2012
Total assets	115,548	129,663	27,405	31,716
Liabilities and provisions for liabilities	54,384	71,405	12,899	17,466
Long-term liabilities	8,740	8,628	2,073	2,110
Short-term liabilities	45,644	62,777	10,826	15,356
Equity	61,164	58,258	14,507	14,250
Share capital	7,269	7,269	1,724	1,778
Number of shares (item)	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	1.68	1.60	0.40	0.39
Diluted book value per share (PLN/EUR)	1.68	1.60	0.40	0.39

Selected individual financial data	in PLN thousands		in EUR thousands	
	3 quarters of 2013 YTD	3 quarters of 2012 YTD	3 quarters of 2013 YTD	3 quarters of 2012 YTD
Net sales revenue	128,301	118,090	30,381	28,152
Operating profit (loss)	6,018	811	1,425	193
EBITDA	8,850	3,110	2,096	741
Gross profit (loss)	9,502	(760)	2,250	(181)
Net profit (loss)	8,136	(741)	1,927	(177)
Net cash flows from operating activities	13,794	(10,680)	3,266	(2,546)
Net cash flows from investing activities	5,318	(10,504)	1,259	(2,504)
Net cash flows from financial activities	(9,311)	7,940	(2,205)	1,893
Total net cash flows	9,801	(13,244)	2,321	(3,157)
Profit (loss) per ordinary share (PLN/EUR)	0.22	(0.02)	0.05	0.00
Diluted profit (loss) per ordinary share (PLN/EUR)	0.22	(0.02)	0.05	0.00
	As at 30.09.2013	As at 31.12.2012	As at 30.09.2013	As at 31.12.2012
Total assets	99,592	115,629	23,621	28,284
Liabilities and provisions for liabilities	46,459	67,955	11,019	16,622
Long-term liabilities	6,617	7,525	1,569	1,841
Short-term liabilities	39,842	60,430	9,450	14,782
Equity	53,133	47,674	12,602	11,661
Share capital	7,269	7,269	1,724	1,778
Number of shares (item)	36,343,344	36,343,344	36,343,344	36,343,344
Book value per share (PLN/EUR)	1.46	1.31	0.35	0.32
Diluted book value per share (PLN/EUR)	1.46	1.31	0.35	0.32

EUR EXCHANGE RATES (IN PLN):

average exchange rate in 3 quarters of 2013: 4.2231

average exchange rate in 3 quarters of 2012: 4.1948

average exchange rate as at September 30th, 2013: 4.2163

average exchange rate as at December 31st, 2012: 4.0882

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(All amounts are presented in PLN thousands, unless specified otherwise)

1. Interim condensed consolidated financial statements prepared in accordance with IFRS

1.1. Consolidated financial situation statement

ASSETS	Note	as at 30.09.2013	as at 30.06.2013	as at 31.12.2012	as at 30.09.2012
Fixed assets		**51,575**	**50,436**	**51,425**	**52,915**
Tangible fixed assets	1.7.1	25,464	25,948	26,459	27,892
Intangible assets	1.7.2	14,687	14,974	15,090	15,399
Goodwill	1.7.3	9,305	9,305	9,305	9,305
Other financial assets		1,949	91	80	80
Deferred income tax assets	1.7.8	-	46	435	49
Other fixed assets		170	72	56	190
Current assets		**63,973**	**109,716**	**78,238**	**57,454**
Inventories	1.7.5	12,751	37,780	10,002	16,244
Trade receivables	1.7.6	31,722	53,132	53,977	31,697
Current income tax receivables		143	-	87	507
Other receivables	1.7.7	611	1,333	856	623
Other financial assets		-	-	300	300
Prepayments		2,894	2,245	1,473	1,275
Cash and cash equivalents		15,852	15,226	9,513	6,808
Assets classified as held for sale		-	-	2,030	-
TOTAL ASSETS		**115,548**	**160,152**	**129,663**	**110,369**

(All amounts are presented in PLN thousands, unless specified otherwise)

LIABILITIES	Note	as at 30.09.2013	as at 30.06.2013	as at 31.12.2012	as at 30.09.2012
Equity		**61,164**	**56,195**	**58,258**	**53,790**
Parent undertaking shareholders' equity		55,832	51,117	52,568	48,347
Minority shareholders' capital		5,332	5,078	5,690	5,443
Share capital		7,269	7,269	7,269	7,269
Supplementary capital from share premium		14,990	14,905	14,760	14,719
Other capital		27,632	27,632	24,628	24,628
Retained financial result		-	-	-	-
Financial result for the current period		5,941	1,311	5,911	1,731
Long-term liabilities		**8,740**	**7,855**	**8,628**	**10,267**
Credits and loans		4,412	4,649	5,368	5,727
Other financial liabilities		3,490	2,505	2,482	3,655
Other long-term liabilities		44	45	45	92
Provision for deferred income tax	1.7.8	131	-	-	-
Deferred income		663	656	733	793
Provision for pensions and similar benefits		-	-	-	-
Short-term liabilities		**45,644**	**96,102**	**62,777**	**46,312**
Credits and loans		1,614	1,715	7,686	8,108
Other financial liabilities		1,652	4,965	2,537	2,244
Trade liabilities		22,757	47,293	30,698	17,754
Income tax liabilities		192	75	681	330
Other liabilities	1.7.9	16,740	37,920	18,574	15,271
Deferred income		2,689	4,134	2,601	2,605
TOTAL LIABILITIES		**115,548**	**160,152**	**129,663**	**110,369**

(All amounts are presented in PLN thousands, unless specified otherwise)

1.2. Consolidated statements of total income

	Third quarter 2013	Third quarter 2012	3 quarters 2013 YTD	3 quarters 2012 YTD
Net sales revenue	**51,778**	**36,909**	**144,793**	**128,463**
Cost of sales	36,600	28,176	110,714	102,073
Gross profit (loss) on sales	**15,178**	**8,733**	**34,079**	**26,390**
Other operating revenue	986	1,314	3,542	2,279
General and administrative costs	8,997	8,339	26,901	23,063
Other operating expenses	1,073	1,103	2,585	1,673
Operating profit (loss)	**6,094**	**605**	**8,135**	**3,933**
Financial revenue	352	142	816	252
Financial expense	365	-	1,033	1,794
Share in net profit (loss) of related entities	-	-	-	-
Profit (loss) before tax	**6,081**	**747**	**7,918**	**2,391**
Income tax	1,196	145	1,855	575
Net profit (loss) on continuing operations	4,885	602	6,063	1,816
Profit (loss) on discontinued operations	-	-	-	-
Net profit (loss)	**4,885**	**602**	**6,063**	**1,816**
Profit (loss) attributed to non-controlling shareholders	254	(16)	122	85
Net profit (loss) of the parent entity	**4,631**	**618**	**5,941**	**1,731**
Other total income that will be reclassified to profit or loss upon satisfying certain conditions	**-**	**-**	**-**	**-**
Exchange differences on translating foreign operations	-	-	-	-
Exchange differences on translating operations valued using the equity method	-	-	-	-
Net loss on hedge of net investment in foreign operations	-	-	-	-
Net change in fair value of available-for-sale financial assets	-	-	-	-
Net change in fair value of available-for-sale financial assets reclassified to current profit or loss	-	-	-	-
Effective portion of changes in fair value of cash flow hedging instruments	-	-	-	-
Net change in fair value of cash flow hedging instruments reclassified to current profit or loss	-	-	-	-
Income tax associated with elements of other total income	-	-	-	-
Other total income that will not be reclassified to profit or loss	-	-	-	-
Revaluation of tangible fixed assets	-	-	-	-
Actuarial profit (loss) from defined benefit schemes	-	-	-	-
Total revenue	**4,885**	**602**	**6,063**	**1,816**
Total revenue attributed to non-controlling shareholders	254	(16)	122	85
Total revenue attributable to the parent entity	**4,631**	**618**	**5,941**	**1,731**

(All amounts are presented in PLN thousands, unless specified otherwise)

1.3. Consolidated cash flow statement

	Third quarter 2013	Third quarter 2012	3 quarters 2013 YTD	3 quarters 2012 YTD
OPERATING ACTIVITIES				
Profit / loss before tax	6,081	747	7,918	2,391
Total adjustments:	1,564	3,251	11,192	(9,987)
Depreciation	1,487	1,521	4,437	3,190
Foreign exchange gains (losses)	49	54	(4)	406
Interest and share in profit (dividends)	125	224	434	523
Profit (loss) on investment activities	50	(22)	(224)	(31)
Change in inventories	25,029	2,204	(2,705)	(1,695)
Change in receivables	21,963	17,788	22,550	32,470
Change in liabilities and provisions	(45,961)	(17,284)	(10,068)	(42,210)
Change in other assets	(208)	(39)	(1,000)	(258)
Other adjustments	(970)	(1,195)	(2,228)	(2,382)
Cash from operating activities	7,645	3,998	19,110	(7,596)
Income tax	(878)	(145)	(1,695)	(1,630)
Net cash flows from operating activities	**6,767**	**3,853**	**17,415**	**(9,226)**
INVESTING ACTIVITIES				
Inflows	2,156	59	5,555	130
Sale of intangible and tangible fixed assets	2,156	59	5,255	130
Repayment of long-term loans	-	-	300	-
Outflows	3,700	1,702	6,602	11,576
Purchase of intangible and tangible fixed assets	1,751	1,702	4,173	11,274
Dividends and other profit distributions paid to minority shareholders	-	-	480	-
Expenditure on financial assets	-	-	-	300
Other investment expenditure	1,949	-	1,949	1
Net cash flows from investing activities	**(1,544)**	**(1,643)**	**(1,047)**	**(11,445)**
FINANCING ACTIVITIES				
Inflows	-	202	3,151	14,614
Credits and loans	-	101	-	11,180
Subsidies	-	-	3,078	-
Other financial inflows	-	101	73	3,434
Outflows	4,597	4,150	13,180	6,710
Repayment of credits and loans	565	372	7,256	579
Payment of liabilities arising from finance leases	923	946	2,528	2,675
Dividends paid	2,907	2,544	2,907	2,544
Interest	127	231	490	524
Other financial outflows	75	57	-	388
Net cash flows from financial activities	**(4,597)**	**(3,948)**	**(10,029)**	**7,904**
TOTAL NET CASH FLOWS	**626**	**(1,738)**	**6,339**	**(12,767)**
Balance sheet movements in cash, including	626	(1,738)	6,339	(12,767)
- FX movements in cash	-	-	-	-
Opening balance of cash	**15,226**	**8,546**	**9,513**	**19,575**
Closing balance of cash	**15,852**	**6,808**	**15,852**	**6,808**

(All amounts are presented in PLN thousands, unless specified otherwise)

1.4. Statement of changes in consolidated equity

	Share capital	Supplementary capital from share premium	Other capital	Retained financial result	Financial result for the current period	Parent undertaking shareholders' equity	Minority capital	Total equity
3 quarters of 2013								
Equity as at January 1st, 2013 according to IFRS	**7,269**	**14,760**	**24,628**	**5,911**	**-**	**52,568**	**5,690**	**58,258**
Changes in accounting principles	-	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-	-
Equity after adjustments	7,269	14,760	24,628	5,911	-	52,568	5,690	58,258
Issue of shares	-	-	-	-	-	-	-	-
Contributions to capital	-	-	-	-	-	-	-	-
Net profit distribution	-	230	4,894	(4,894)	-	230	-	230
Dividend payout	-	-	(1,890)	(1,017)	-	(2,907)	(480)	(3,387)
Total revenue	-	-	-	-	5,941	5,941	122	6,063
Equity as at September 30th, 2013 according to IFRS	**7,269**	**14,990**	**27,632**	**-**	**5,941**	**55,832**	**5,332**	**61,164**
3 quarters of 2012								
Equity as at January 1st, 2012 according to IFRS	**987**	**-**	**21,158**	**5,929**	**-**	**28,074**	**-**	**28,074**
Changes in accounting principles	-	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-	-
Equity after adjustments	987	-	21,158	5,929	-	28,074	-	28,074
Issue of shares	6,282	14,760	-	-	-	21,042	-	21,042
Contributions to capital	-	-	85	-	-	85	-	85
Net profit distribution	-	-	3,385	(3,385)	-	-	-	-
Establishment of the Capital Group	-	-	-	-	-	-	5,358	5,358
Dividend payout	-	-	-	(2,544)	-	(2,544)	-	(2,544)
Total revenue	-	-	-	-	5,911	5,911	332	6,243
Equity as at December 31st, 2012 according to IFRS	**7,269**	**14,760**	**24,628**	**-**	**5,911**	**52,568**	**5,690**	**58,258**
3 quarters of 2012								
Equity as at January 1st, 2012 according to IFRS	**987**	**-**	**21,158**	**5,929**	**-**	**28,074**	**-**	**28,074**
Changes in accounting principles	-	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-	-
Equity after adjustments	987	-	21,158	5,929	-	28,074	-	28,074
Issue of shares	6,282	14,719	-	-	-	21,001	-	21,001
Contributions to capital	-	-	85	-	-	85	-	85
Net profit distribution	-	-	3,385	(3,385)	-	-	-	-
Establishment of the Capital Group	-	-	-	-	-	-	5,358	5,358
Dividend payout	-	-	-	(2,544)	-	(2,544)	-	(2,544)
Total revenue	-	-	-	-	1,731	1,731	85	1,816
Equity as at September 30th, 2012 according to IFRS	**7,269**	**14,719**	**24,628**	**-**	**1,731**	**48,347**	**5,443**	**53,790**

1.5. Information concerning principles adopted for preparing the statements

1.5.1. Declaration of compliance and general principles of preparing the statements

These interim condensed consolidated financial statements were prepared in accordance with IAS 34 "Interim Financial Reporting" and in compliance with the relevant International Financial Reporting Standards (IFRS) applicable to interim financial reporting, approved by the International Accounting Standards Board (IASB) and the Standing Interpretations Committee (SIC), as approved by the European Union and applicable as at September 30th, 2013. Comparable financial data have been prepared based on principles used in the preparation of the financial statements.

Interim condensed consolidated financial statements do not include all the information and disclosures required in annual consolidated financial statements and they should be read jointly with the annual financial statements for 2012, including notes for the 12 months ended on December 31st, 2012, prepared according to IFRS, as approved by the EU.

The accounting principles used for preparing these financial statements are consistent with those used for preparing the annual financial statements for the year ended December 31st, 2012, except for the changes to standards and new standards and interpretations approved by the European Union applicable for reporting periods beginning on or after January 1st, 2013 presented in the report for the first half of 2013.

These condensed interim consolidated financial statements have not been reviewed or audited by an independent statutory auditor. The last consolidated financial statements which have been reviewed were the consolidated financial statements for the first half of 2013. The last financial statements audited by an independent statutory auditor were the financial statements for 2012.

The interim condensed consolidated financial statements have been prepared in accordance with the historical cost convention. The financial statements have been prepared on the assumption that the Group companies will continue as going concerns in the foreseeable future. As at the date of approval of these financial statements, no circumstances were identified which could threaten the continuity of the Group companies' operations.

1.5.2. Statements of the Management Board

Under the Regulation of the Minister of Finance of February 19th, 2009 concerning current and periodical information disclosed by issuers of securities, the Company's Management Board represents that to their best knowledge these financial statements and comparative data were drafted in accordance with the accounting standards binding on the Company and reflect truly, fairly and clearly the Company's assets and financing standing as well as its financial result.

These statements were drafted with the use of accounting standards, according to the International Financial Reporting Standards as approved by the European Union and insofar as required by the Regulation of the Minister of Finance of February 19th, 2009 concerning current and periodical information disclosed by issuers of securities (Journal of Laws No 33, item 259, as amended). The statements cover the period from January 1st until September 30th, 2013.

1.5.3. Functional and presentation currency

a) Functional and presentation currency

The items included in the consolidated financial statements are appraised in the currency of the basic business environment in which the Company carries out its operations ("functional currency"). The consolidated financial statements are presented in Polish zloty (PLN) — the Company's functional and presentation currency.

b) Transactions and balances

Transactions expressed in foreign currencies are translated into the functional currency according to the exchange rate applicable on the transaction date. FX profit and loss on settlement of these transactions and balance sheet valuation of monetary assets and liabilities expressed in foreign currencies are recognized in the profit and loss account unless they are deferred as equity, where they are qualified to be recognized as securities of cash flows and shares in net assets.

1.5.4. Description of adjustment or errors from previous periods

None.

1.5.5. Consolidation principles

These consolidated financial statements for the period ended September 30th, 2013 cover the parent entity, Atende S.A., and the following subsidiaries which belong to the Group:

- Atende Software sp. z o.o., in which the Issuer holds 100% of shares and votes at the shareholders' meeting,
- Impulsy sp. z o.o., in which the Issuer holds 78.46% of shares and votes at the shareholders' meeting,
- Sputnik Software sp. z o.o., in which the Issuer holds 60% of shares and votes at the shareholders' meeting.

All subsidiaries are fully consolidated. The results of all subsidiaries are consolidated since May 1st, 2012.

The Capital Group comprises also an associate, Phoenix Systems sp. z o.o., in which the Issuer's subsidiary, Atende Software sp. z o.o., holds 25% of shares and votes at the shareholders' meeting. The shares were acquired on July 24th, 2013. The associate is not consolidated due to immateriality.

1.5.6. Important values based on professional judgment and estimates

In preparing these financial statements the Management Board of the parent company uses estimates based on certain assumptions and judgments. These estimates affect the applied policies and reported values of assets, liabilities, income and expenses.

The estimates and underlying estimate-related assumptions are based on historical experience and analysis of the various factors that are considered to be reasonable under the circumstances; their results form the basis of professional judgment as to the value of the items concerned. In some important matters the Management Board relies on the opinions of independent experts.

Due to the nature of estimates and adopted assumptions concerning the future, the resulting accounting estimates, by definition, may not coincide with the actual results. The estimates and assumptions adopted are subject to ongoing verification. Any change in accounting estimates will be recognized in the period in which they are changed, if they concern this period only, or in subsequent periods as well.

The estimates and assumptions that carry a significant risk include:

a) provisions for employee benefits

As concerns employee benefits, the Atende Capital Group is not a party to any wage bargaining agreements or collective employment agreements. Moreover, the Capital Group does not participate in any pension schemes managed directly by the companies of the Capital Group or by external funds. The costs of employee benefits include salaries payable according to the terms and conditions of employment contracts concluded with individual employees and the costs of pension benefits (retirement severance pay) payable to employees pursuant to the Labour Code provisions at the end of their employment period. Short-term employee benefit liabilities are valued according to general principles. Long-term benefits are estimated using actuarial methods. Due to the intangible nature of these provisions, based on the materiality principle included in the International Financial Reporting Standards Conceptual Framework, the provisions for long-term benefits at the end of the employment period have not been recognized in the financial statements.

b) long-term contracts

The Capital Group determines the stage of completion of long-term contracts by determining the ratio of costs already incurred in a project to the total estimated project costs. Due to the nature of implemented projects and the possibility that unforeseen difficulties emerge in relation to project implementation, it may turn out that actual total project implementation costs differ from the estimates made. Changes in total project implementation cost estimates may result in the need to restate the project completion stage determined as at the balance sheet date, and thus restate the revenue recognized.

c) other

In addition to the above-mentioned estimates, the Capital Group companies shall periodically (at least annually, at the reporting date) estimate the correctness of determining the useful lives of individual fixed assets, any residual value of particular items, as well as write-downs on receivables and inventories. These estimates are largely based on historical experience and the analysis of various factors affecting the use of assets and the possibility of taking advantage of the related economic profits.

1.5.7. Description of items affecting assets, liabilities, equity, net financial result and cash flows, which are atypical due to their type, size or influence

None.

1.6. Segment data

1.6.1. Recognized operating segments

Applying the management approach to reporting concerning segments of activity within the Atende Group allows for distinguishing two operating segments:

- ICT systems integration,
- integration of technological infrastructure.

The ICT systems integration segment includes consulting, surveying, design, supply, construction, commissioning, implementation, technical support and warranty and post warranty maintenance services for systems used to collect, store, process and transmit digital data, as well as support services for their users and outsourcing own ICT systems. Within this operating segment, the Company develops, among others:

- data transmission networks and related systems:
  - networks for telecommunications providers, along with systems to monitor these networks and manage the provided services,
  - corporate networks for other entities,
  - ICT security systems (protection of data confidentiality and integrity, protection of computer systems against malware and hackers, digital identity systems, digital signature, etc.),
  - solutions to manage provider services in IP (Internet Protocol) based telecommunications networks using an original utility (application) software integrated with network traffic controls;
- server and mass storage systems:
  - high-performance computing systems used by scientific institutions and companies, including state-of-the-art multiprocessor parallel processing systems,
  - system platforms for utility software based on processing of databases, including business operations support systems (ERP, CRM and others), as well as for trading and providing services via the Internet (e-commerce),
  - data storage systems, including solutions for automatic backup and data archiving;
- dedicated solutions, such as:
  - IP telephone systems, video conferencing and so-called unified communications systems,
  - cloud computing systems, i.e. provision of remote access to computing power and mass storage resources via the Internet, including solutions dedicated to providers and private cloud class solutions,
  - solutions for Business Continuity Management (BCM), based on proprietary software and expert knowledge.

The supplied equipment includes computers (from portable computers to expanded supercomputer installations), peripherals, network (transmission) devices along with software, hardware, accessories, materials and services. The Group also implements projects involving development of complete, integrated high-complexity ICT solutions.

The technological infrastructure integration segment includes consulting, surveying, design, supply, construction, commissioning, implementation, warranty and post-warranty support (maintenance services) for systems which are parts of the technological infrastructure. Within this operating segment, the Company offers, among others:

- power supply systems, including mainly guaranteed power supply systems, such as:
  - Uninterruptible Power Supplies (UPS),
  - power generators, along with necessary installations and equipment;
- HVAC systems (Heating, Ventilation, Air Conditioning);
- structured fibre optic and copper cabling systems for ICT networks and other systems;
- physical security systems, including:
  - fire alarm,
  - automatic fire extinguishing,
  - intruder detection,
  - access control,
  - CCTV (Closed Circuit Television);
- BMS (Building Management Systems);
- Integrated CRE (Connected Real Estate) solutions based on the IP protocol, combining IT, communications and building technologies in a single, consistent access infrastructure.

The supplied equipment includes technical devices along with appropriate software, hardware, accessories and materials. The provided services include design works, audit and expertise, adaptation construction, installation, implementation, fault diagnosis, repair, periodical reviews, user support and other related services, thus forming comprehensive services for end customers. The Company also implements the most complex projects in this segment, such as development of complete data centres.

(All amounts are presented in PLN thousands, unless specified otherwise)

1.6.2. Information about individual operating segments

3rd quarter of 2013	Continuing operations			Discontinued operations	Consolidation exclusions	Total
	ICT systems integration	Integration of technological infrastructure	Other			
Sales revenue	46,069	6,937	208	-	(1,436)	51,778
- from external customers	46,069	6,937	208	-	(1,436)	51,778
- intersegment sales	-	-	-	-	-	-
Sales margin*	16,885	1,764	78	-	-	18,727
Operating profit (loss)	6,427	(413)	80	-	-	6,094
EBITDA	7,797	(299)	83	-	-	7,581
Total segment assets	32,522	7,629	-	-	-	40,151

3rd quarter of 2012	Continuing operations			Discontinued operations	Consolidation exclusions	Total
	ICT systems integration	Integration of technological infrastructure	Other			
Sales revenue	32,756	5,778	438	-	(2,063)	36,909
- from external customers	32,756	5,778	438	-	(2,063)	36,909
- intersegment sales	-	-	-	-	-	-
Sales margin*	9,997	1,610	266	-	-	11,873
Operating profit (loss)	229	110	266	-	-	605
EBITDA	1,553	307	266	-	-	2,126
Total segment assets	35,499	7,792	-	-	-	43,291

(All amounts are presented in PLN thousands, unless specified otherwise)

3 quarters of 2013 YTD	Continuing operations			Discontinued operations	Consolidation exclusions	Total
	ICT systems integration	Integration of technological infrastructure	Other			
Sales revenue	126,161	21,602	583	-	(3,553)	144,793
- from external customers	126,161	21,602	583	-	(3,553)	144,793
- intersegment sales	-	-	-	-	-	-
Sales margin*	38,878	5,104	551	-	-	44,533
Operating profit (loss)	8,306	(1,347)	1,176	-	-	8,135
EBITDA	12,258	(865)	1,179	-	-	12,572
Total segment assets	32,522	7,629	-	-	-	40,151

3 quarters of 2012 YTD	Continuing operations			Discontinued operations	Consolidation exclusions	Total
	ICT systems integration	Integration of technological infrastructure	Other			
Sales revenue	98,249	31,858	841	-	(2,485)	128,463
- from external customers	98,249	31,858	841	-	(2,485)	128,463
- intersegment sales	-	-	-	-	-	-
Sales margin*	28,318	6,112	737	-	-	35,167
Operating profit (loss)	1,797	1,399	737	-	-	3,933
EBITDA	4,394	1,992	737	-	-	7,123
Total segment assets	35,499	7,792	-	-	-	43,291

*Sales margin = Sales revenue – Variable selling costs
Segment assets = Tangible fixed assets + Intangible assets

1.6.3. Geographical segments by sales revenue from external customers

	Third quarter 2013	Third quarter 2012	3 quarters 2013 YTD	3 quarters 2012 YTD
Domestic sales	51,364	36,781	142,284	127,840
Export	414	128	2,509	623
TOTAL	**51,778**	**36,909**	**144,793**	**128,463**

(All amounts are presented in PLN thousands, unless specified otherwise)

1.7. Detailed notes

1.7.1. Movements in tangible fixed assets (by type) and impairment write-downs

3 quarters of 2013	Land	Buildings and structures	Machinery and equipment	Vehicles	Other fixed assets	Fixed assets under construction	**Total**
Gross carrying amount as at January 1st, 2013	341	16,485	12,519	5,308	232	1,643	36,528
Gross carrying amount as at September 30th, 2013	**-**	**14,908**	**12,555**	**3,912**	**251**	**1,054**	**32,680**
Redemption as at January 1st, 2013	-	472	5,060	2,365	159	-	8,056
Redemption as at September 30th, 2013	**-**	**518**	**5,363**	**1,146**	**189**	**-**	**7,216**
Revaluation write-downs as at January 1st, 2013	-	-	-	-	-	-	-
Revaluation write-downs as at September 30th, 2013	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amount as at September 30th, 2013	**-**	**14,390**	**7,192**	**2,766**	**62**	**1,054**	**25,464**

Impairment write-downs in the 3rd quarter of 2013

No impairment write-downs were made.

Amounts of liabilities assumed for purchase of tangible fixed assets in the 3rd quarter of 2013

No material liabilities were assumed for purchase of tangible fixed assets.

3 quarters of 2012	Land	Buildings and structures	Machinery and equipment	Vehicles	Other fixed assets	Fixed assets under construction	**Total**
Gross carrying amount as at January 1st, 2012	341	2,001	9,376	4,099	200	10,484	26,501
Gross carrying amount as at September 30th, 2012	**341**	**16,485**	**11,392**	**5,242**	**217**	**1,639**	**35,316**
Redemption as at January 1st, 2012	-	261	3,613	2,315	153	-	6,342
Redemption as at September 30th, 2012	**-**	**382**	**4,613**	**2,271**	**158**	**-**	**7,424**
Revaluation write-downs as at January 1st, 2012	-	-	-	-	-	-	-
Revaluation write-downs as at September 30th, 2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amount as at September 30th, 2012	**341**	**16,103**	**6,779**	**2,971**	**59**	**1,639**	**27,892**

Impairment write-downs in the 3rd quarter of 2012

No impairment write-downs were made.

Amounts of liabilities assumed for purchase of tangible fixed assets in the 3rd quarter of 2012

No material liabilities were assumed for purchase of tangible fixed assets.

(All amounts are presented in PLN thousands, unless specified otherwise)

1.7.2. Movements in intangible assets (by type) and impairment write-downs

3 quarters of 2013	Costs of development works	Right of perpetual usufruct of land	Patents and licenses	Computer software	Other	Intangible assets under construction	**Total**
Gross carrying amount as at January 1st, 2013	4,896	321	176	12,378	2,035	4,795	24,601
Gross carrying amount as at September 30th, 2013	**5,365**	**321**	**180**	**15,192**	**2,035**	**3,462**	**26,555**
Redemption as at January 1st, 2013	653	43	44	7,579	1,192	-	9,511
Redemption as at September 30th, 2013	**1,387**	**48**	**95**	**8,901**	**1,437**	**-**	**11,868**
Revaluation write-downs as at January 1st, 2013	-	-	-	-	-	-	-
Revaluation write-downs as at September 30th, 2013	**-**	**-**	**-**	**-**	**-**	**-**	
Net carrying amount as at September 30th, 2013	**3,978**	**273**	**85**	**6,291**	**598**	**3,462**	**14,687**

Impairment write-downs in the 3rd quarter of 2013

No impairment write-downs were made.

Amounts of liabilities assumed for purchase of intangible assets in the 3rd quarter of 2013

No material liabilities were assumed for purchase of intangible assets.

3 quarters of 2012	Costs of development works	Right of perpetual usufruct of land	Patents and licenses	Computer software	Other	Intangible assets under construction	**Total**
Gross carrying amount as at January 1st, 2012	248	320	114	4,682	9,711	3,030	18,105
Gross carrying amount as at September 30th, 2012	**5,243**	**320**	**254**	**4,977**	**9,711**	**3,548**	**24,053**
Redemption as at January 1st, 2012	97	36	67	2,028	4,994	-	7,222
Redemption as at September 30th, 2012	**408**	**41**	**83**	**2,383**	**5,739**	**-**	**8,654**
Revaluation write-downs as at January 1st, 2012	-	-	-	-	-	-	-
Revaluation write-downs as at September 30th, 2012	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net carrying amount as at September 30th, 2012	**4,835**	**279**	**171**	**2,594**	**3,972**	**3,548**	**15,399**

Impairment write-downs in the 3rd quarter of 2012

No impairment write-downs were made.

Amounts of liabilities assumed for purchase of intangible assets in the 3rd quarter of 2012

No material liabilities were assumed for purchase of intangible assets.

(All amounts are presented in PLN thousands, unless specified otherwise)

1.7.3. Estimated changes in goodwill

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Atende Software sp. z o.o.	3,173	3,173	3,173	3,173
Impulsy sp. z o.o.	2,523	2,523	2,523	2,523
Sputnik Software sp. z o.o.	3,609	3,609	3,609	3,609
Goodwill (net)	**9,305**	**9,305**	**9,305**	**9,305**

Changes in goodwill due to consolidation

Did not occur in the 3rd quarter of 2013.

1.7.4. Investments in subordinated entities as at September 30th, 2013

Company name	Value of shares at acquisition price	Revaluation write-downs	Carrying value of shares	Percentage of held shares	Percentage of held votes	Consolidatio n method
Atende Software sp. z o.o.	5,977	-	5,977	100.00%	100.00%	full
Impulsy sp. z o.o.	3,665	-	3,665	78.47%	78.47%	full
Sputnik Software sp. z o.o.	6,522	-	6,522	60.00%	60.00%	full
TOTAL	**16,164**	**-**	**16,164**	**-**	**-**	**-**

1.7.5. Movements in estimated inventories

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Materials for manufacturing purposes	3,610	3,365	3,438	3,486
Other materials	-	-	-	-
Semi-finished products and work in progress	3,023	1,625	1,178	5,420
Finished products	-	-	-	-
Goods	8,433	35,017	7,457	9,192
Gross inventories	**15,066**	**40,007**	**12,073**	**18,098**
Inventories revaluation write-down	2,315	2,227	2,071	1,854
Net inventories	**12,751**	**37,780**	**10,002**	**16,244**

Movements in inventories revaluation write-downs

3 quarters of 2013	Revaluation write-downs for materials	Revaluation write-downs for semi-finished products and work in progress	Revaluation write-downs for finished products	Revaluation write-downs for goods	Total inventory revaluation write-downs
As at January 1st, 2013	1,804	**-**	**-**	**267**	**2,071**
Increase, including:	386	-	-	-	386
- establishment of revaluation write-downs	386	-	-	-	386
- other	-	-	-	-	-
Decrease, including:	142	-	-	-	142
- reversal of revaluation write-downs	-	-	-	-	-
- use of write-downs	142	-	-	-	142
As at September 30th, 2013	**2,048**	**-**	**-**	**267**	**2,315**

(All amounts are presented in PLN thousands, unless specified otherwise)

3 quarters of 2012	Revaluation write-downs for materials	Revaluation write-downs for semi-finished products and work in progress	Revaluation write-downs for finished products	Revaluation write-downs for goods	Total inventory revaluation write-downs
As at January 1st, 2012	**130**	**-**	**-**	**172**	**302**
Increase, including:	1,554	-	-	-	1,554
- establishment of revaluation write-downs	1,554	-	-	-	1,554
Decrease, including:	2	-	-	-	2
- reversal of revaluation write-downs	2	-	-	-	2
As at September 30th, 2012	**1,682**	**-**	**-**	**172**	**1,854**

1.7.6. Movements in estimated trade receivables

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Short-term receivables, including:	**31,722**	**53,132**	**53,977**	**31,697**
- from related entities	-	-	-	-
- from other entities	31,722	53,132	53,977	31,697
Revaluation write-downs (positive value)	414	369	332	232
Gross short-term receivables	**32,136**	**53,501**	**54,309**	**31,929**

Change in trade receivables revaluation write-downs

3 quarters of 2013	Trade receivables
Receivables revaluation write-downs as at January 1st, 2013	**332**
Increase, including:	147
- revaluation write-downs on overdue and disputable receivables	147
Decrease, including:	65
- use of revaluation write-downs	-
- completion of proceedings	56
- reversal of revaluation write-downs in connection with repayment of receivables	9
Receivables revaluation write-downs as at September 30th, 2013	**414**

3 quarters of 2012	Trade receivables
Receivables revaluation write-downs as at January 1st, 2012	**208**
Increase, including:	219
- revaluation write-downs on overdue and disputable receivables	219
Decrease, including:	195
- use of revaluation write-downs	15
- reversal of revaluation write-downs in connection with repayment of receivables	180
Receivables revaluation write-downs as at September 30th, 2012	**232**

(All amounts are presented in PLN thousands, unless specified otherwise)

Current and overdue trade receivables

As at 30.09.2013	Total	Non-overdue	Overdue for				
			< 60 days	61-90 days	91-180 days	181-360 days	> 360 days
Gross receivables	32,136	27,653	2,739	1,157	200	179	208
Revaluation write-downs	414	-	-	-	80	130	204
Net receivables	**31,722**	**27,653**	**2,739**	**1,157**	**120**	**49**	**4**

As at 30.09.2012	Total	Non-overdue	Overdue for				
			< 60 days	61-90 days	91-180 days	181-360 days	> 360 days
Gross receivables	31,929	28,534	2,350	524	138	90	293
Revaluation write-downs	232	-	-	-	-	9	223
Net receivables	**31,697**	**28,534**	**2,350**	**524**	**138**	**81**	**70**

1.7.7. Movements in estimated values of other receivables

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Short-term receivables, including:	611	1,333	856	623
- from related entities	-	-	-	-
- from other entities	611	1,333	856	623
Revaluation write-downs (positive value)	-	-	-	-
Gross short-term receivables	**611**	**1,333**	**856**	**623**

1.7.8. Net deferred tax assets/provision

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Deferred tax asset	3,184	8,020	2,867	2,630
Deferred tax provision, including:	(3,315)	(7,974)	(2,432)	(2,581)
- recognized in tax	(2,565)	(7,138)	(1,451)	(1,559)
- recognized in the equity	(750)	(836)	(981)	(1,022)
Net deferred tax assets/provision	**(131)**	**46**	**435**	**49**

1.7.9. Other liabilities resulting from estimates

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Accruals due to:	12,837	34,404	11,424	10,810
- employee leaves	372	399	388	365
- bonuses	1,226	822	1,649	828
- uninvoiced costs	11,222	33,165	9,353	9,605
- other	17	18	34	12
Total, including:	**12,837**	**34,404**	**11,424**	**10,810**
- long-term	42	43	25	53
- short-term	12,795	34,361	11,399	10,757

Other liabilities presented in the table above relate only to those obligations which arise from the estimates. Other liabilities presented in the consolidated statement of financial position include also all other liabilities that are not classified as trading liabilities or financial obligations.

(All amounts are presented in PLN thousands, unless specified otherwise)

1.7.10. Issue, redemption and repayment of debt securities and equities

Did not occur in the 3rd quarter of 2013.

1.7.11. Paid out (or declared) dividend

On June 25th, 2013, the ordinary general meeting of the Company adopted a resolution on distribution of profit for the period from January 1st, 2012 to December 31st, 2012. Pursuant to the resolution referred to above, the Company's entire net profit for the financial year 2012 of EUR 1,016,946.42 and the amount of EUR 1,890,521.10 from the supplementary capital, i.e. the total amount of EUR 2,907,467.52, was allocated to the payment of dividends. The dividend amount per share is PLN 0.08.

The date of determining the right to the dividend was July 17th, 2013. The dividend payment date was July 31st, 2013. Dividend payment applied to all 36,343,344 Company shares.

1.7.12. Information concerning seasonality or periodicity of operations

The Group's activity in the market for ICT systems integration demonstrates seasonal nature of sales, which is typical of the whole industry. In this segment, sales revenue is usually lower in the first three quarters and increases in the fourth quarter. The first quarter, in particular, is usually characterized by the lowest income. Seasonality also has material influence on changes in the amounts of receivables and liabilities which at the end of the annual period are much higher as compared to the first three quarters.

1.7.13. Unpaid loans or breach of the provisions of a loan agreement regarding which no remedial actions were taken by the balance sheet date

Did not occur in the 3rd quarter of 2013.

1.7.14. Movements in contingent liabilities or contingent assets since the end of the last financial year

	30.09.2013	30.06.2013	31.12.2012	30.09.2012
Loan repayment surety	39,000	31,500	35,845	35,395
Bill of exchange repayment surety	4,456	6,691	6,819	6,819
Liabilities due to bank guarantees granted largely as a security for performance of trade contracts	17,568	10,582	6,985	4,763
Bank loan sureties granted to third parties	450	450	-	-
Surety for repayment of granted bank guarantees	8,840	9,849	8,672	9,334
Other contingent liabilities	-	-	-	-
Total contingent liabilities	**70,314**	**59,072**	**58,321**	**56,311**

Contingent liabilities at the end of the reporting period comprise:

- PLN 39,000 thousand — the amount of PLN 31,500 thousand — mortgage securing the debt due to a bank overdraft and an investment loan taken out by Atende S.A. from BRE Bank S.A. and 7,500 thousand — registered pledge on inventories under the bank overdraft extended by BZ WBK;
- PLN 4,456 thousand — bills of exchange liabilities, constituting the liabilities taken over from Sputnik Software sp. z o.o.:
  - PLN 600 thousand — security for repayment of a subsidy received in 2009 for subsidizing the purchase of the "Platform integrating IT theme solutions operating within public administration offices" by Sputnik Software in case of failure to perform contractual obligations;
  - PLN 600 thousand — security for repayment of a subsidy received in 2009 for subsidizing the purchase of an innovative archiving system by Sputnik Software, maintenance and making available electronic documents within the "Secure electronic archive" project in case of failure to perform contractual obligations;
  - PLN 600 thousand — bill of exchange securing the debt due to a bank overdraft agreement concluded with BRE Bank S.A.;
  - PLN 606 thousand — bills of exchange securing debt due to lease agreements concluded by Sputnik Software;

  and the amount of PLN 2,050 thousand, which represents the value of bills of exchange securing debt due to lease agreements concluded by Atende S.A.;
- PLN 17,568 — the value of this liability comprises the following amounts:
  - PLN 16,498 thousand — the value of tender guarantees and guarantees of proper contract performance, the guarantee principal is Atende S.A.;

    - PLN 1,000 thousand — contingent liabilities taken over from Sputnik Software sp. z o.o., concerning primarily the guarantee for removal of faults and defects and the guarantee of deposit payment within the guarantee limit granted by InterRisk Towarzystwo Ubezpieczeń S.A.
    - PLN 70 thousand — the value guarantees of proper contract performance, where the guarantee principal is Atende Software S.A.;
  - PLN 450 thousand — overdraft surety for Impulsy sp. z o.o.;
  - PLN 8,840 thousand — the value of this liability comprises the following amounts:
    - PLN 8,364 thousand — bills of exchange liabilities of Atende S.A., securing the debt resulting from guarantees of proper contract performance;
    - PLN 476 thousand — bills of exchange liabilities of Impulsy sp. z o.o., securing the debt resulting from guarantees of proper contract performance.

1.7.15. Settlements arising from court cases

As at the date of report publication, the Company and its subsidiaries are not a party to any court dispute of material value.

1.7.16. Events after the balance sheet date

Presented in item 2.6 of these statements.

1.7.17. Changes in the structure of the Capital Group and business entities which are its members, made in the 3rd quarter of 2013

Presented in item 2.2.2 of these statements.

2. Management Board report on the activities of the Capital Group

2.1. Core operations

The parent entity of the Atende Capital Group (the "Group", the "Capital Group") is Atende S.A. (the "Company", the "Issuer", "Atende") with its registered office in Warsaw at ul. Grochowska 21a. Since May 28th, 2012, the Company has been listed on the Warsaw Stock Exchange.

The Company has been operating under the name of Atende since April 12th, 2013, when the change in the Issuer's name from ATM Systemy Informatyczne S.A. to Atende S.A. was registered in the National Court Register. ATM Systemy Informatyczne S.A. was established as a result of acquisition of all assets of ATM Systemy Informatyczne sp. z o.o. by KLK S.A., with simultaneous change of the company name from KLK S.A. to ATM Systemy Informatyczne S.A. and movement of its registered office to Warsaw. The aforementioned changes were registered in the National Court Register on January 3rd, 2011.

The Issuer's core business includes ICT systems integration and integration of technological infrastructure, including the infrastructure of data centres. In both segments, the Company has over twenty years of experience resulting from the introduction of many implementation projects. The implementations are characterized by high quality, the highest technological level and large scale of complexity. Atende S.A. is one of the leading IT companies in Poland.

Through its subsidiaries, the Issuer's Capital Group carries out activities in other attractive niches of the IT market. The primary domain of Atende Software sp. z o.o. is offering proprietary solutions enabling implementation of innovative multimedia transmission projects. Impulsy sp. z o.o. offers IT solutions for the healthcare sector, in particular hospitals, outpatient clinics and doctors' offices. On the other hand, Sputnik Software sp. z o.o. produces software and provides services for the public sector, mainly for the local government administration.

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

- Roman Szwed — President of the Management Board,
- Iwona Bakuła — Vice-President of the Management Board,
- Andrzej Słodczyk — Vice-President of the Management Board,
- Szymon Stępczak — Vice-President of the Management Board.

In the third quarter of 2013, Tomasz Dziubiński resigned as Vice-President and member of Atende S.A. Management Board, effective as of September 30th, 2013. No changes in the composition of the Management Board took place after the balance sheet date.

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

- Patrycja Buchowicz — Chairman of the Supervisory Board,
- Mirosław Panek — Vice-Chairman of the Supervisory Board,
- Marek Dietl — Member of the Supervisory Board,
- Jan Madey — Member of the Supervisory Board,
- Monika Mizielińska-Chmielewska — Member of the Supervisory Board.

No changes in the composition of the Supervisory Board took place in the third quarter of 2013 and after the balance sheet date.

2.2. Description of the organization of the Capital Group

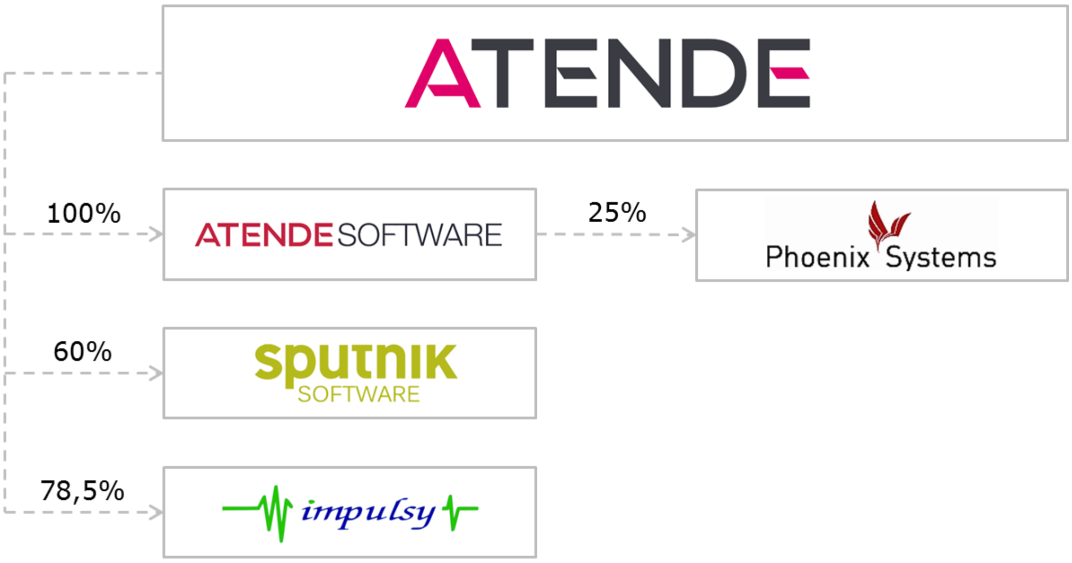
2.2.1. Structure of the Capital Group

As at September 30th, 2013, the Atende Capital Group comprised 5 entities:

- Atende S.A. — the parent company,
- 3 subsidiaries:
  - Atende Software sp. z o.o. with its registered office in Warsaw, in which the Issuer holds 100% of shares and votes at the shareholders' meeting; the share capital of Atende Software is PLN 500,000,
  - Impulsy sp. z o.o. with its registered office in Warsaw, in which the Issuer holds 78.46% of shares and votes at the shareholders' meeting; the share capital of Impulsy is PLN 130,000,
  - Sputnik Software sp. z o.o. with its registered office in Poznań, in which the Issuer holds 60% of shares and votes at the shareholders' meeting; the share capital of Sputnik Software is PLN 250,000,
- and an associate:
  - Phoenix Systems sp. z o.o. with its registered office in Warsaw, in which the Issuer's subsidiary, Atende Software sp. z o.o., holds 25% of shares and votes at the shareholders' meeting; the share capital of Phoenix Systems is PLN 160,000.

All subsidiaries are fully consolidated. The Issuer has been consolidating the results of subsidiaries since May 1st, 2012. The associate is not consolidated due to immateriality.

The structure of the Capital Group as at the end of the reporting period is presented in the figure below:



2.2.2. Changes in the structure of the Capital Group and indication of the expected effects of changes

On July 24th, 2013, a subsidiary of Atende S.A. — ATM Software sp. z o.o. (currently Atende Software) — bought a 25% stake in the software company Phoenix Systems sp. z o.o. for PLN 929 thousand.

On September 10th, 2013, Atende Software took up the newly established shares in Phoenix Systems for PLN 1 million. Following the registration of the new shares in the National Court Register, the Issuer will indirectly control 51% of the share capital and voting rights at the meeting of shareholders of Phoenix Systems.

Phoenix Systems is a company developing innovative software for embedded systems, with the potential for international sales. The Issuer's Management Board expects a significant contribution from Phoenix Systems to the Capital Group's earnings in the mean term.

From the end of the reporting period until the date of submission of these statements, there were no changes in the structure of the Atende Capital Group.

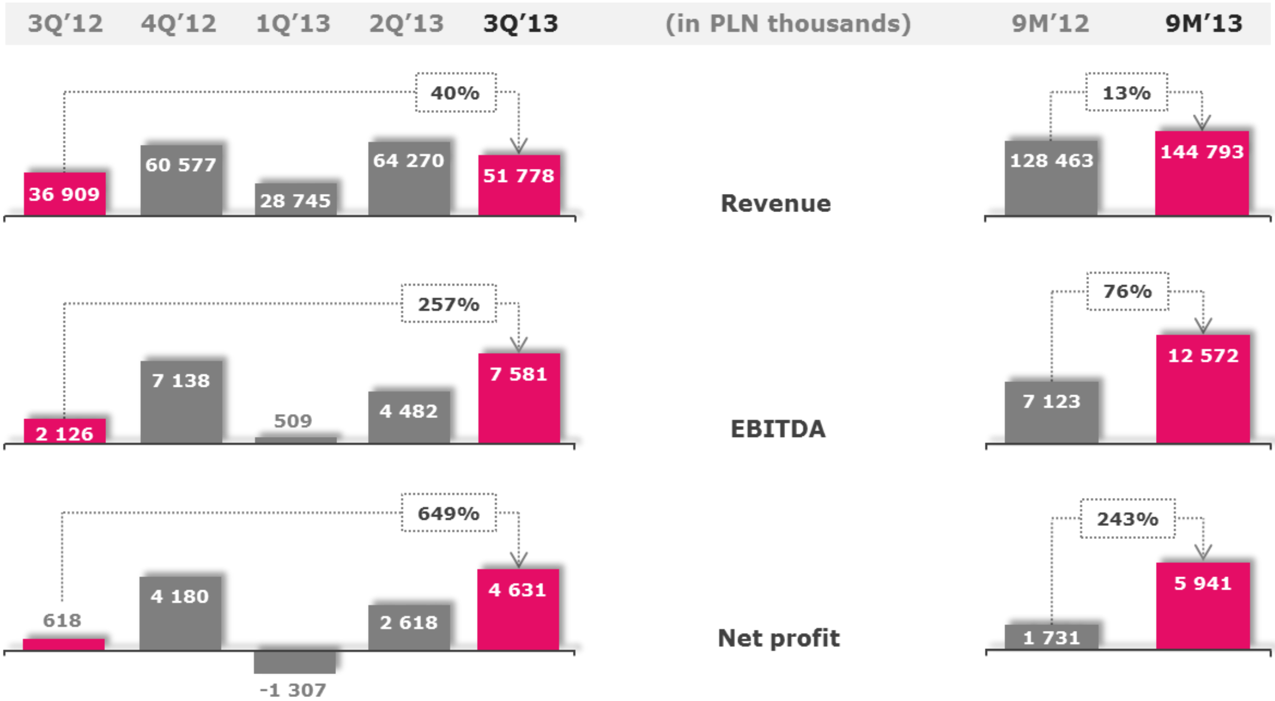
2.3. Commentary of the Management Board on the Issuer's achievements in the 3rd quarter of 2013

In the third quarter of 2013, the Atende Group improved most of its financial items as compared to the corresponding quarter of the previous year and the 2nd quarter of this year, thus recording the best quarterly results in its history. At the consolidated level, records were broken in the case of net profit (PLN 4,631,000, increase by 649% YoY), EBITDA (PLN 7,581,000, increase by 257% YoY) and the percentage margin on gross profit on sales (calculated as the ratio of gross profit on sales to profit on sales), which was 29%.

Cumulatively, over three quarters of 2013, the Atende Group also improved its financial performance as compared with previous year. Year over year, revenues increased by 13% to PLN 144,793,000, EBITDA by 76% to PLN 12,572,000 and net profit by 243% to PLN 5,941,000. The results achieved are in line with Management Board's expectations.

In the 3 quarters of this year, the Atende Group generated high positive net cash flows. They amounted to PLN 6,339,000, which is a considerable improvement over the comparable period in 2012, when they were negative and stood at (PLN 12,767,000). This improvement results from the increase in net operating cash flows which generated PLN 17,415,000 cumulatively in three quarters of 2013.

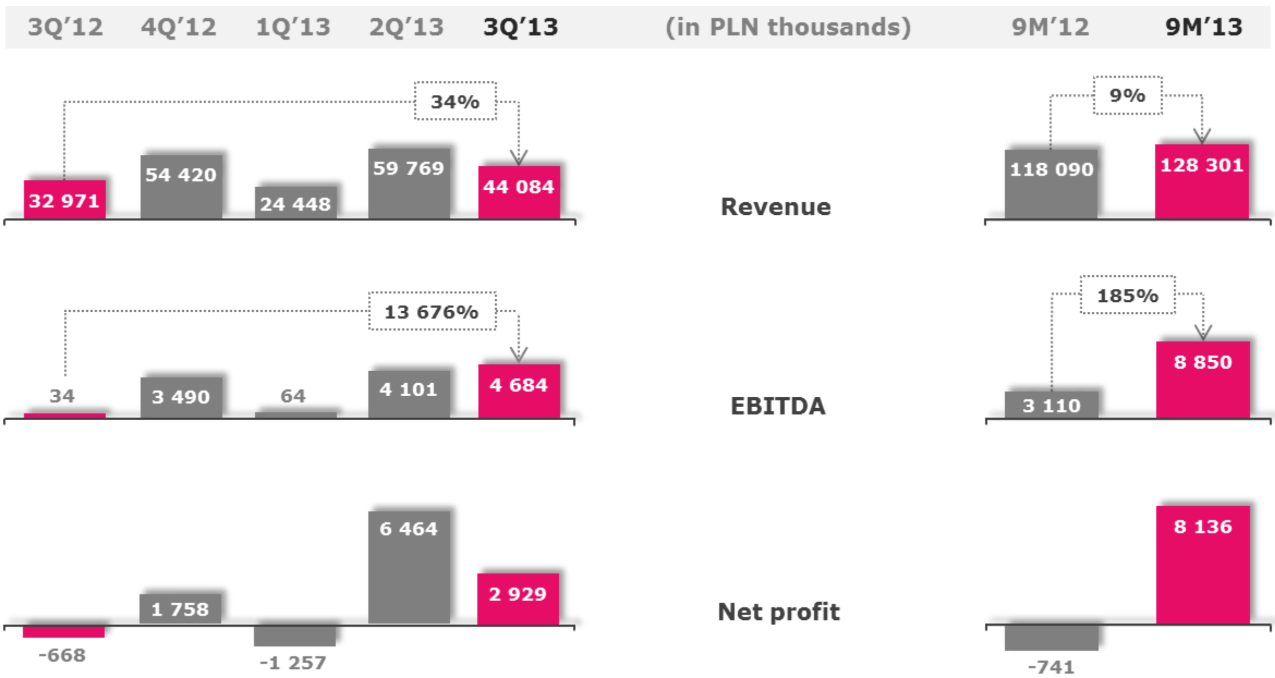
Changes in the Atende Group key financial data



The good financial results achieved at the consolidated level in the third quarter follow from the improvement of the parent company Atende S.A.'s results and from the good performance of two subsidiaries — Atende Software and Sputnik Software. The impact of Impulsy on the Group's results was negative.

Also at the individual level the financial situation has significantly improved, both when comparing the results of the third quarters of 2013 and the previous year, as well as the cumulative results of three quarters of the current and previous year. The cumulative net profit in 2013 was positively influenced by the dividends received from subsidiaries in the 2nd quarter, which amounted to PLN 3,720,000 in total.

Changes in Atende S.A. key financial data



(All amounts are presented in PLN thousands, unless specified otherwise)

Individual general and administrative costs in three quarters of 2013 amounted to PLN 18,992,000 and were 5% lower compared to the previous year. The consolidated general and administrative costs increased by 17% which is related to the consolidation of subsidiary results as of May 1st, 2012.

Selected financial data of the capital Group	3rd quarter of 2013	3rd quarter of 2012	Change	3 quarters of 2013	3 quarters of 2012	Change
Sales revenue	51,778	36,909	40%	144,793	128,463	13%
Gross profit on sales	15,178	8,733	74%	34,079	26,390	29%
Gross profit margin on sales	*29.3%*	*23.7%*	*5.6 p.p.*	*23.5%*	*20.5%*	*3.0 p.p.*
General and administrative costs	8,997	8,339	8%	26,901	23,063	17%
Operating profit	6,094	605	907%	8,135	3,933	107%
EBITDA	7,581	2,126	257%	12,572	7,123	76%
Gross profit	6,081	747	714%	7,918	2,391	231%
Net profit[1]	4,631	618	649%	5,941	1,731	243%
Net cash flows	626	(1,738)	-	6,339	(12,767)	-

[1] attributable to shareholders of the parent entity

The Atende Group increased its sales through the development of the ICT systems integration segment. In the segment of technological infrastructure integration, during the 3 quarters of 2013, there were declines in sales revenue and sales margin, mainly due to the lack of large contacts. Tender proceedings, currently underway, hold promise for significant contracts in the technological integration segment, in particular as regards construction of data centres.

Consolidated sales by market segment[1]	3rd quarter of 2013	3rd quarter of 2012	Change	3 quarters of 2013	3 quarters of 2012	Change
ICT systems integration						
Sales revenue	46,069	32,756	41%	126,161	98,249	28%
Sales margin[2]	16,885	9,997	69%	38,878	28,318	37%
EBITDA	7,797	1,553	402%	12,258	4,394	179%
Integration of technological infrastructure						
Sales revenue	6,937	5,778	20%	21,602	31,858	(32)%
Sales margin[2]	1,764	1,610	10%	5,104	6,112	(16)%
EBITDA	(299)	307	-	(865)	1,992	-

[1]excluding consolidation exclusions and other revenues
[2]Sales margin = Sales revenue – Variable selling costs

The public sector was of the greatest importance for the sales of Atende Group, both in the third quarter and cumulatively in the three quarters of 2013. Revenues from this sector in these three quarters accounted for 43% of total consolidated revenues. The high increase in sales which amounted to 242% y/y, largely accounts for such a good performance of the Atende Capital Group. The largest contracts performed in the public sector in the 3rd quarter of 2013 include:

- the project "Development of information society in Zagłębie Dąbrowskie — the City of Jaworzno", The Municipal Data Communication Network, worth PLN 8.5 million gross (completed in the 3rd quarter),
- the supply of equipment and software, services comprising installation, configuration, and launching of full functionality of the Central Point of Emergency Call Centres System for the Project Centre of the Ministry of Administration and Digitisation, worth PLN 5.7 million gross (completed in the 3rd quarter),
- the contract for the supply of servers, arrays and tape libraries to the Ministry of National Defence, worth PLN 48.1 million gross (to be completed in the 4th quarter of this year).

On the market of telecommunications and media operators, which is the key market for the Issuer, in the 3rd quarter of 2013, the Atende Group recorded an increase in the revenues by 29% y/y, having maintained in the 3 quarters the level of sales from the previous year despite the visible reductions in telecommunications investments. Atende completed a number of projects for mobile operators in areas such as network and Internet infrastructure extension, also in the new LTE technology, as well as settlements and IP services billing. For one of the telecom operators, the Issuer completed projects with the value of more than PLN 4 million in areas such as construction and integration of the operator's Ethernet network.

(All amounts are presented in PLN thousands, unless specified otherwise)

In the third most significant sector, the sector of industry, commerce and services, in the 3 quarters of 2013, a decrease in sales by 30% y/y was recorded. Within this sector, the energy market is of the most significance. In the reporting period, the Atende Group continued its work in the field of smart metering for Energa-Operator S.A. It also performed contracts concluded with companies owned by one of the largest electricity distributors and manufacturers in Poland, concerning services such as: the supply of equipment and network extension, as well as development of the existing installations and technical devices for the data processing centre. It also performed LAN network modernisation services for one of the leading pharmaceutical distributors in Europe.

In the financial sector, in the last 3 quarters, revenues decreased by 62% y/y. A significant decrease in revenues in this sector was caused by the fact that during the reporting period no major installation related to the second segment of the Issuer activity has been commissioned (the integration of the technological infrastructure), which took place in 2012. Atende performed contracts for the entities of the financial sector, e.g. Warsaw Stock Exchange, Polish Power Exchange, insurance companies and banks, mainly in the field of outsourcing, network infrastructure, servicing and cloud computing services.

The structure of sales of the Capital Group by market segments	3rd quarter of 2013	3rd quarter of 2012	Change	3 quarters of 2013	3 quarters of 2012	Change
Public	21,366	2,573	730%	62,655	18,342	242%
Telecommunications and media	20,546	15,867	29%	48,367	48,980	(1)%
Industry, trade and services	6,196	13,967	(56)%	23,111	32,810	(30)%
Finance	3,616	4,477	(19)%	10,556	28,069	(62)%
Other	54	25	116%	104	262	(60)%
TOTAL	**51,778**	**36,909**	**40%**	**144,793**	**128,463**	**13%**

The Issuer is developing the sales of its services for corporate customers in the cloud computing model, introduced to the market under the brand name of CloudiA. These services are gradually winning an increasing number of customers; those who require the highest level of availability and reliability of IT infrastructure, supplemented with professional technical support and managed services. Based on market forecasts and demand for cloud computing technology, the Company expects this type of services to have a large growth potential and intends to continue investing in them.

In the 3rd quarter of 2013, the Issuer's subsidiary, Atende Software, specializing in providing CDN (Content Delivery Network)-based services, signed a new contract with CDP.PL sp. o.o. (a subsidiary of one of the largest video games producers — CD Project S.A.). The contract concerns the storage and distribution of multimedia content related to computer games for the purposes of the cdp.pl website. Currently, redCDN built by Atende Software is the largest multimedia content distribution system, used by Polish broadcasters, such as: TVN S.A., Cyfrowy Polsat S.A, TVP S.A., ITI Neovison S.A., Multimedia Polska S.A. and EuroZet sp. o.o. A new member of the group of customers, being TV and radio programme providers, is a company which distributes computer games. Due to the quality of the graphics and their realism, these games begin to consume a significant portion of data transmission in the Internet. The company also extended the mmtv.pl website (Multimedia Polska S.A.) to include support for mobile devices and connected TV platforms; it implemented its own system of multimedia content protection and formed a strategic partnership with Google (USA) in the field of WideVine multimedia content securities. During the third quarter of 2013, Atende Software also continued the development of software in the field of smart metering, in particular, it has worked on projects expanding the functional scope of the AMI (Advanced Metering Infrastructure) application for Energa-Operator S.A. It is also worth noting that in the 3rd quarter another stage of the entire system implementation was completed resulting in more than 100,000 intelligent meters now being read in the areas of Drawsko, Kalisz and Hel, which contributes to a high level of completeness of settlement and profiling data. Atende Software also continues the implementation of the BZURA II project for the Ministry of National Defence, commissioned by the National Research and Development Center under a project concerning national defence and security. AMI and BZURA II projects are implemented under the consortium with the Issuer.

In the 3rd quarter of 2013, Sputnik Software signed an agreement with ATOS IT Services sp. z o.o. for the implementation of an e-services platform and an electronic document management system for 160 local government units in the Podkarpackie province. The main contractor — ATOS IT Services — was awarded a contract for the performance of an information system "Public e-Administration System for Podkarpackie Province" offered by the Marshal's Office for this region. It should be noted that, thus far, it is the largest implementation of an electronic document circulation system in the history of Polish local government, implemented under a single contract, encompassing about 7 thousand users. The value of entire contract is PLN 92.6 million gross, with the value of the portion performed by Sputnik Software being about PLN 18.5 million gross. This is a crucial contract from the point of view of the company. It is executed based on an original "Modern Office" platform.

Furthermore, Sputnik Software entered into an agreement with the Ministry of Culture and National Heritage for the "Preparation and maintenance of electronic application registration system" with the value of PLN 439,000, which means that the cooperation with the client will continue for another three years. The Company also entered into a contract with the Mazovian Department of Social Policy, with the value of PLN 460,000, for the implementation of innovative tools used in social policy management at the provincial level.

In the 3rd quarter of 2013, Impulsy — the company offering IT solutions for the medical sector — began to implement a medical information system, Medicus On-Line (MOL), at the Psychiatric Hospital, Independent Public Heath Care Unit, in Węgorzewo. The 3rd quarter was a period of intense work on tender offers. The Management Board expects that the demand for Medicus On-Line software will grow, and financial performance will improve.

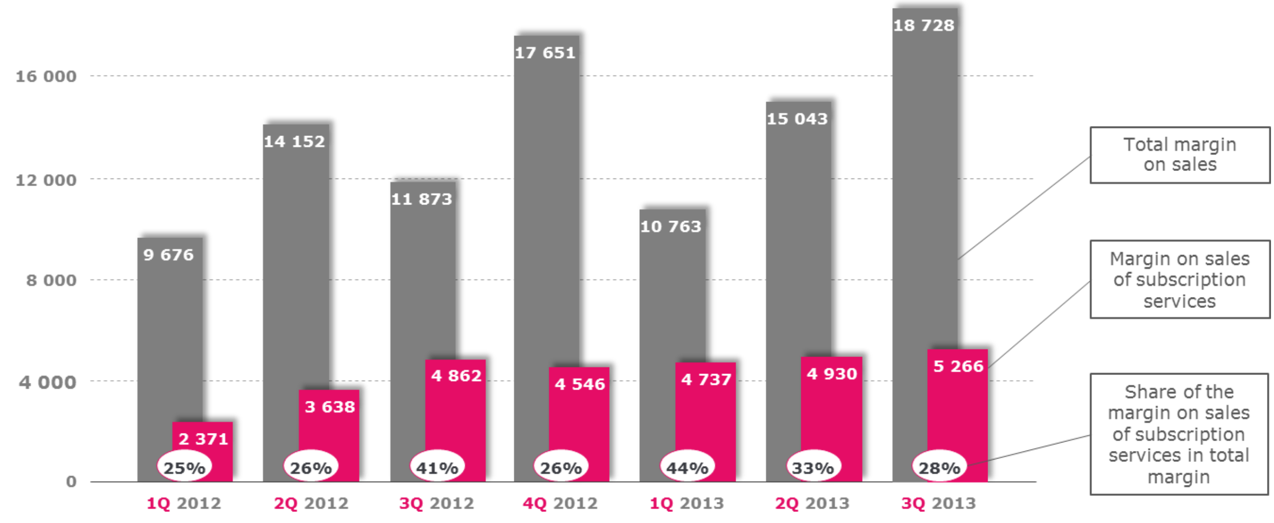
The Phoenix Systems company, whose shares were acquired in the 3rd quarter. by Atende Software, continued to develop the technology for embedded systems: the real time operating system Phoenix-RTOS and the soft-modem for communications in intelligent energy networks (so-called Smart Grid) compliant with the PRIME standard communication protocol (Phoenix-PRIME). The works involved primarily the completion of the Phoenix-PRIME modem and preparing a version for the first customers. The development of a prototype HAN (Home Area Network) controller was continued as part of the Smart HAN project for Energa Innowacje. Phoenix Systems has an ambitious goal, i.e. to be present on the global market for embedded systems.

2.3.1. Sales of permanent services

The Company pays special attention to services of a permanent nature, hereinafter referred to as subscription services. These are mainly revenues from the sales of services in the cloud computing model as well as outsourcing and maintenance services. These services are typically billed in cycles (most often on a monthly basis), and the contracts for the provision of such services are usually concluded for many years or provide for long notice periods.

In the 3rd quarter of 2013, the Atende Group increased the quarterly sales margin on subscription services, as planned. Over the 3 quarters of 2013, the margin increased by 37% y/y. The margin ratio of subscription services to fixed costs in the 3rd quarter was 42%. The increase in revenue and margin on sales of subscription services is the result of deliberate actions of the Management Board to increase the stability of the Atende Group's financial situation. The increase in subscription sales is an important element of the Issuer's strategy.

Sales of subscription services



2.4. Description of atypical factors and events which materially affect financial results achieved

In the 3rd quarter of 2013, the Issuer continued operations aimed at increasing the effectiveness of the commercial structures. The effects of these measures should be visible in subsequent quarters and should provide increased profitability of the Company.

2.5. Significant events during the period covered by the statements

Acquisition of a 25% stake in Phoenix Systems sp. z o.o. by ATM Software

On July 24th, 2013, the Issuer's subsidiary, ATM Software (currently Atende Software) purchased from an individual a 25% stake in Phoenix Systems sp. z o.o. for PLN 929 thousand.

Phoenix Systems writes software for embedded systems, in particular those used in electric power metering. The company was founded in 2011 by a team of professionals with many years of experience in the design and implementation of software for specialized equipment (e.g. software for robots used in the manufacture of integrated circuits, software for heart rate monitors, digital cameras, etc.). The company is based in Warsaw, and has a branch in the United Kingdom (Bristol), which was established for the purpose of co-operation with designers of processors and integrated circuits. It operates under the patronage of the British SETSquared technology incubator.

Acquisition of Phoenix Systems shares is consistent with the development strategy of the Issuer for the period until 2015, providing for dynamic development in the area of software and advanced technologies with an emphasis on innovation.

Change of the name ATM Software to Atende Software

On July 24th, 2013, ATM Software changed the name to Atende Software. The change of the name is the result of a process initiated by Atende. In April 2013 r., the company abandoned its previous brand — ATM Systemy Informatyczne — and adopted the new Atende brand. The introduction of the new brand for its fully-controlled subsidiary aims at ensuring consistency of names within the Capital Group and the joint efforts to increase the popularity and recognizability of the new brand.

Acquisition of new shares in Phoenix Systems

On September 10th, 2013, Atende Software took up the newly established shares in Phoenix Systems sp. z o.o. for PLN 1 million. Following the registration of the new shares in the National Court Register, the Issuer will indirectly control 51% of the share capital and hold 51% of voting rights at the meeting of shareholders of Phoenix Systems.

Sputnik Software's contract for the implementation of public e-services in the Podkarpackie province

On September 13th, 2013, Sputnik Software sp. z o.o. — a company which belongs to the Atende Capital Group — signed an agreement with ATOS IT Services sp. z o.o. for the implementation of an e-services platform and an electronic document management system for 160 local government units in the Podkarpackie province. The contract will be performed as part of the project: "Implementation of information system "Public e-Administration System for Podkarpackie province", maintained by the Marshal's Office for this region. The project with the value of PLN 92.6 million gross was awarded to ATOS IT Services. Sputnik Software's share as a subcontractor amounts to PLN 18.5 million gross. The project will be completed within 12 months.

2.6. Material events after the balance sheet date

No material events took place after the balance sheet date for the statements covering the 3rd quarter of 2013 that could significantly affect the future financial performance of the Issuer.

(All amounts are presented in PLN thousands, unless specified otherwise)

2.7. Expected development of the Group

The following external factors may influence operations and financial results of the Issuer and its Capital Group in the upcoming quarters:

- the pace of Poland's economic development,
- the tendency of enterprises to invest in IT infrastructure development,
- changes in the exchange rate of PLN in relation to EUR and USD,
- the level of utilization of EU funds by enterprises and other entities,
- development of new technologies,
- increased awareness of needs in the scope of IT,
- improvement of economic situation abroad,
- availability of bank loans,
- demand of the SME sector for advanced IT tools.

Internal factors important for the Atende Group's development include:

- the maximum use of the synergy effect between Atende and its subsidiaries: Atende Software, Impulsy, Sputnik Software and Phoenix Systems;
- obtaining the highest partnership status in the largest hardware and software manufacturers;
- expansion and strengthening of the customer base;
- improvement of sales operations;
- the degree of diversification of trading partners.

Apart from the factors listed above, there are no uncertain elements, demands, liabilities or events which may have material impact on the Company's prospects in a short-term perspective.

2.8. Other information

2.8.1. The opinion of the Management Board regarding the possibility of fulfilling the previously published forecasts of results for a given year

The Company did not publish the 2013 forecasts.

2.8.2. Information on shareholders having, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the Issuer's general meeting as of the date of submission of the report

	Number of shares shown in the previous interim report[1]	Share in the number of votes at the General Meeting represented in the previous interim report[1]	Change in the number of votes at the General Meeting between 30.08.2013 and 12.11.2013	Number of shares as at the date of report submission[2]	Share in the number of votes at the General Meeting as at the date of report submission[2]
Roman Szwed together with the related entity Spinoza Investments Sp. z o.o. S.K.A.	11,956,958	32.90%	-	11,956,958	32.90%
ING OFE	3,511,955	9.66%	-	3,511,955	9.66%
OFE PKO	2,531,407	6.97%	-	2,531,407	6.97%
Other	18,343,024	50.47%	-	18,343,024	50.47%
Total	36,343,344	100%	N/A	36,343,344	100%

[1] According to confirmations obtained on August 30th, 2013.
[2] According to confirmations obtained on November 12th, 2013.

Percentage share of the shareholders in the Company's share capital corresponds to the percentage share in the number of votes at the general meeting.

(All amounts are presented in PLN thousands, unless specified otherwise)

2.8.3. Statement of changes in the ownership of the company's shares or share options by members of the Management Board and the Supervisory Board

According to the Management Board's knowledge, the ownership of the Issuer's shares by members of the Management Board and Supervisory Board and the statement of changes have been presented in the table below.

	Number of shares shown in the previous interim report[1]	Increases	Decreases	Number of shares as at the date of report submission[2]
Roman Szwed — President of the Management Board[3]	11,956,958	-	-	11,956,958
Iwona Bakuła — Vice-President of the Management Board	0	-	-	0
Tomasz Dziubiński — Vice-President of the Management Board	10,080	-	-	No data available[4]
Andrzej Słodczyk — Vice-President of the Management Board	598,020	50,696	-	648,716
Szymon Stępczak — Vice-President of the Management Board	0			0
Patrycja Buchowicz — Chairman of the Supervisory Board	0	-	-	0
Mirosław Panek — Vice-Chairman of the Supervisory Board	0	-	-	0
Marek Dietl — Member of the Supervisory Board	0	-	-	0
Jan Madey — Member of the Supervisory Board	0	-	-	0
Monika Mizielińska-Chmielewska — Member of the Supervisory Board	0	-	-	0

[1] According to confirmations obtained on August 30th, 2013.
[2] According to confirmations obtained on November 12th, 2013.
[3] together with the related entity Spinoza Investments Sp. z o.o. S.K.A.
[4] As at the date of submission of these statements, this person was not a member of the Management Board.

Members of the Management Board and Supervisory Board hold no Company share options. None of the shareholders has special controlling rights with regard to Atende S.A. The Company has no preferential shares.

2.8.4. Information on significant pending proceedings before the court, arbitration panel or administration body

As at the date of report publication, the Company and its subsidiaries are not a party to any court dispute whose value would exceed 10% of the Issuer's equity.

2.8.5. Information about material transactions concluded by Group Companies with related entities on conditions other than arm's length conditions

During the reporting period, neither the Issuer nor any of the Issuer's subsidiaries concluded material transactions on conditions other than arm's length conditions with related undertakings, neither individually nor jointly.

2.8.6. Information on loan or borrowing sureties or guarantees granted by the Issuer or its subsidiary where the value of the surety or guarantee is equal to at least 10% of the Issuer's 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.

2.8.7. Other information considered by the Company as important in the assessment of its 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.

(All amounts are presented in PLN thousands, unless specified otherwise)

3. Interim condensed individual financial statements prepared in accordance with IFRS

3.1. Individual financial situation statement

ASSETS	as at 30.09.2013	as at 30.06.2013	as at 31.12.2012	as at 30.09.2012
Fixed assets	**47,109**	**47,996**	**48,986**	**50,615**
Tangible fixed assets	22,918	23,598	24,360	26,009
Intangible assets	7,704	7,879	7,706	7,821
Investments in subordinated entities	16,164	16,164	16,164	16,164
Other long-term financial assets	80	80	80	80
Deferred income tax assets	168	203	620	375
Other fixed assets	75	72	56	166
Current assets	**52,483**	**100,710**	**64,612**	**48,499**
Inventories	10,579	35,885	8,143	14,861
Trade receivables	26,424	49,653	50,057	28,485
Current income tax receivables	143	-	-	508
Other receivables	401	1,217	736	441
Other financial assets	-	-	300	300
Prepayments	1,082	1,234	1,324	1,154
Cash and cash equivalents	13,854	12,721	4,052	2,750
Assets classified as held for sale	**-**	**-**	**2,031**	**-**
TOTAL ASSETS	**99,592**	**148,706**	**115,629**	**99,114**

(All amounts are presented in PLN thousands, unless specified otherwise)

LIABILITIES	as at 30.09.2013	as at 30.06.2013	as at 31.12.2012	as at 30.09.2012
Equity	**53,133**	**50,120**	**47,674**	**45,875**
Share capital	7,269	7,269	7,269	7,269
Supplementary capital from share premium	14,990	14,905	14,760	14,719
Other capital	22,738	22,738	24,628	24,628
Retained financial result	-	-	-	-
Financial result for the current period	8,136	5,208	1,017	(741)
Long-term liabilities	**6,617**	**6,769**	**7,525**	**8,881**
Credits and loans	4,412	4,649	5,368	5,727
Other financial liabilities	2,097	2,011	2,047	3,062
Other long-term liabilities	44	45	45	90
Deferred income	64	64	65	2
Short-term liabilities	**39,842**	**91,817**	**60,430**	**44,358**
Credits and loans	1,315	1,437	7,336	8,007
Other financial liabilities	1,315	4,791	2,300	2,100
Trade liabilities	20,475	46,015	32,436	18,770
Current income tax liabilities	-	-	186	-
Other liabilities	14,976	36,839	16,390	14,106
Deferred income	1,761	2,735	1,782	1,375
TOTAL LIABILITIES	**99,592**	**148,706**	**115,629**	**99,114**

(All amounts are presented in PLN thousands, unless specified otherwise)

3.2. Individual total income statement

	Third quarter 2013	Third quarter 2012	3 quarters 2013 YTD	3 quarters 2012 YTD
Net sales revenue	**44,084**	**32,971**	**128,301**	**118,090**
Cost of sales	33,780	27,447	104,000	97,814
Gross profit (loss) on sales	**10,304**	**5,524**	**24,301**	**20,276**
Other operating revenue	807	1,183	3,098	3,033
General and administrative costs	6,452	6,518	18,992	19,899
Other operating expenses	925	1,145	2,389	2,599
Operating profit (loss)	**3,734**	**(956)**	**6,018**	**811**
Financial revenue	(215)	26	4,445	174
Financial expense	(214)	(83)	961	1,745
Profit (loss) before tax	**3,733**	**(847)**	**9,502**	**(760)**
Income tax	804	(179)	1,366	(19)
Net profit (loss) on continuing operations	2,929	(668)	8,136	(741)
Profit (loss) on discontinued operations	-	-	-	-
Net profit (loss)	**2,929**	**(668)**	**8,136**	**(741)**
Other total income that will be reclassified to profit or loss upon satisfying certain conditions	**-**	**-**	**-**	**-**
Exchange differences on translating foreign operations	-	-	-	-
Exchange differences on translating operations valued using the equity method	-	-	-	-
Net loss on hedge of net investment in foreign operations	-	-	-	-
Net change in fair value of available-for-sale financial assets	-	-	-	-
Net change in fair value of available-for-sale financial assets reclassified to current profit or loss	-	-	-	-
Effective portion of changes in fair value of cash flow hedging instruments	-	-	-	-
Net change in fair value of cash flow hedging instruments reclassified to current profit or loss	-	-	-	-
Income tax associated with elements of other total income	-	-	-	-
Other total income that will not be reclassified to profit or loss	-	-	-	-
Revaluation of tangible fixed assets	-	-	-	-
Actuarial profit (loss) from defined benefit schemes	-	-	-	-
Total revenue	**2,929**	**(668)**	**8,136**	**(741)**

(All amounts are presented in PLN thousands, unless specified otherwise)

3.3. Individual cash flow statement

	Third quarter 2013	Third quarter 2012	3 quarters 2013 YTD	3 quarters 2012 YTD
OPERATING ACTIVITIES				
Profit / loss before tax	3,733	(847)	9,502	(760)
Total adjustments:	2,572	4,422	5,307	(8,750)
Depreciation	950	990	2,832	2,299
Foreign exchange gains (losses)	48	54	(4)	406
Interest and share in profit (dividends)	116	208	(3,275)	494
Profit (loss) on investment activities	93	(22)	(172)	(31)
Change in inventories	25,306	2,271	(2,392)	(1,951)
Change in receivables	23,876	15,308	23,937	33,625
Change in liabilities and provisions	(47,149)	(13,665)	(13,810)	(42,016)
Change in other assets	152	342	254	593
Other adjustments	(820)	(1,064)	(2,063)	(2,169)
Cash from operating activities	6,305	3,575	14,809	(9,510)
Income tax (paid) / reimbursed	(828)	-	(1,015)	(1,170)
Net cash flows from operating activities	**5,477**	**3,575**	**13,794**	**(10,680)**
INVESTING ACTIVITIES				
Inflows	1,120	59	8,208	130
Sale of intangible and tangible fixed assets	1,120	59	4,188	130
Dividends received	-	-	3,720	-
Loan repayment	-	-	300	-
Outflows	1,416	1,172	2,890	10,634
Purchase of intangible and tangible fixed assets	1,416	1,172	2,890	10,333
Expenditure on financial assets	-	-	-	300
Other investment expenditure	-	-	-	1
Net cash flows from investing activities	**(296)**	**(1,113)**	**5,318**	**(10,504)**
FINANCING ACTIVITIES				
Inflows	-	101	3,087	14,513
Credits and loans	-	-	-	11,079
Subsidies	-	-	3,078	-
Other financial inflows	-	101	9	3,434
Outflows	4,048	4,069	12,398	6,573
Repayment of credits and loans	359	372	6,977	579
Payment of liabilities arising from finance leases	617	874	2,062	2,553
Dividends paid	2,907	2,544	2,907	2,544
Interest	116	222	452	508
Other financial outflows	49	57	-	389
Net cash flows from financial activities	**(4,048)**	**(3,968)**	**(9,311)**	**7,940**
TOTAL NET CASH FLOWS	**1,133**	**(1,506)**	**9,801**	**(13,244)**
Balance sheet movements in cash, including	1,133	(1,506)	9,801	(13,244)
- FX movements in cash	-	-	-	-
Opening balance of cash	**12,721**	**4,256**	**4,053**	**15,994**
Closing balance of cash	**13,854**	**2,750**	**13,854**	**2,750**

(All amounts are presented in PLN thousands, unless specified otherwise)

3.4. Statement of changes in individual equity

	Share capital	Supplementary capital from share premium	Own shares	Other capital	Retained financial result	Financial result for the current period	Total equity
3 quarters of 2013							
Equity as at January 1st, 2013 according to IFRS	**7,269**	**14,760**	**-**	**24,628**	**1,017**	**-**	**47,674**
Changes in accounting principles	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-
Equity after adjustments	7,269	14,760	-	24,628	1,017	-	47,674
Issue of shares	-	-	-	-	-	-	-
Net profit distribution	-	230	-	-	-	-	230
Dividend payout	-	-	-	(1,890)	(1,017)	-	(2,907)
Total revenue	-	-	-	-	-	8,136	8,136
Equity as at September 30th, 2013 according to IFRS	**7,269**	**14,990**	**-**	**22,738**	**-**	**8,136**	**53,133**
2012							
Equity as at January 1st, 2012 according to IFRS	**987**	**-**	**-**	**21,158**	**5,929**	**-**	**28,074**
Changes in accounting principles	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-
Equity after adjustments	987	-	-	21,158	5,929	-	28,074
Issue of shares	6,282	14,760	-	-	-	-	21,042
Net profit distribution	-	-	-	3,385	(3,385)	-	-
Total revenue						1,017	1,017
Dividend payout	-	-	-	-	(2,544)	-	(2,544)
Contributions to capital	-	-	-	85	-	-	85
Equity as at December 31st, 2012 according to IFRS	**7,269**	**14,760**	**-**	**24,628**	**-**	**1,017**	**47,674**
3 quarters of 2012							
Equity as at January 1st, 2012 according to IFRS	**987**	**-**	**-**	**21,158**	**5,929**	**-**	**28,074**
Changes in accounting principles	-	-	-	-	-	-	-
Adjustments due to fundamental errors	-	-	-	-	-	-	-
Equity after adjustments	987	-	-	21,158	5,929	-	28,074
Issue of shares	6,282	15,741	-	-	-	-	22,023
Net profit distribution	-	(1,022)	-	2,957	(3,385)		(1,022)
Dividend payout	-	-	-	-	(2,544)	-	(2,544)
Total revenue	-	-	-	-	-	(741)	(741)
Management option scheme cost	-	-	-	85	-	-	85
Equity as at September 30th, 2012 according to IFRS	**7,269**	**14,719**	**-**	**24,628**	**-**	**(741)**	**45,875**