

# **INFOVIDE-MATRIX**

**FOCUS ON CUSTOMER VALUE**

## **INFOVIDE-MATRIX**

**SPÓŁKA AKCYJNA**

### **ABRIDGED CONSOLIDATED FINANCIAL STATEMENTS OF THE INFOVIDE-MATRIX GROUP FOR THE 1ST QUARTER OF 2011**

**DRAWN IN ACCORDANCE WITH  
THE INTERNATIONAL FINANCIAL  
REPORTING STANDARDS**

**WARSAW, 12 MAY 2011**

## I. SELECTED FINANCIAL DATA

Item		in PLN '000		in EUR '000	
		3 months from 1 January to 31 March 2011	3 months from 1 January to 31 March 2010	3 months from 1 January to 31 March 2011	3 months from 1 January to 31 March 2010
I	Sales revenue	36 578	40 714	9 204	10 263
II	Profit on continuing operations		1 183	114	298
III	Profit after tax	517	885	130	223
IV	After-tax profit attributable to equity holders of parent	129	262	32	66
V	Net cash flow on operating activities	-8707	-8 989	-2 191	-2 266
VI	Net cash flow on investing activities	175	-348	44	-88
VII	Net cash flow on financing activities	-4 372	-914	-1 100	-230
VIII	Net cash flow	-12 904	-10 251	-3 247	-2 584
IX	Total assets	214 875	280 218*	53 559	70 757*
X	Liabilities and provisions	32 182	95 052*	8 022	24 001*
XI	Shareholders' equity	182 693	185 166*	45 538	46 756*
XII	Share capital	1 183	1 183*	295	299*
XIII	Number of shares outstanding	11 834 881	11 834 881	11 834 881	11 834 881

\*balance-sheet figures for comparable period, in accordance with §87.7(1): position as at the end of the previous financial year

In the financial statements, selected financial data are presented in the following manner:

- items from the statement of the financial position are converted into EURO at the average PLN/EUR exchange rate announced by the National Bank of Poland as of 31 March 2011 and 31 March 2010;
- items from the income and cash flow statements are converted into EURO at the arithmetic mean of the average exchange rates announced by the National Bank of Poland as of the last day of each month during the period covered by the statements .

During the period covered by the statements, the EURO exchange rates were as follows:

Period	Average rate for 3/12 months	Exchange rate as at last day of quarter/year
1 January 2011 – 31 March 2011	3,97	4,0119
1 January 2010 – 31 March 2010	3,9669	3,8622
1 January 2010 – 31 December 2010	4,0044	3,9603

## II. CONSOLIDATED INCOME STATEMENT OF THE INFOVIDE-MATRIX S.A. GROUP FOR THE PERIOD OF 3 MONTHS FROM 1 JANUARY 2011 TO 31 MARCH 2011

in thousands of PLN	3 months from 1 January to 31 March 2011	3 months from 1 January to 31 March 2010
<b>Continuing operations</b>		
<b>Sales revenue</b>	<b>36 578</b>	<b>40 714</b>
Sale of products and services	36 426	38 591
Sale of merchandise and materials	152	2 123
<b>Cost of sales</b>	<b>26 443</b>	<b>30 983</b>
Cost of producing products and services sold	26 327	28 953
Cost of merchandise and materials sold	116	2 030
<b>Gross profit (loss)</b>	<b>10 135</b>	<b>9 731</b>
Selling and marketing costs	4 777	3 649
General administrative costs	4 950	4 920
Other operating income	51	35
Other operating expenses	7	14
<b>Profit (loss) on continuing operations</b>	<b>452</b>	<b>1 183</b>
Finance income	166	48
Finance expenses	101	346
<b>Profit (loss) before tax</b>	<b>517</b>	<b>885</b>
Income tax (tax charge)	156	220
<b>Profit (loss) after tax</b>	<b>361</b>	<b>665</b>
<b>Profit (loss) determined by valuation using the equity method</b>	<b>-88</b>	<b>-185</b>
After-tax profit (loss) for the period attributable to:	273	480
<b>Equity holders of parent</b>	<b>129</b>	<b>262</b>
Minority interests	144	218
Earnings per share (EPS)		
Basic EPS	0.01	0.02
Diluted EPS	0.01	0.02

The weighted average number of ordinary shares, assumed as the weighted average number of shares outstanding during the period – from 1 January 2011 to 31 March 2011 – was 11 834 881.

Basic EPS has been calculated by dividing profit attributable to ordinary shareholders of the parent company (numerator) by the weighted average number of shares outstanding during the period (denominator). Diluted EPS has been calculated taking into account the contingent increase of H-series shares, at 360 000; this way, the numerator is expressed as profit attributable to ordinary shareholders of the parent company, and the denominator as the weighted average number of diluted ordinary shares: 12 194 881.

### III. CONSOLIDATED STATEMENT OF THE FINANCIAL POSITION OF THE INFOVIDE-MATRIX S.A. GROUP FOR THE PERIOD OF 3 MONTHS FROM 1 JANUARY 2011 TO 31 MARCH 2011

in thousands of PLN	as at 31 March 2011	as at 31 December 2010	as at 31 March 2010
<b>ASSETS</b>			
<b>Non-current assets [fixed assets]</b>	<b>151 405</b>	<b>152 383</b>	<b>151 801</b>
Property, plant and equipment [tangible fixed assets]	3 000	3 589	3 470
Goodwill	141 295	141 295	141 295
Intangible fixed assets	2 182	2 506	3 503
Investments in associates	804	893	972
Deferred tax assets	4 102	4 077	2 527
Other fixed assets	22	23	34
<b>Current assets</b>	<b>63 470</b>	<b>127 835</b>	<b>62 160</b>
Stock [inventories]	1 784	1 606	5 256
Trade debtors	21 847	79 117	22 174
Debtors based on estimation of long-term contracts	16 810	9 232	19 228
Debtors owed by the State Budget	560	961	1 449
Tradable financial assets	0	0	0
Other debtors	1 385	2 186	1 404
Prepayments for current assets	2 998	3 493	6 199
Other financial assets	300	550	0
Cash and cash equivalents	17 786	30 690	6 450
<b>TOTAL ASSETS</b>	<b>214 875</b>	<b>280 218</b>	<b>213 961</b>

in thousands of PLN	as at 31 March 2011	as at 31 December 2010	as at 31 March 2010
<b>EQUITY AND LIABILITIES</b>			
<b>Total equity</b>	<b>182 693</b>	<b>185 166</b>	<b>189 308</b>
- <i>attributable to parent</i>	181 795	182 338	186 622
- <i>attributable to minority interests</i>	898	2 828	2 686
Share capital [issued capital]	1 183	1 183	1 183
Share premium reserve	140 175	140 175	140 175
Retained earnings reserve	46 867	46 867	38 400
Capital reserve from increased no. of shares in subsidiary	-8 481	-9 282	-5 658
Currency translation reserve	-55	-54	-54
Profit/(loss) brought forward from previous periods	1 977	225	12 314
After-tax profit of current period	129	4 803	262
Write-down of net profit	0	-1 579	0
Equity attributable to minority interests	898	2 828	2 686
<b>Non-current liabilities [long-term liabilities]</b>	<b>1 395</b>	<b>1 432</b>	<b>665</b>
Provisions	313	313	282
Deferred tax provision	91	0	46
Bank loans and other borrowings, leasing	991	1 119	337
Deferred income	0	0	0
Other long-term liabilities	0	0	0
<b>Current liabilities</b>	<b>30 787</b>	<b>93 620</b>	<b>23 988</b>
Interest-bearing bank loans and other borrowings, leasing	528	538	1 930
Trade creditors	4 795	50 520	6 840
Creditors based on estimation of long-term contracts	5 453	11 172	3 407
Accruals/prepayments recognisable as liabilities	15 890	16 420	8 245
Income tax liabilities	55	3 579	30
Other liabilities owed to State Budget	2 837	8 676	3 001
Other liabilities	1 189	2 616	494
Provisions	16	16	13
Deferred income	24	83	28
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>214 875</b>	<b>280 218</b>	<b>213 961</b>

## IV. CONSOLIDATED CASH FLOW STATEMENT

### OF THE INFOVIDE-MATRIX S.A. GROUP FOR THE PERIOD OF 3 MONTHS FROM 1 JANUARY 2011 TO 31 MARCH 2011

in thousands of PLN	3 months from 1 January to 31 March 2011	3 months from 1 January to 31 March 2010
<b>Cash flows from operating activities</b>		
<b>Profit/(loss) after tax</b>	<b>129</b>	<b>262</b>
<b>Total adjustments</b>	<b>-8 835</b>	<b>-9 251</b>
Net (gain)/loss on interests in associates	88	185
Net (gain)/loss on minority interests	144	218
Depreciation	1055	785
Gain/(loss) on currency translation [exchange rate differences]	0	0
Interest and dividends	80	16
Gain/(loss) on investing activities	-38	-12
Change in provisions	0	0
Change in stock [inventories]	-178	-4 475
Change in debtors	52 066	40 932
Change in current liabilities, except borrowings	-58 495	-39 212
Change in prepayments/accruals/deferrals	-99	-4 623
Income tax on pre-tax profit	160	220
Income tax paid	-3 614	-3 295
Other adjustments	-4	10
<b>Net cash generated by/(used in) operating activities (I ± II)</b>	<b>-8 707</b>	<b>-8 989</b>
<b>Cash flows from investing activities</b>		
<b>Proceeds</b>	<b>329</b>	<b>45</b>
Disposal of fixed assets	81	45
Disposal of investments in real properties and in intangibles	0	0
From financial assets:	248	0
- in associates	263	0
disposal of financial assets	0	0
dividends received	0	0
repayment of loans granted	0	0
interest received	13	0
other proceeds from financial assets	250	0
- in other entities	-15	0
disposal of financial assets	0	0
dividends received	0	0
repayment of loans granted	0	0
interest received	-15	0
other proceeds from financial assets	0	0
Other proceeds from investments	0	0
<b>Payments</b>	<b>154</b>	<b>393</b>
Acquisition of fixed assets	154	393
Investments in real properties and in intangibles	0	0
For financial assets:	0	0
- in associates	0	0

payments to acquire financial assets	0	0
long-term loans granted	0	0
- in other entities	0	0
payments to acquire financial assets	0	0
long-term loans granted	0	0
Other investment payments	0	0
<b>Net cash generated by/(used in) investing activities (I-II)</b>	<b>175</b>	<b>-348</b>
<b>Cash flows from financing activities</b>	0	
<b>Proceeds</b>	<b>0</b>	<b>1 074</b>
Net proceeds from issues of shares and other equity instruments, and shareholders' supplementary contributions toward equity reserves	0	0
Proceeds from borrowings	0	1 074
Proceeds from issue of debt securities	0	0
Other financing proceeds	0	0
<b>Payments</b>	<b>4 372</b>	<b>2 618</b>
Buy-back of own shares	3 791	0
Dividends and other payments to equity holders	375	0
Profit-distribution costs other than payments to equity holders	0	0
Repayment of borrowings	0	2 517
Redemption of debt securities	0	0
Payment of other financial liabilities	0	0
Payment of liabilities under finance lease agreement	141	85
Interest paid	65	16
Other financing payments	0	0
<b>Net cash generated by/(used in) financing activities (I-II)</b>	<b>-4 372</b>	<b>-914</b>
<b>Total net cash flow (A.III ± B.III ± C.III)</b>	<b>-12 904</b>	<b>-10 251</b>
<b>Change in cash balance as recognised in the balance sheet:</b>	<b>-12 904</b>	<b>-10 251</b>
change in cash balance caused by exchange rate differences	0	
<b>Cash at start of period</b>	<b>30 690</b>	<b>16 701</b>
<b>Cash at end of period (F±D):</b>	<b>17 786</b>	<b>6 450</b>
cash of restricted use	38	33

## V. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY OF THE INFOVIDE-MATRIX S.A. GROUP FOR THE PERIOD OF 3 MONTHS FROM 1 JANUARY 2011 TO 31 MARCH 2011

in thousands of PLN

	Equity attributable to equity holders of parent										Minority interests	Total equity
	Share capital	Share premium reserve	Retained earnings reserve	Capital reserve from increased no. of shares in subsidiary	Currency translation reserve	Profit (loss) brought forward from previous years	After-tax profit of current period	Write-down of net profit	Total			
<b>at 1 January 2011</b>	<b>1 183</b>	<b>140 175</b>	<b>46 867</b>	<b>-9 282</b>	<b>-54</b>	<b>225</b>	<b>4 803</b>	<b>-1 579</b>	<b>182 338</b>	<b>2 828</b>	<b>185 166</b>	
Currency translation reserve	0	0	0		-1	0	0	0	-1	0	-1	
Profit distribution - dividend	0	0	0		0	0	0	0	0	-375	-375	
Cancellation of shares in subsidiary		0	0	801	0	-1 472	0	0	-671	-1 699	-2 370	
Profit /(loss) of previous year	0	0	0		0	4 803	-4 803	1 579	1 579	0	1 579	
Profit /(loss) of current year	0	0	0		0	0	129	0	129	144	273	
Write-down of net profit	0	0	0		0	-1 579	0	0	-1 579	0	-1 579	
<b>as at 31 March 2011</b>	<b>1 183</b>	<b>140 175</b>	<b>46 867</b>	<b>-8 481</b>	<b>-55</b>	<b>1 977</b>	<b>129</b>	<b>0</b>	<b>181 795</b>	<b>898</b>	<b>182 693</b>	

	Equity attributable to equity holders of parent										Minority interests	Total equity
	Share capital	Share premium reserve	Retained earnings reserve	Capital reserve from increased no. of shares in subsidiary	Currency translation reserve	Profit (loss) brought forward from previous years	After-tax profit of current period	Write-down of net profit	Total			
<b>as at 1 January 2010</b>	<b>1 183</b>	<b>140 175</b>	<b>38 400</b>	<b>-5 658</b>	<b>-54</b>	<b>455</b>	<b>12 894</b>	<b>-1 035</b>	<b>186 360</b>	<b>2 468</b>	<b>188 828</b>	
Profit /(loss) of previous year	0	0	0	0	0	12 894	-12 894	1 035	1 035	0	1 035	
Profit /(loss) of current year	0	0	0	0	0		262	0	262	218	480	
Write-down of net profit	0	0	0	0	0	-1 035	0	0	-1 035	0	-1 035	
<b>as at 31 March 2010</b>	<b>1 183</b>	<b>140 175</b>	<b>38 400</b>	<b>-5 658</b>	<b>-54</b>	<b>12 314</b>	<b>262</b>	<b>0</b>	<b>186 622</b>	<b>2 686</b>	<b>189 308</b>	

in thousands of PLN

	Equity attributable to equity holders of parent										Total equity
	Share capital	Share premium reserve	Retained earnings reserve	Capital reserve from increased no. of shares in subsidiary	Currency translation reserve	Profit (loss) brought forward from previous years	After-tax profit of current period	Write-down of net profit	Total	Minority interests	
<b>as at 1 January 2010</b>	<b>1 183</b>	<b>140 175</b>	<b>38 400</b>	<b>-5 658</b>	<b>-54</b>	<b>455</b>	<b>12 894</b>	<b>-1 035</b>	<b>186 360</b>	<b>2 468</b>	<b>188 828</b>
Profit distribution - reserves	0	0	8 467	0	0	-8 467	0	0	0	0	0
Profit distribution - dividend	0	0	0	0	0	-3 551	0	0	-3 551	-579	-4 130
Increased no. of shares in subsidiary	0	0	0	-3 624	0	-71	0	-1 579	-5 274	-602	-5 876
Profit /(loss) of previous year	0	0	0	0	0	12 894	-12 894	1 035	1 035	0	1 035
Profit /(loss) of current year	0	0	0	0	0		4 803	0	4 803	1 541	6 344
Write-down of net profit	0	0	0	0	0	-1 035	0	0	-1 035	0	-1 035
<b>as at 31 December 2010</b>	<b>1 183</b>	<b>140 175</b>	<b>46 867</b>	<b>-9 282</b>	<b>-54</b>	<b>225</b>	<b>4 803</b>	<b>1 579</b>	<b>182 338</b>	<b>2 828</b>	<b>185 166</b>