

Ladies and Gentlemen,

It is my pleasure to present to you on behalf of the Management Board of Tell S.A. the 2010 consolidated financial statements of Tell S.A. including an opinion of a chartered auditor.

The financial year 2010 was closed by the Tell SA Group with consolidated revenue from sale at the level of kPLN 307,371 and earned a net profit of kPLN 7,117. Both the revenue and the profit were higher than in the previous year. The changes result from the fact that in 2010 the Group focused on the development and consolidation of Companies cooperating with operators other than Orange. In result of these activities, we had a total of 440 sale outlets for three different operators and a total of 198 representatives servicing business clients. The first effects of this intensive development, as well as the diversification of revenues as pre-announced, are reflected in the last year's results of the Group. We have generated the best EBIT result in our history, amounting to over kPLN 12,336.

The average number of Orange sale outlets decreased by 6%, and numbered 233. Year 2010 was more difficult for the Company running Orange outlets, and its result was worse than in 2009. The countermeasures adopted, i.e. the shut-downs of several worst sale outlets and cost optimisation, will allow the Company, in our opinion, to achieve better results in 2011.

As at the end of the year, Euro-Phone Sp. z o.o. ran 108 Era outlets and had 103 business client consultants. Year 2010 was the year when the Company achieved its assumed results and largely contributed to the excellent results of the Tell Group.

PTI Sp. z o.o. closed 2010 with 98 PLUS outlets and 23 consultants. The year saw the Company's expansion by the purchase of 41 PLUS outlets. This transaction allowed it to achieve an optimal network size assumed in the Group's plan.

For 2011 we plan further development by investments in new entities that will result in an even higher diversification of the sources of income. In March 2011, we signed the first investment agreement. We will also continue further search for mobile phone service entities that could enter our networks.

Year 2010 was a year when the Company applied the corporate governance standards. We want that also in the years to come our Company was transparent for investors, well managed and still dynamically developing.

More information about the activities and results of the Tell SA Group in 2010 can be found in the report attached.

Yours sincerely,

Rafał Stempniewicz
President of the Management Board of Tell SA