

TELL S.A.

**ABBREVIATED INTERIM
SEPARATE FINANCIAL STATEMENTS**

FOR THE PERIOD FROM 01 JANUARY 2014 TO 30 JUNE 2014

POZNAŃ, 25 AUGUST 2014

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

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STATEMENT OF FINANCIAL POSITION

ASSETS	30/06/2014	30/06/2013	31/12/2013
Fixed assets			
Goodwill	21,298	21,298	21,298
Intangible fixed assets	345	472	424
Tangible fixed assets	3,147	2,205	2,794
Investment properties			
Interests in related parties	25,636	25,636	25,636
Interests in associates			
Receivables	353	347	348
Financial derivatives			
Other long-term financial assets			
Long-term prepayments	65	170	129
Deferred income tax assets	465	366	537
Fixed assets	51,308	50,494	51,168
Current assets			
Inventories	6,316	6,073	7,562
Receivables from building services contracts			
Trade receivables and other receivables	23,080	20,493	25,655
Current tax assets			
Loans	6,982	9,987	6,582
Financial derivatives			
Other short-term financial assets			
Short-term prepayments	479	432	222
Cash and cash equivalents	1,417	203	226
Fixed assets classified as held for trading			
Current assets	38,275	37,189	40,248
Total assets	89,583	87,683	91,415

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STATEMENT OF FINANCIAL POSITION (CONT.'D)

EQUITY AND LIABILITIES	30/06/2014	30/06/2013	31/12/2013
Shareholder's equity			
<i>Equity - share of the company shareholders:</i>			
Share capital	1,022	1,136	1,022
Treasury shares (-)		-7,941	
- Share premium	24,862	24,863	24,862
Other Capitals	1,459	9,286	1,459
Retained profits:			
- retained profit (loss)	28,025	23,334	18,223
- net profit (loss) - share of company's shareholders	3,355	5,786	9,802
Equity - share of the company shareholders	58,725	56,465	55,369
Non-controlling shares			
Shareholder's equity	58,725	56,465	55,369
Liabilities			
Long-term liabilities			
Loans, credits, other debt instruments			
Financial lease			
Financial derivatives			
Other liabilities			
Deferred income tax liabilities	4,047	4,048	4,047
Employee benefits liabilities	40	40	40
Other long-term provisions			
Long-term prepayments			
Long-term liabilities	4,087	4,088	4,087
Short-term liabilities			
Trade liabilities and other liabilities	24,581	20,452	25,773
Current tax liabilities	299	559	1,570
Loans, credits, other debt instruments		4,545	1,653
Financial lease			
Financial derivatives			
Employee benefits liabilities	1,891	1,573	2,962
Other short-term provisions			
Short-term prepayments			
Liabilities related to fixed assets held for trading			
Short-term liabilities	26,772	27,130	31,959
Total provisions	30,859	31,218	36,045
Total equity and liabilities	89,583	87,683	91,415

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STATEMENT OF PROFIT OR LOSS

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Continued activities			
Sale revenues	45,425	41,366	85,690
Revenues from the sale of products			
Revenue from the sale of services	29,779	32,826	66,666
Revenue from the sale of goods and materials	15,646	8,540	19,024
Sale costs	25,434	20,926	42,673
Costs of products sold			
Costs of services sold	10,062	12,654	24,507
Cost of goods and materials sold	15,372	8,273	18,166
Gross profit (loss) on sales	19,991	20,440	43,016
Sale costs	14,077	13,138	26,353
Administration costs	2,795	3,015	5,883
Other operating income	24	126	135
Other operating expense	367	481	2,034
Profit (loss) on the sale of subsidiaries (+/-)			
Operating profit (loss)	2,776	3,933	8,881
Financial income	1,584	2,903	3,235
Financial costs	404	193	381
Share in the profit (loss) of companies measured using the equity method (+/-)			
Profit (loss) before taxation	3,957	6,642	11,735
Income Tax	601	856	1,933
Net profit (loss) on continued activities	3,355	5,786	9,802
Discontinued operations			
Net profit (loss) on discontinued operations			
Net profit (loss)	3,355	5,786	9,802
Net profit (loss) - share of:			
- company's shareholders	3,355	5,786	9,802
- non-controlling parties			

NET PROFIT (LOSS) PER ORDINARY SHARE (PLN)

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
<i>on continued operations</i>			
- basic	0.66	1.02	1.82
- diluted	0.66	1.02	1.82
<i>on continued and discontinued operations</i>			
- basic	0.66	1.02	1.82
- diluted	0.66	1.02	1.82

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STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Net profit (loss)	3,355	5,786	9,802
Other comprehensive income			
Items not carried as financial profit or loss			
Revaluation of tangible assets			
Income tax referred to items carried as financial profit or loss			
Items carried as financial profit or loss			
Available-for-sale financial assets:			
- profit (loss) recognised in the period as other comprehensive income			
- recognised as profit or loss			
Cash flow hedging instruments:			
- profit (loss) recognised in the period as other comprehensive income			
- recognised as profit or loss			
- amounts recognised in the initial value of the hedged items			
Exchange differences on the measurement of foreign operations			
Exchange differences recognised as profit or loss – sale of foreign operations			
Share in other comprehensive income of companies measured using the equity method			
Income tax referred to items carried as financial profit or loss			
Other comprehensive income after taxation			
Comprehensive income	3,355	5,786	9,802
Comprehensive income - share of:			
- shareholders of the Parent Company	3,355	5,786	9,802
- non-controlling parties			

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Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
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STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY

	Equity - share of the company shareholders						Non-controlling shares	TOTAL EQUITY
	Share capital	Treasury shares (-)	Share premium	Other capitals	Retained profits	Total		
As at 01/01/2014	1,022		24,863	1,459	28,025	55,369		55,369
Changes in accounting policies								
Adjustment of fundamental errors								
Balance after changes	1,022		24,863	1,459	28,025	55,369		55,369
Changes in equity in the period from 01/01 to 30/06/2014								
Purchase of shares								
Issue of shares in relation with the option exercise (share-based payment programme)								
Option measurement (share-based payment programme)								
Transactions with non-controlling parties								
Dividends								
Financial result recognised as equity								
Total transactions with shareholders								
Net profit for the period from 01/01 to 30/06/2014					3,355	3,355		3,355
Other comprehensive income after taxation in the period from 01/01 to 30/06/2014								
Total comprehensive income					3,355	3,355		3,355
Transfer to retained profits (sale of revalued fixed assets)								
As at 30/06/2014	1,022		24,863	1,459	31,380	58,725		58,725

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STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY (CONT.'D)

	Equity - share of the company shareholders						Non-controlling shares	TOTAL EQUITY
	Share capital	Treasury shares (-)	Share premium	Other capitals	Retained profits	Total		
As at 01/01/2013	1,136		24,863	9,286	23,334	58,619		58,619
Changes in accounting policies								
Adjustment of fundamental errors								
Balance after changes	1,136		24,863	9,286	23,334	58,619		58,619
Changes in equity in the period from 01/01 to 30/06/2013								
Purchase of shares		- 7,941				-7,941		-7,941
Issue of shares in relation with the option exercise (share-based payment programme)								
Option measurement (share-based payment programme)								
Transactions with non-controlling parties								
Dividends								
Financial result recognised as equity								
Total transactions with shareholders		-7,941				-7,941		-7,941
Net profit for the period from 01/01 to 30/06/2013					5,786			5,786
Other comprehensive income after taxation in the period from 01/01 to 30/06/2013								
Total comprehensive income					5,786	5,786		5,786
Transfer to retained profits (sale of revalued fixed assets)								
As at 30/06/2013	1,136	-7,941	24,863	9,286	29,120	56,465		56,465

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STATEMENT OF CHANGES IN THE SHAREHOLDERS' EQUITY (CONT.'D)

	Equity - share of the company shareholders					Non-controlling shares	TOTAL EQUITY
	Share capital	Treasury shares (-)	Share premium	Other capitals	Retained profits		
As at 01/01/2013	1,136		24,863	9,286	23,334		58,619
Changes in accounting policies							
Adjustment of fundamental errors							
Balance after changes	1,136		24,863	9,286	23,334		58,619
Changes in equity in the period from 01/01 to 31/12/2013							
Purchase of shares		-7,941				-7,941	-7,941
Redemption of shares	-113	7,941		-7,827		0	
Issue of shares in relation with the option exercise (share-based payment programme)							
Option measurement (share-based payment programme)							
Transactions with non-controlling parties							
Dividends					-5,111	-5,111	-5,111
Financial result recognised as equity							
Total transactions with shareholders	-113	0		-7,827	-5,111	-13,052	-13,052
Net profit for the period from 01/01 to 31/12/2013					9,802	9,802	9,802
Other comprehensive income after taxation in the period from 01/01 to 31/12/2013							
Total comprehensive income					9,802	9,802	9,802
Transfer to retained profits (sale of revalued fixed assets)							
As at 31/12/2013	1,022		24,863	1,459	28,025	55,369	55,369

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CASH FLOW STATEMENT

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Cash flow from operating activity			
Profit (loss) before taxation	3,957	6,642	11,735
Adjustments:			
Depreciation of tangible fixed assets	497	446	924
Amortisation of intangible fixed assets	79	88	174
Change in the fair value of investment properties			
Change in the fair value of financial assets (liabilities) measured at fair value through profit or loss			
Cash flow hedging instruments transferred from equity			
Impairment loss on financial assets			
Profit (loss) on the sale of non-financial fixed assets	-1	18	36
Profit (loss) on the sale of financial assets (other than derivatives)			
Exchange difference gains/losses			
Interest expense	96	193	381
Interest and dividend income	-1,584	-2,903	-3,235
Cost of share-based payments (incentive programmes)			
Share in the profit (loss) of associate companies			
Other adjustments			
Total adjustments	-913	-2,158	-1,721
Change in inventories	1,245	1,443	-46
Change in receivables	2,570	6,231	1,068
Change in liabilities	-1,835	-10,025	-4,000
Change in provisions and prepayments	-620	-617	319
Change in building contracts			
Changes in working capital	1,360	-2,968	-2,658
Inflows (outflows) from the settlement of derivatives			
Interest paid on operating activities			
Taxes paid	-1,800	-1,431	-1,669
Net cash flow from operating activity	2,604	86	5,686

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CASH FLOW STATEMENT (CONT.'D)

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Cash flow from investment activity			
Expenses to purchase fixed assets	-870	-389	-1,523
Inflows from the sale of fixed assets	22	52	63
Expenses to purchase investment properties			
Inflows from the sale of investment properties			
Net expenses to purchase related parties			
Net inflows from the sale of subsidiaries			
Received repayments of loans granted	4,150	5,180	12,130
Loans granted	-4,550	-7,680	-11,230
Expenses to purchase other financial assets			
Inflows from the sale of other financial assets			
Inflows from government subsidies received			
Interest income	307	389	726
Dividend income	1,278	2,509	2,509
Net cash flow from investing activity	336	61	2,674
Cash flow from financial activity			
Net inflows from the issue of shares			
Purchase of treasury shares		-7,941	-7,941
Transactions with non-controlling parties, with no loss of control			
Inflows from debt securities in issue			
Redemption of debt securities			
Inflows from loans and credits contracted		2,122	-770
Repayment of loans and advances	-1,653		
Repayment of financial lease liabilities			
Interest paid	-96	-193	-381
Dividends paid			-5,111
Net cash flow from financial activity	-1,749	-6,012	-14,203
Net change in cash and cash equivalents	1,191	-5,865	-5,842
Cash and cash equivalents at period beginning	226	6,068	6,068
Exchange differences			
Cash and cash equivalents at period end	1,417	203	226

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EXPLANATORY NOTES TO THE ABBREVIATED INTERIM SEPARATE FINANCIAL STATEMENTS

1. General information

Tell S.A. was established in consequence of a transformation of Tell Sp. z o.o. on the basis of a Resolution of the Extraordinary General Meeting of Shareholders No. 1 of 15 November 2004. The Company is entered into the register of companies of the National Court Register maintained by the District Court for Poznań-Nowe Miasto i Wilda in Poznań - VIII Commercial Division, under number KRS 0000222514. The Company received the following statistical number (REGON): 630822208.

The principal place of business of the Company is at ul. Forteczna 19a, in Poznań 61-362.

The basic objects of the business of the Company are as follows:

- Other telecommunications activities,
- Retail sale of telecommunications equipment,
- Retail sale of computers, peripheral equipment and software in specialised stores,
- Wholesale and retail sale of electronic and telecommunications equipment and parts,
- Wholesale of computers, peripheral equipment and software,
- Other retail sale not in stores, stalls or markets,
- Computer facilities management activities,
- Other business and management consultancy activities.

Related parties:

Name of subsidiary	Registered office	Percentage share of the Group in the share capital:		
		30/06/2014	30/06/2013	31/12/2013
Euro-Phone Sp. z o.o.	Piaseczno	100 %	100 %	100 %
PTI Sp. z o.o.	Poznań	100 %	100 %	100 %
Connex Sp. z o.o.	Poznań	100 %	100 %	100 %
Toys4BoysPL Sp. z o.o.	Gdańsk	30 %	30 %	30 %

2. Approval of the Financial Statements

These abbreviated interim separate financial statements were approved for publication by the Management Board on 25 August 2014.

3. Declaration of the Management Board of the Company

Pursuant to the regulation of the Minister of Finance of 19 February 2009 on ongoing and periodical information to be given by issuers of securities, the Management Board of the Company hereby states and declares that, to the best of its knowledge, these abbreviated interim separate financial statements and comparable data have been prepared in accordance with the accounting policies binding on the Company and they present the economic and financial situation of the Company as well as its financial result in a true, reliable and fair manner and that the interim report on the activities presents a true picture of the development, achievement and situation of the issuer, including a description of basic risks and threats.

The Management Board hereby declares that the entity authorised to audit the financial statements that audited the abbreviated interim separate financial statements has been appointed in accordance with the legal regulations and that this entity as well as the chartered auditors in charge of the audit, meet the requirements allowing them to issue an impartial and independent report on the audit as per the applicable domestic laws and professional standards.

In accordance with the corporate governance rules adopted by the Management Board, the chartered auditor was appointed by the Supervisory Board by virtue of the resolution of 28 April 2014 on the appointment of a chartered auditor. The Supervisory Board made the above appointment so as to guarantee full independence and objectivity of the appointment process as well as the performance of his duties by the chartered auditor.

4. Chartered auditors

Grant Thornton Frackowiak Sp. z o.o., Sp.k.
ul. Abpa A. Baraniaka 88E
61-131 Poznań

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5. Drawing up basis and accounting rules

5.1. Drawing up basis

The abbreviated interim separate financial statements of the Company cover the period of 6 months ended on 30/06/2014 and have been made in accordance with IAS 34 *Interim Financial Reporting*.

In order to ensure a more complete understanding of the economic and financial position of the Company, separate statement of financial position made as at 30/06/2013, separate statement of profit or loss, separate statement of comprehensive income, separate statement of changes in equity, separate cash flow statement for the year 2013 were additionally provided for comparable periods, even though there is no such requirement in IAS 34.

The abbreviated interim separate financial statements does not contain all the information that is disclosed in the annual separate financial statements prepared in accordance with IFRS. These abbreviated interim separate financial statements should be read together with the separate financial statements for the year 2013.

The reporting currency of these abbreviated interim separate financial statements is Polish zloty (PLN) and all the amounts are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated).

The abbreviated interim separate financial statements was prepared in accordance with the going concern principle. As at the date of the approval of these abbreviated separate financial statements for publication there are no circumstances which may pose a risk to the going concern assumption.

5.2. Accounting policies

In the first half of 2014 there were no changes to the accounting principles (rules) as regards the measurement of assets and equity & liabilities and the measurement of the financial result. These abbreviated interim financial statements have been prepared in accordance with the accounting principles (rules) applied in the last financial statements of the Company for the year ended on 31 December 2013.

No amendments to the published standards or interpretations that entered into force on or after 01 January 2014 have had any influence on these interim financial statements.

5.3. Estimation Uncertainty

When preparing these abbreviated interim separate financial statements, the Company's management Board uses its best judgement when making the estimates and assumptions that influence the accounting policies (rules) applied and the presented values of assets, liabilities, revenue and costs. The actually realised values may differ from the estimates made by the Management Board.

Information about the estimates and assumptions that are material for the separate financial statements have been presented in the separate financial statements for the year 2013.

6. Significant Events and Transactions

In the period covered by these abbreviated interim separate financial statements, there occurred no events that were not but should have been recognised in the accounting books of the reporting period. Additionally, these abbreviated separate financial statements do not comprise any significant events concerning the previous years.

7. Seasonality of business

The seasonal character of sales of mobile phone services is visible mainly in the growth of sale in the fourth quarter, particularly in December. Sometimes, this natural seasonal character is modified owing to marketing activities of operators, however in the reporting period the Company's Management Board did not note any significant diversions from standard pattern.

8. Earnings per share

The basic earnings per share is calculated in accordance with the formula: net profit attributable to the Company's shareholders divided by average weighted number of ordinary shares in the given period.

The calculation of earnings per share has been presented below:

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
<i>Number of shares inserted in the denominator of the formula</i>			

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	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Average weighted number of ordinary shares	5,110,847	5,678,030	5,396,769
Dilution effect of options convertible into shares			
Average weighted diluted number of ordinary shares	5,110,847	5,678,030	5,396,769
Continued activities			
Net profit (loss) on continued activities (PLN)	3,355,328.72	5,786,214.09	9,801,796.85
Basic profit (loss) per share (PLN)	0.66	1.02	1.82
Diluted profit (loss) per share (PLN)	0.66	1.02	1.82
Discontinued operations			
Net profit (loss) on discontinued operations			
Basic profit (loss) per share (PLN)			
Diluted profit (loss) per share (PLN)			
Continued and discontinued operations			
Net profit (loss)	3,355,328.72	5,786,214.09	9,801,796.85
Basic profit (loss) per share (PLN)	0.66	1.02	1.82
Diluted profit (loss) per share (PLN)	0.66	1.02	1.82

9. Operating segments

The Company does not identify operating segments, because it carries out uniform economic activities related to intermediation in the sale of mobile communications services. However, due to formal requirements of particular mobile phone operators, the Company conducts its business through separate subsidiaries.

The Company conducts its operating activities on a single geographic area, i.e. the territory of Poland. The Company's main supplier is Orange Polska S.A. with registered office in Warsaw. Approx. 94% of sales of Tell S.A. in the first half of 2014 was effected based on the contract with Orange Polska S.A..

Revenue from the sale of products and goods (in kPLN)	2014 First half	2013 First half	Change First half 2014/ First half 2013
Revenue from the sale of telecommunication services	27,734	30,262	91.65%
Sets and pre-paid refillments	4,204	5,602	75.04%
Postpaid contract phones	10,168	1,980	513.52%
Other revenue	3,319	3,522	94.25%
Total	45,425	41,366	109.81%

Service sale volume	2014 First half	2013 First half	Change First half 2014/ First half 2013
Postpaid activations	135,667	131,450	103.21%
Prepaid activations	32,460	34,609	93.79%
Total	168,127	166,059	101.25%

10. Goodwill

The table below presents changes in the goodwill in particular reporting periods:

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	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
Gross value	21,298	21,298	21,298
As at period beginning			
Business combinations			
Sale of subsidiaries (-)			
Net exchange differences on conversion			
Other adjustments			
Gross value at period end	21,298	21,298	21,298
Impairment charges			
As at period beginning			
Loss expensed as cost in the period			
Net exchange differences on conversion			
Other changes			
Impairment loss at period end			
Goodwill - carrying amount at period end	21,298	21,298	21,298

11. Intangible fixed assets

The table below presents the acquisitions and disposals as well as impairment charges concerning intangible assets:

	Software	Other intangible assets	Total
for the period from 01/01 to 30/06/2014			
Net carrying amount as at 01/01/2014	84	340	424
Acquisition by a business combination			
Increase (acquisition, production, lease)			
Decrease (disposal, liquidation) (-)			
Depreciation and amortisation (-)	-22	-57	-79
Impairment loss (-)			
Reversal of impairment charges			
Net exchange differences on conversion (+/-)			
Net carrying amount as at 30/06/2014	62	283	345
for the period from 01/01 to 30/06/2013			
Net carrying amount as at 01/01/2013	60	463	523
Acquisition by a business combination			
Increase (acquisition, production, lease)	36		36
Decrease (disposal, liquidation) (-)			
Depreciation and amortisation (-)	-30	-58	-88
Impairment loss (-)			
Reversal of impairment charges			
Net exchange differences on conversion (+/-)			
Net carrying amount as at 30/06/2013	66	405	472
for the period from 01/01 to 31/12/2013			
Net carrying amount as at 01/01/2013	60	463	523
Acquisition by a business combination			
Increase (acquisition, production, lease)	83		83
Sale of a subsidiary (-)		-8	-8

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

Decrease (disposal, liquidation) (-)			
Revaluation to fair value (+/-)			
Depreciation and amortisation (-)	-58	-115	-174
Impairment loss (-)			
Reversal of impairment charges			
Net exchange differences on conversion (+/-)			
Net carrying amount as at 31/12/2013	84	340	424

12. Tangible fixed assets

The table below presents the acquisitions and disposals as well as impairment charges concerning tangible fixed assets:

	Plants and machinery	Vehicles	Other fixed assets	In construction	Total
for the period from 01/01 to 30/06/2014					
Net carrying amount as at 01/01/2014	737	657	1,392	9	2,794
Acquisition by a business combination					
Increase (acquisition, production, lease)	244	414	198	10	866
Sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)	-5	-11			-16
Revaluation to fair value (+/-)					
Depreciation and amortisation (-)	-167	-122	-208		-497
Impairment loss (-)					
Reversal of impairment charges					
Net exchange differences on conversion (+/-)					
Net carrying amount as at 30/06/2014	810	936	1,382	19	3,147
for the period from 01/01 to 30/06/2013					
Net carrying amount as at 01/01/2013	385	828	1,130	25	2,368
Acquisition by a business combination					
Increase (acquisition, production, lease)	199	126	43	11	378
Sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)	-3	-31	-37	-25	-95
Revaluation to fair value (+/-)					
Depreciation and amortisation (-)	-104	-136	-206		-446
Impairment loss (-)					
Reversal of impairment charges					
Net exchange differences on conversion (+/-)					
Net carrying amount as at 30/06/2013	476	787	930	11	2,205
for the period from 01/01 to 31/12/2013					
Net carrying amount as at 01/01/2013	385	828	1,130	25	2,368
Acquisition by a business combination					
Increase (acquisition, production, lease)	630	134	693	602	2,059
Sale of a subsidiary (-)					
Decrease (disposal, liquidation) (-)	-5	-33	-53		-91
Other changes (reclassification)				-619	-619
Revaluation to fair value (+/-)					
Depreciation and amortisation (-)	-273	-272	-379		-924
Impairment loss (-)					
Reversal of impairment charges					

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

Net exchange differences on conversion (+/-)					
Net carrying amount as at 31/12/2013	737	657	1,392	9	2,794

13. Fair value of financial instruments

Changes in the fair value of financial assets and liabilities

The comparison of the carrying amount of the financial assets and liabilities with the fair value of the same is as follows (this comparison comprises all the financial assets and liabilities, irrespective of the fact whether they are carried in the separate financial statements at amortised cost or at fair value):

Class of financial instrument	30/06/2014		30/06/2013		31/12/2013	
	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
Assets:						
Loans	6,982	6,982	9,987	9,987	6,582	6,582
Trade receivables and other	23,433	23,433	20,493	20,493	26,003	26,003
Financial derivatives						
Debt securities						
Listed shares						
Non-listed shares and participations*						
Investment fund units						
Remaining classes of other financial assets						
Cash and cash equivalents	1,417	1,417	203	203	226	226
Liabilities:						
Loan facilities			1,711	1,711	713	713
Overdraft facilities			2,834	2,834	941	941
Loans						
Debt securities						
Financial lease						
Financial derivatives						
Trade liabilities and other	22,439	22,439	19,275	19,275	24,211	24,211

*This item does not comprise shares and participations carried at cost because there is no reliable method to determine their fair value

The method of determination of fair value of financial instruments was presented in the latest annual separate financial statements of the Company.

Reclassification of financial assets

The Group did not make any reclassification of financial assets which would lead to a change in the measurement of these assets carried at fair value, at cost or at amortised cost.

14. Impairment charges

Impairment of inventories:

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
As at period beginning	820	502	502
Loss expensed as cost in the period		109	318
Reversal of impairments in the period (-)			
Other changes (net exchange differences on conversion)			
At period end	820	601	820

Impairment of receivables and loans:

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
As at period beginning	3,907	3,366	3,366
Loss expensed as cost in the period	264	153	541
Reversal of impairments carried as revenue in the period (-)			
Provisions used (-)			
Other changes (net exchange differences on conversion)			
At period end	4,171	3,518	3,907

15. Share capital

Detailed information on the issue of the Company's shares is given in the tables below.

Share capital as at the balance sheet day:

	30/06/2014	30/06/2013	31/12/2013
Number of shares	5,110,847	5,678,030	5,110,847
Par value of shares (PLN)	0.20	0.20	0.20
Share capital	1,022,169.40	1,135,606.00	1,022,169.40

16. Purchase of shares

The Company did not purchase its shares.

17. Dividend

By the date of this statements, the Company had not paid the dividend for 2013. The General Meeting of Shareholders held on 03 June 2014 adopted Resolution No. 14/2014 concerning the distribution of profit – stating that the resolution concerning the distribution of profit for 2013 would be taken not later than 31 October 2014.

In periods presented as comparable periods, the recognized profit for 2013 was PLN 9.801.796,85.

18. Provisions

The value of provisions recognised in the abbreviated separate financial statements and changes thereto in particular periods have been as follows:

	Provisions for long-term employee benefits	Other provisions, including provisions for:				
		Accrued holidays	Costs of remuneration	Other expenses	Other benefits	total
for the period from 01/01 to 30/06/2014						
As at period beginning	40	679	660			1,379
Provision increase carried as expense in the period						

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

Write-back of provisions recognised as the revenue in the period (-)			-428			-428
Utilisation of provisions (-)						
Increase by business combinations						
Other changes (net exchange differences after conversion)						
Provisions as at 30/06/2014	40	679	232			952
for the period from 01/01 to 30/06/2013						
As at period beginning	40	529	690	16		1,275
Provision increase carried as expense in the period			150			150
Write-back of provisions recognised as the revenue in the period (-)						
Utilisation of provisions (-)			-690	-16		-706
Increase by business combinations						
Other changes (net exchange differences after conversion)						
Provisions as at 30/06/2013	40	529	150	0		720
for the period from 01/01 to 31/12/2013						
As at period beginning	40	529	690	16		1,275
Provision increase carried as expense in the period		150	660			810
Write-back of provisions recognised as the revenue in the period (-)						
Utilisation of provisions (-)			-690	-16		-706
Increase by business combinations						
Other changes (net exchange differences after conversion)						
Provisions as at 31/12/2013	40	679	660			1,379

19. Contingent Liabilities

The value of contingent liabilities as at the end of particular periods (including provisions concerning related parties) is as follows:

	30/06/2014	30/06/2013	31/12/2013
To related parties:			
Liability payment guarantee			
Guarantees originated			
Guarantees originated in relation with the building services contracts			
Disputed cases and cases in court			
Other Contingent Liabilities			
Related parties	-	-	-
To associated parties:			
Liability payment guarantee			
Guarantees originated			
Guarantees originated in relation with the building services contracts			
Disputed cases and cases in court			
Other Contingent Liabilities			

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

Total associates	-	-	-
To other parties:			
Liability payment guarantee	28,185	24,225	30,105
Guarantees originated			
Guarantees originated in relation with the building services contracts			
Disputed cases and cases in court			
Disputed cases and cases in court related to the IRS			
Other Contingent Liabilities			
Total other parties	28,185	24,225	30,105
Total contingent liabilities	28,185	24,225	30,105

20. Litigations in Court

The Company is a party to legal proceedings in courts of law, however none of such proceedings concerns liabilities or receivables whose value constitutes at least 10 % of the equity of the Company. Similarly, the total value of, respectively, liabilities and receivables litigated in court does not constitute at least 10 % of the equity of the Company.

There are no proceedings with the participation of the Company before any arbitration court.

21. Transactions with related parties

Below are presented transactions with related parties recognised in the abbreviated separate financial statements of the Company:

	Interest income			Revenue from operating activities			Receivables		
	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013	30/06/2014	30/06/2013	31/12/2013
Sales to:									
The parent company									
A subsidiary	306	361	693	255	338	625	0	30	0
An associate									
A joint venture									
Key management personnel									
Other related parties									
Total	306	361	693	255	338	625	0	30	0

	30/06/2014		30/06/2013		31/12/2013	
	Originated in the period	Accumulated balance	Originated in the period	Accumulated balance	Originated in the period	Accumulated balance
Loans granted:						
to the parent company						
to a subsidiary		4,550		6,982		6,582
to an associate						
to a joint venture						
to a person from the key management						
to other related parties						

Name of company:	TELL S.A.					
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:		Polish zloty (PLN)		
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated					
Total	4,550	6,982	7,680	9,987	11,230	6,582

22. Events after the Balance Sheet Date

After 30/06/2014, there have been no events which would require recognition in the abbreviated separate financial statements for the first 6 months of 2014:

23. Other significant changes in assets, liabilities, revenue and costs

In the reporting period, there were no significant changes in assets, liabilities, revenue and costs.

24. Other information required by law (selected financial data converted into EUR)

In the periods covered by these abbreviated separate financial statements, the following average exchange rates of PLN and EUR published by the National Bank of Poland were used:

- the exchange rate in force on the last day of the reporting period: 30/06/2014 4.1609 PLN/EUR, 30/06/2013 4.3292 PLN/EUR, 31/12/2013 4.1472 PLN/EUR,
- the average exchange rate in the period, calculated as an arithmetical average of exchange rates in force on the last day of each month in the given period: 01/01 - 30/06/2014 4.1784 PLN/EUR, 01/01 - 30/06/2013 4.2140 PLN/EUR, 01/01 - 31/12/2013 4.2110 PLN/EUR,
- the highest and the lowest exchange rate in force in each period: 01/01 - 30/06/2014 4.2368 and 4.1420 PLN/EUR, 01/01 - 30/06/2013 4.3292 and 4.1429 PLN/EUR, 01/01 - 31/12/2013 4.3292 and 4.41429 PLN/EUR.

Basic items of the balance sheet, income statement and the cash flow statement as converted into EUR are presented in the table below:

	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013	from 01/01 to 30/06/2014	from 01/01 to 30/06/2013	from 01/01 to 31/12/2013
	in k PLN			in k EUR		
Income statement						
Sale revenues	45,425	41,366	85,690	10,871	9,817	20,349
Profit (loss) from operating activity	2,776	3,933	8,881	664	933	2,109
Profit (loss) before taxation	3,957	6,642	11,735	947	1,576	2,787
Net profit (loss)	3,355	5,786	9,802	803	1,373	2,328
Net profit (loss) - share of the shareholders of the parent company	3,355	5,786	9,802	803	1,373	2,328
Earnings per share (PLN; EUR)	0.66	1.02	1.82	0.16	0.24	0.43
Diluted earnings per share (PLN; EUR)	0.66	1.02	1.82	0.16	0.24	0.43
Average exchange rate PLN / EUR in the period	X	X	X	4.1784	4.2140	4.2110
Cash Flow Statement						
Net cash flow from operating activity	2,604	86	5,686	623	20	1,350
Net cash flow from investment activity	336	61	2,674	80	14	635
Net cash flow from financial activity	-1,749	-6,012	-14,203	-419	-1,427	-3,373
Change in cash and cash equivalents	1,191	-5,865	-5,842	285	-1,392	-1,387
Average exchange rate PLN / EUR in the period	X	X	X	4.1784	4.2140	4.2110
	30/06/2014	30/06/2013	31/12/2013	30/06/2014	30/06/2013	31/12/2013

Name of company:	TELL S.A.		
Period covered by the financial statements:	01/01/2014 – 30/06/2014	Reporting currency:	Polish zloty (PLN)
Rounding up/down level:	all values are expressed in thousands of Polish zlotys (kPLN), unless otherwise indicated		

	in k PLN			in k EUR		
Balance sheet						
Assets	89,583	87,683	91,415	21,530	20,254	22,043
Long-term liabilities	4,087	4,088	4,087	982	944	985
Short-term liabilities	26,772	27,130	31,959	6,434	6,267	7,706
Shareholder's equity	58,725	56,465	55,369	14,113	13,043	13,351
Total equity -share of the parent company shareholders	58,725	56,465	55,369	14,113	13,043	13,351
PLN / EUR exchange rate at period end	X	X	X	4.1609	4.3292	4.1472

25. Approval for publication

The abbreviated interim separate financial statements made for the period of 6 months ended on 30/06/2014 (including comparable data) have been approved for publication by the Company's Management Board on 25 August 2014.

Signatures of all Management Board Members

Date	Name and surname	Position	Signature
25 August 2014	Rafał Stempniewicz	President of the Management Board	
25 August 2014	Stanisław Górski	Member of the Management Board	
25 August 2014	Robert Krasowski	Member of the Management Board	

Signature of the person responsible for the preparation of the abbreviated interim separate financial statements

Date	Name and surname	Position	Signature
25 August 2014	Jolanta Stachowiak	Chief Accountant	