



## **QUARTERLY REPORT FOR I QUARTER OF 2010**

Covering the period: from 2010-01-01 to 2010-03-31

**QUMAK-SEKOM SA**

94 Jerozolimskie Street  
00-807 Warsaw

NIP: 524-01-07-036  
REGON: 012877260

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A. FINANCIAL STATEMENT OF QUMAK-SEKOM SA  
PREPARED AT THE DATE OF MARCH 31, 2010.

**I. Selected financial data**

SELECTED FINANCIAL DATA OF QUMAK-SEKOM SA	In PLN thousands		In EUR thousands	
	from 2010-01-01 to 2010-03-31	from 2009-01-01 to 2009-03-31	from 2010-01-01 to 2010-03-31	from 2009-01-01 to 2009-03-31
I. Net revenue from sales of products, materials	47 500	36 913	11 974	8 026
II. Profit (loss) from operation activities	150	2 038	38	443
III. Gross profit (loss)	788	2 345	199	510
IV. Net profit (loss)	574	1 861	145	405
V. Net cash flow in operating activities	-5 507	2 934	-1 388	638
VI. Net cash flow in investing activities	-10 465	134	-2 638	29
VII. Net cash flow in financial activities	0	-41	0	-9
VIII. Total net cash flow	-15 972	3 027	-4 026	658
IX. Total assets	115 932	104 386	30 017	22 204
X. Liabilities and provisions for liabilities	36 938	34 785	9 564	7 399
XI. Long-term liabilities	2 458	1 006	636	214
XII. Short-term liabilities	29 158	29 375	7 550	6 248
XIII. Equity	78 994	69 601	20 453	14 805
XIV. Initial capital	10 375	10 375	2 686	2 207
XV. Number of shares (in units.)	10 375	10 375	10 375	10 375
XVI. Profit (loss) per share (in PLN / EUR)	1,26	1,30	0,32	0,28
XVII. Diluted <i>profit (loss)</i> per one common share (in PLN / EUR)	1,26	1,30	0,32	0,28
XVIII. Book value per one share (in PLN / EUR)	7,61	6,71	1,97	1,43
XIX. Diluted book value per one share (in PLN / EUR)	7,61	6,71	1,97	1,43
XX. Declared or cashed dividend per share (in PLN / EUR)	0,00	0,00	0,00	0,00

## Principles of calculation of financial statements

Particular items of assets and liabilities in the balance sheet were converted according to the exchange rates applicable on the last day of the period:

Table A of average exchange rates no 63 /A/NBP/2008 of 31-03-2009 EUR exchange rate 1 EUR = 4,7013

Table A of average exchange rates no 63 /A/NBP/2008 of 31-03-2010 EUR exchange rate 1 EUR = 3,8622

Specific items of profit and loss accounts and statements on cash flow were converted according to exchange rates representing an arithmetic mean of average rates published by Polish National Bank for the EURO, applicable on the last day of each month in particular reporting period:

Arithmetic average of average exchange rates in NBP at the end of each month in period 01.01 - 31.03.2009 - 4,5994

Arithmetic average of average exchange rates in NBP at the end of each month in period 01.01 - 31.03.2010 - 3,9669

## II. Balance

	In PLN thousands		
	As for 2010-03-31	As for 2009-12-31	As for 2009-03-31
<b>ASSETS</b>			
<b>I. Fixed assets</b>	<b>12 533</b>	<b>12 962</b>	<b>12 776</b>
1. Intangible and legal assets, including:	127	56	61
2. Goodwill	0	0	0
3. Subject fixed assets	6 150	6 119	6 739
4. Long-term liabilities:	5 187	5 422	5 024
a) from associated entities	0	0	0
b) from other entities	5 187	5 422	5 024
5. Long-term investments	0	0	0
5.1) real estate	0	0	0
5.2) intangible assets	0	0	0
5.3) long-term financial assets	0	0	0
a) in associated entities, including	0	0	0
- shares in subordinated entities measured by equity ownership method	0	0	0
b) in other entities	0	0	0
6. Other long-term investments	0	0	0
7. Long-term prepayments	1 069	1 365	952
a) assets from deferred income tax	1 069	1 365	952
b) Other long-term prepayments	0	0	0
<b>II. Working assets</b>	<b>103 399</b>	<b>132 872</b>	<b>91 610</b>
1. Reserves	12 714	4 936	18 210
2. Short-term liabilities	64 879	96 951	40 567
a) from associated entities	0	0	0
b) from other entities	64 879	96 951	40 567
<b>III. Short-term investments</b>	<b>24 695</b>	<b>30 110</b>	<b>31 898</b>
1. Short-term financial assets	24 695	30 110	31 898
a) in associated entities	0	0	0
b) in other entities	18 488	7 931	256
c) cash means and other cash assets	6 207	22 179	31 642
d) other short-term investments	0	0	0
<b>IV. Short-term prepayments</b>	<b>1 111</b>	<b>875</b>	<b>935</b>
<b>Assets in total</b>	<b>115 932</b>	<b>145 834</b>	<b>104 386</b>
<b>LIABILITIES</b>			

<b>I. Equity</b>	<b>78 994</b>	<b>78 420</b>	<b>69 601</b>
1. Share capital	10 375	10 375	10 375
2. Unpaid rates on share capital (negative value)	0	0	0
3. Own shares (negative value)	0	0	0
4. Reserve capital	48 029	48 029	43 243
5. Capital from revaluation	0	0	0
6. Other reserve capitals	5 706	5 706	0
7. Profit (loss) from previous years	14 310	0	14 122
9. Net profit (loss)	574	14 310	1 861
10. Net profit write-offs during the financial year (negative value)	0	0	0
<b>II. Liabilities and reserves for liabilities</b>	<b>36 938</b>	<b>67 414</b>	<b>34 785</b>
1. Reserves for liabilities	534	616	370
a) reserve from deferred income tax	427	509	256
b) reserve for pensions and similar	107	107	114
- long-term	107	107	114
- short-term	0	0	0
c) other reserves	0	0	0
- long-term	0	0	0
- short-term	0	0	0
d) long-term liabilities	2 458	2 641	1 006
- to associated entities	0	0	0
- to other entities	2 458	2 641	1 006
e) short-term liabilities	29 158	57 871	29 375
- to associated entities	0	0	0
- to other entities	28 692	57 751	29 019
f) special funds	466	120	356
2. Prepayments	4 788	6 286	4 034
a) negative value of the company	0	0	0
b) other prepayments	4 788	6 286	4 034
- long-term	0	0	0
- short-term	4 788	6 286	4 034
<b>Liabilities in total</b>	<b>115 932</b>	<b>145 834</b>	<b>104 386</b>
Book value	78 994	78 420	69 601
Number of shares (in items)	10 375	10 375	10 375
Book value per share (in zlotys)	7,61	7,56	6,71
Diluted number of shares (in items)	10 375	10 375	10 375
Diluted book value per share (in zlotys)	7,61	7,56	6,71

### III. Off-balance sheet entries

	In thousand zlotys		
	As for 2010-03-31	As for 2009-12-31	As for 2009-03-31
<b>Conditional liabilities</b>	0	0	0
From associated entities (for) guarantees and warranties received	0	0	0
From other entities (for) guarantees and warranties received	0	0	0
<b>Conditional liabilities</b>	0	0	0
For associated entities (for) guarantees and warranties given	0	0	0
For other entities (for) guarantees and warranties given	0	0	0

Other (for)	0	0	0
<b>Off-balance sheet entries, in total</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### IV. Profit and Loss account

	In thousand zlotys	
	Period from 2010-01-01 to 2010-03-31	Period from 2009-01-01 to 2009-03-31
<b>I. Net revenue from sales of products, goods and materials including:</b>	<b>47 500</b>	<b>36 913</b>
- from associated entities	0	0
1. Net revenue from sales of products	42 060	28 698
2. Net revenue from sales of goods and materials	5 440	8 215
<b>II. Cost of sold products, goods and materials including:</b>	<b>38 994</b>	<b>27 192</b>
- to associated entities	0	0
1. Cost of production of sold products	34 400	20 801
2. Value of sold products and materials	4 594	6 391
<b>III. Gross profit (loss) from sales</b>	<b>8 506</b>	<b>9 721</b>
IV. Cost of sales	7 027	6 511
V. Costs of general administration	2 846	2 755
<b>VI. Profit (loss) from sales</b>	<b>-1 367</b>	<b>455</b>
<b>VII. Other operational revenues</b>	<b>1 576</b>	<b>1 717</b>
1. Profit on disposal of non- financial fixed assets	4	0
2. Grants	0	0
3. Other operational revenues	1 572	1 717
<b>VIII. Other operational costs</b>	<b>59</b>	<b>134</b>
1. Loss on disposal of non-financial fixed assets	0	25
2. Revaluation of values of non-financial assets	0	0
3. Other operational costs	59	109
<b>IX. Profit (loss) from operational activities</b>	<b>150</b>	<b>2 038</b>
<b>X. Financial revenues</b>	<b>639</b>	<b>351</b>
1. Dividends and shares in profits, including:	0	0
- from associated entities	0	0
2. Interest, including:	119	311
- from associated entities	0	0
3. Profit from sale of investment	0	0
4. Revaluation of value of investment	0	0
5. Other	520	40
<b>XI. Financial costs</b>	<b>1</b>	<b>44</b>
1. Interest, including:	1	3
-for associated entities	0	0
2. Loss from sale of investment	0	0
3. Revaluation of value of investment	0	0
4. Other	0	41
<b>XII. Profit (loss) from business activity</b>	<b>788</b>	<b>2 345</b>
<b>XIII. Result of extraordinary events</b>	<b>0</b>	<b>0</b>
1. Extraordinary profits	0	0
2. Extraordinary losses	0	0
<b>XIV. Gross profit (loss)</b>	<b>788</b>	<b>2 345</b>
<b>XV. Income tax</b>	<b>214</b>	<b>484</b>
1. current part	0	158
2. deferred part	214	326
<b>XVI. Other compulsory reductions in profit (loss increase)</b>	<b>0</b>	<b>0</b>
<b>XVII. Share in net profit (loss) of subordinated entities measured by ownership method</b>	<b>0</b>	<b>0</b>
<b>XVIII. Net profit (loss)</b>	<b>574</b>	<b>1 861</b>

Net profit (loss) (annualized)	13 023	13 460
Weighted average number of shares (in units)	10 375	10 375
Profit (loss) per one share (in zlotys)	1,26	1,30
Weighted average diluted number of shares (in units)	10 375	10 375
Diluted profit (loss) per one share (in zlotys)	1,26	1,30

## V. Statement of changes in equity

	In thousand zlotys		
	Period from 2010-01-01 to 2010-03-31	Period from 2009-01-01 to 2009-12-31	Period from 2009-01-01 to 2009-03-31
<b>I. Equity at beginning of period (BO)</b>	<b>78 420</b>	<b>67 740</b>	<b>67 740</b>
- changes in adopted accounting rules (policy)	0	0	0
- correction of fundamental errors	0	0	0
<b>I.a. Equity at the beginning of the period (BO) reconciled with comparative data</b>	<b>78 420</b>	<b>67 740</b>	<b>67 740</b>
1. Share capital at the beginning of the period	10 375	10 375	10 375
1.1. Changes in share capital	0	0	0
a) increases (due to)	0	0	0
- stocks (shares) issue	0	0	0
b) ) decreases (due to)	0	0	0
- redemption of stocks (shares)	0	0	0
1.2. Share capital at the end of the period	10 375	10 375	10 375
2. Liability rates for share capital at beginning of period	0	0	0
2.1. Changes in unpaid rates for share capital	0	0	0
a) increases (due to)	0	0	0
b) decreases (due to)	0	0	0
2.2. Payments due for share capital at end of period	0	0	0
3. Own shares at the beginning of period	0	0	0
3.1. Changes in own shares	0	0	0
a) increases (due to)	0	0	0
b) decreases (due to)	0	0	0
3.2. Own shares at the end of period	0	0	0
4. Reserve capital at the beginning of period	48 029	43 243	43 243
4.1 Changes in reserve capital	0	4 786	0
a) increases (due to)	0	4 786	0
- issue of shares above the nominal value	0	0	0
- from distribution of profit (statutory)	0	4 786	0
- profit distribution (above the statutory minimum value)	0	0	0
b) decreases (due to)	0	0	0
- loss coverage	0	0	0
- share issue costs	0	0	0
4.2 Reserve capital at the end of period	48 029	48 029	43 243
5. Revaluation of capital measure at the beginning of period	0	0	0
- changes of adopted accounting rules (policy)	0	0	0
5.1. Changes in capital due to revaluation of value measurement	0	0	0
a) increases (due to)	0	0	0



b) decreases (due to)	0	0	0
- sale of fixed assets	0	0	0
5.2.Capital from revaluation of value measurement at the end of period	0	0	0
6. Other reserve capitals for the beginning of period	5 706	0	0
6.1. Changes in other reserve capitals	0	5 706	0
a) increases (due to)	0	5 706	0
- profit distribution	0	5 706	0
b) decreases (due to)	0	0	0
6.2. Other reserve capitals for the end of period	5 706	5 706	0
7. Profit (loss) from previous years for the beginning of period	14 310	14 122	0
7.1. Profit from previous years for the beginning of period	14 310	14 122	0
- changes of adopted accounting rules (policy)	0	0	0
- correction of fundamental errors	0	0	0
7.2. Profit from previous years for the beginning of period after reconciliation with comparable data	14 310	14 122	0
a) increases (due to)	0	0	14 122
- distribution of profit from previous years	0	0	14 122
b) decreases (due to)	0	14 122	0
- coverage of loss from previous years	0	0	0
- dividend payment	0	3 631	0
- increase of reserve capital	0	4 785	0
- increase of other reserve capital	0	5 706	0
7.3. Profit from previous years at the end of period	14 310	0	14 122
7.4. Loss from previous years at the beginning of period	0	0	0
- changes of adopted accounting rules (policy)	0	0	0
- correction of fundamental errors	0	0	0
7.5. Loss from previous years at the beginning of period, after reconciliation with comparable data	0	0	0
a) increases (due to)	0	0	0
- transfer of losses from previous years to cover	0	0	0
b) decreases (due to)	0	0	0
- coverage with profit from previous years	0	0	0
7.6. Loss from previous years at the end of period	0	0	0
7.7. Profit (loss) from previous years at the end of period	0	0	0
8. Net figure	574	14 310	1 861
a) net profit	574	14 310	1 861
b) net loss	0	0	0
c) net profit write-offs	0	0	0
<b>II. Own capital at the end of period (BZ)</b>	<b>78 994</b>	<b>78 420</b>	<b>69 601</b>
<b>III. Share capital, after considering proposed profit distribution (loss coverage)</b>	<b>78 994</b>	<b>78 420</b>	<b>69 601</b>

## VI. Cash Flow Statement

	In thousand zlotys	
	Period from 2010-03-31	Period from 2009-01-01 to 2009-03-31
<b>A. Cash flows from operating activities</b>		
<b>I. Net profit (loss)</b>	574	1 861
<b>II. Corrections in total</b>	-6 081	1 073
1. Share in net profit (loss) of subordinated	0	0

entities measured by ownership method		
2. Depreciation	587	589
3. (Profits) losses due to differences in exchange rate	0	81
4. Interest and share in profits (dividends)	-119	-429
5. (Profits) losses due to investment activity	-561	15
6. Change in reserves	-82	-58
7. Change in stock	-7 778	-14 755
8. Change in liabilities	32 308	56 863
9. Change in short-term liabilities, excluding borrowings and credits	-28 997	-39 718
10. Change in prepayments	-1 439	-1 515
11. Other corrections	0	0
<b>III. Net cash flows from operational activity (I+/-II)</b>	<b>-5 507</b>	<b>2 934</b>
<b>B. Cash flows in investment activity</b>		
<b>I. Cash inflows</b>	141	433
1. Disposal of intangible and tangible fixed assets	22	122
2. Disposal of investments in real estate and intangible and legal assets	0	0
3. From financial assets, including:	119	311
a) in associated entities	0	0
- disposal of financial assets	0	0
- dividends and share in profits	0	0
- repayment of long-term loans	0	0
- interest	0	0
- other cash inflows from financial assets	0	0
b) in other entities	119	311
- disposal of financial assets	0	0
- dividends and share in profits	0	0
- repayment of long-term loans	0	0
- interest	119	0
- other cash inflows from financial assets	0	311
- other cash inflows from financial assets	0	0
<b>II. Expenses</b>	<b>10 606</b>	<b>299</b>
1. Purchase of intangible and tangible fixed assets	606	299
2. Investments in real estate and intangible and legal assets	0	0
3. For financial assets, including:	10 000	0
a) in associated entities	0	0
- purchase of financial assets	0	0
- long-term loans granted	0	0
b) in other entities	10 000	0
- purchase of financial assets	10 000	0
- long-term loans granted	0	0
4. Other investment expenses	0	0
<b>III. Net cash flows from investment activities (I-II)</b>	<b>-10 465</b>	<b>134</b>
<b>C. Cash flow in financial activity</b>		
<b>I. Cash inflows</b>	0	0
1. Net cash inflows from issuance (issue) of shares and other equity instruments and additional funding	0	0
2. Credits and loans	0	0
3. Debt securities issuance	0	0
4. Other financial inflows	0	0
<b>II. Expenses</b>	<b>0</b>	<b>41</b>
1. Acquisition of own shares	0	0
2. Dividends and other payments to owners	0	0
3. Other, than payments to the owners, expenses due to profit distribution	0	0
4. Repayment of credits and loans	0	0
5. Redemption of debt securities	0	0
6. Due to other financial liabilities	0	0
7. Payment of financial lease liabilities	0	38

8. Interest	0	3
9. Other financial expenses	0	0
<b>III. Net cash flows due to financial activity (I-II)</b>	<b>0</b>	<b>-41</b>
<b>D. Net cash flows, in total (A.III+/-B.III+/-C.III)</b>	<b>-15 972</b>	<b>3 027</b>
<b>E. Balance sheet change in cash, including:</b>	<b>-15 972</b>	<b>3 027</b>
- change in cash due to exchange rate differences	0	0
<b>F. Cash means at beginning of period</b>	<b>22 179</b>	<b>28 615</b>
<b>G. Cash means at end of period (F+/-D), including:</b>	<b>6 207</b>	<b>31 642</b>
- of restricted disposability	137	365

## B. ADDITIONAL INFORMATION TO FINANCIAL STATEMENT OF QUMAK-SEKOM SA FOR I QUARTER OF 2010

### I. Scope of activity

Qumak-Sekom stock corporation with its headquarters in Warsaw, address: 94 Jerozolimskie Street, 00-807 Warsaw, operates in the computer-science sector. The company's activity is concentrated on integration market and it covers intelligent building systems, system integration and business applications.

The company provides complex services in the areas of computer systems development for companies in which the fundamental elements are computer systems security, software and related applications, hardware supplies and intelligent building systems.

The basic scope of activity of the Company according to Polish Classification of Activity is: wholesale trade ( PKD 4690Z)

Qumak-Sekom SA was registered in Register of Entrepreneurs of National Court Register on 13.06.2001, under the number KRS:0000019455.

### II. The Management and Supervisory Board membership

#### Management Board:

In the I quarter of 2010 there were no changes in the Management Board membership. On the day of 31 March 2010 it was consisting of the following members:

Paweł Jaguś	- President of the Board
Aleksander Plata	- Vice-president of the Board
Andrzej Swolkień	- Vice-president of the Board
Jan Goliński	- Vice-president of the Board

#### Supervisory Board

On the day of 31 March 2010 membership of the Supervisory Board was the following:

Rafał Twarowski	- Chairman of the Supervisory Board
Maciej Matusiak	- Vice-chairman of the Supervisory Board
Tomasz Krysztofiak	- Member of the Supervisory Board
Andrzej Nehrebecki	- Member of the Supervisory Board
Bogdan Pilch	- Member of the Supervisory Board

### III. Basis of preparation and format of financial statement with comparable data

The quarter report was drawn up pursuant to:

- the Accounting Act of September 29, 1994 (2002 Journal of Law no 76 item 694, with subsequent changes),
- regulations of the Minister of Finance of February 19, 2009, on current and periodic information disclosed by issuers of securities (2009 Journal of Law no 33 item 259).

Quarterly report Q1 2010 was prepared in the abbreviated version and consists of:

- selected explanations,
- financial statement of the Qumak-Sekom stock corporation (balance sheet, profit and loss account, separate statement of changes in equity, separate cash flow statement),
- additional information.

The financial statement covers a 3-month period from January 1, 2010 to March 31, 2010.

For the data presented in the balance sheet and off-balance sheet presented comparable financial data of March 31, 2009 and December 31, 2009.

For the data presented in the: profit and loss account, changes in the equity and in separate cash flow statement, there were also presented comparable financial data of January 1, 2009 and March 31, 2009.

#### IV. Accounting policy

Pursuant to paragraph 3 item 1 point 9 of the Accounting Act the calendar year is considered the financial year.

Pursuant to paragraph 3 item 1 point 8 of the Accounting Act the calendar month is considered the reporting period. A trial balance of the general ledger accounts is drawn up at the end of every reporting period.

Record and allocation of operating expenses are kept according to kinds on accounts under group 4 and at the same time according to types of activities and functions on accounts under group 5, with further reference to the costs of products sold or the financial result.

Financial statements are drawn up using the profit and loss account by function of expenses.

Cash flow account, in the part concerning operating activity, is drawn up using indirect method, in the part concerning investment and financial activities using the direct method.

Account books are kept using the computer technique based on the integrated financial and accounting program SYMFONIA created by SAGE Symfonia Ltd.

##### *Methods of assets and liabilities valuation*

1. Tangible and intangible and legal assets are covered by the analytical quantity and value register. They are valued according to acquisition prices or manufacturing cost decreased by depreciation and amortization write-offs in proportion to the period of their utilization, and also by the permanent impairment write-offs.

Fixed assets, intangible and legal assets with the initial value not higher than PLN 3,500 are amortized once, in the month following the month in which they were put into use.

Fixed assets, intangible and legal assets with the initial value of more than PLN 3,500 are amortized using the straight line method, starting from the month following the month in which they were put into use according to the following rules:

- computer software - 2 years,
  - other intangible and legal assets - 2 years,
  - computer equipment is amortized by tax rate,
  - means of transport are amortized by tax rate, and in case of used means of transport, for the first time introduced to records the increased rate of 2.0 applies,
  - other fixed assets according to tax rates.
2. Fixed assets under construction are valued according to real costs incurred for the construction, assembly, adjustment and improvement of future fixed assets, decreased by the permanent impairment write-offs.
  3. Deferred tax assets.  
  
Pursuant to intermediate differences between assets and liabilities value pointed in the books and their tax value and loss possible to deduct in the future, the entity makes provisions and sets deferred tax assets, whose taxpayer it is.
  4. Stocks including materials, commercial goods, final products and production in progress are valued according to:
    - a) raw materials and goods according to real purchase prices increased by duty in case of imports.

Expenditure in one year is valued according to the following principles:

- goods identified by serial numbers according to the purchase price of these goods;
  - materials and goods not identified by serial numbers according to the FIFO principle „first in, first out”.
- b) final products according to the real and direct manufacturing costs.
  - c) work in progress and semi-finished products are derived from completed phases of production destined for further processing or assembly of the finished products, and products in the course of preparation is production not completed, that are in the process of production.

The entity of valuation of semi and final products in compliance with manufacturing cost.

Products in progress that are not dedicated to be sold or to be devoted to the capital items in construction, with expected completion up to 3 months, are valued at their actual cost of manufacture.

The estimated value of semi-finished products and work in progress on balancing date cannot be higher than net selling price of the assets intermediate products.

In the case of devaluation of intermediate products and production in progress the entity made it's write-down to the net selling prices possible to reach. Writes-offs and revaluation of final and semi products value are included in the sold products manufacturing costs.

Profits for the service in progress, which realization time is longer than six months, is estimated on balance date proportionally to realization degree as in case the service was made to significant degree on balance date. Service realization degree is estimated basing on advancement of works. Profits for the service in progress is estimated by basing on as multiplication of total contract value and the degree of its implementation. This amount does not exceed the cost of implementation of the contract plus a corresponding degree of service part of the planned margin.

5. National receivables are valued at nominal value determined at origination.

Receivables in foreign currencies at balancing date are valued at the average exchange rate set for given currency by the National Bank of Poland.

At balance date the receivables and claims are indicated in the value corrected by revaluation write-offs in the following cases:

- brought before the court – 100% write-off;
- receivables from entities in liquidation – 100% write-off;
- receivables that have been overdue for over half a year - 100% write-off.

6. Short-term financial assets are priced at market value. Results of the differences between the priced value at the balancing day and the acquisition price regard revenues or financial costs.

Domestic cash is valued at nominal value.

Cash in foreign currencies at the balancing day is valued at the average exchange rate set for a given currency by the National Bank of Poland.

7. Primary capital (share capital) is valued at the nominal value, pursuant to the entry in the National Court Register.

Supplementary capital is priced at the nominal value resulting from capital increases and decreases.

Revaluation capital is valued at nominal value resulting from capital increases and decreases.

8. Provisions for liabilities include:

a) provisions for retirement benefits valued at the balancing day are estimated according to the formula of actuary pricing (anticipated unit authorities) pursuant to the benefit value, the number of overworked years and the number of years to the retirement age.

b) provision for deferred income tax.

Provision for deferred income tax is created at the amount of income tax payable in the future in relation to the occurrence of positive temporary differences.

Positive temporary differences are the differences that will increase the tax base to count income tax in the future.

Reserves for deferred income tax generally are made in the following cases:

- accountable inflows due to interest on loans - in the books they are reported in accordance with the accrual basis of accounting, and tax is included in the time of payment,
- accountable late payment of interest on debt, which interest was not yet received,
- accountable unrealized exchange rate gains, determined by the balance sheet valuation of cash, shares and securities,
- accelerate tax depreciation (including the use of incentives in the form of investment or one-time write-off) when the asset is depreciated by applying a higher rate of tax than that used for accounting purposes,
- balance sheet revaluation of fixed assets, the use of depreciation for tax purposes does not take into account revaluation,
- margin for the valuation of long-term contracts.

9. Domestic liabilities are priced in the amount requiring payment.

Liabilities in foreign currencies at the balance day are valued at the average rate set for a given currency by the National Bank of Poland.

10. Special funds include:

The Company Social Benefits Fund is created pursuant to the provisions of the Act of the Company Social Benefits Fund of 4th March 1994 based on planned employment and revised to the medium year level of employment.

The Fund is used for employees in the funding and financing services to various forms of recreation, cultural and educational activities, sports and recreation, provision of material assistance - in kind or financial, to provide feedback or non-repayable assistance for housing purposes. The command of the Fund is based on the Rules of Procedure ZFŚS.

### *Inventory*

Assets and liabilities shown in account books at the balancing day are covered by inventory:

- a) the physical inventory
  - fixed assets – once every 4 years
  - materials, goods and products – as of 31st December
  - production in progress – as of balance day
  - cash in hand – as of 31st December
- b) balance confirmation
  - cash at bank and bank credits – as of 31st December
  - settlements with recipients and suppliers – every year in Q4
- c) verification of balances
  - the other assets and liabilities – as of 31st December



### *Profit and loss account*

1. Net revenues from the sale of goods and products include amounts due on this account from the recipients, decreased by the value added tax due. The transfer of goods to the recipient, or reception of the service by them, is considered the moment of sale. Revenues from sales are accrued for the reporting periods they concern.
2. Costs of operating activity include the value of sold products, goods and materials priced at the production costs or acquisition prices, increased by the overall general costs of management and sales incurred from the beginning of the financial year. Costs include VAT only in that part, in which according to the provisions in force, this tax is not subject to deduction.

Costs are included in the period they concern, regardless of the day when the invoice was received or the payment made.

3. Other revenues and operating costs include revenues and costs not related directly to the Company's normal activity, but having an influence on the financial result.

#### Revenues include:

- gain on disposal of non-financial fixed assets;
- grants, subventions and after-payments;
- gain from liquidation of fixed assets;
- surpluses of fixed and current assets, which source of origin was not established;
- negative goodwill write-offs;
- received compensations and contractual penalties;
- written off, outdated or abandoned liabilities;
- non-utilized reserves for future costs and losses;
- decrease of liability revaluation write-offs;
- remuneration of the tax payer;
- assets received free of charge;

#### Costs include:

- loss on disposal of the non-financial fixed assets;
- write-offs on account of loss of value of non-financial assets;
- net value of liquidated fixed assets;
- amortization of goodwill;
- revaluation write-offs of stocks of tangible current assets as a result of depreciation of their value-in-use or commercial value;
- value of the elements of assets transferred free of charge and of cash;
- non-culpable shortages and damages to elements of property, not resulting from random events;
- costs of removal of damages to the elements of property;
- paid contractual compensations;
- costs of legal and execution proceedings;
- unjustified indirect costs;
- provisions created for probable costs and losses in operating activities;
- revaluation write-offs of liabilities.

4. Revenues and financial costs include revenues and costs of financial operations.

Revenues include:

- received dividends and shares in the profits of the other companies;
- gained and accrued interest on assets on bank accounts (excluding interest on assets of the Company Social Benefits Fund), on loans granted, deposits, bid securities, on delay in the payment of receivables, on securities;
- gain on disposal of investments;
- increase in the investment value;
- positive exchange rate differences;
- release of created reserves in the encumbrance of financial operations costs;

Costs include:

- paid and accrued interest and commissions on incurred credits and loans and for delay in the payment of liabilities;
- loss on disposal of investments;
- decrease in the value of investment;
- negative exchange rate differences;
- creation of reserves for certain and probable costs and financial losses;
- surplus of issuance costs or increase of share capital, above the difference between the issue value and the nominal value of shares sold;

5. Extraordinary items include the value of events that are difficult to predict, in addition to the activities of the company and not associated with overall risk of that activity.

Extraordinary gains include:

- received compensations for the loss or damage to the fixed and current assets as a result of random events,
- revenues from the sale of elements of property damaged due to random events.

Extraordinary losses include:

- net value of fixed and current assets lost or damaged due to random events;
- costs of removal of random events' effects.

6. Compulsory charges on financial result includes income tax for corporation calculated in accordance with the Law of 15 February 1992 on income tax from legal persons from the gross profit balance adjusted by:

- income not taxable and costs which are not costs from income acquired,
- reduction of income tax by assets due to deferred income tax,
- increase in income tax by the reserve created for deferred income tax.

7. Net financial result is set according to the provisions of the accounting act as a difference of revenues, costs and obligatory encumbrances of financial result.

### Changes in methods of assets and liabilities valuation

In year 2010 no changes has been made in methods of assets and liabilities valuation.

### Rules for conversion of financial data for EURO

Euro exchange rate for the calculation of the position in the Profit and Loss Account.

#### **Arithmetic average of average exchange rates of EUR in NBP for period 01.01.-31.03.2009.**

<i>Table</i>	<i>month</i>	<i>EUR exch. rate</i>
21/A/NBP/2009 of 30.01.2009	January	<b>4,4392</b>
41/A/NBP/2009 of 27.02.2009	February	<b>4,6578</b>
63/A/NBP/2009 of 31.03.2009	March	<b>4,7013</b>

Average EUR exchange rate	<b>4,5994</b>
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the highest exchange rate in the period 01.01-31.03.2009	<b>4,8999</b>
the lowest exchange rate in the period 01.01-31.03.2009	<b>3,9170</b>

#### **Arithmetic average of average exchange rates of EUR in NBP for period 01.01.-31.03.2010.**

<i>Table</i>	<i>month</i>	<i>EUR exch. rate</i>
20/A/NBP/2010 of 29.01.2010	January	<b>4,0616</b>
40/A/NBP/2010 of 26.02.2010	February	<b>3,9768</b>
63/A/NBP/2010 of 31.03.2010	March	<b>3,8622</b>

Average EUR exchange rate	<b>3,9669</b>
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the highest exchange rate in the period 01.01-31.03.2009	<b>4,1109</b>
the lowest exchange rate in the period 01.01-31.03.2009	<b>3,8622</b>

Euro exchange rate for the calculation of balance sheet items:

- Average exchange rate for EUR in NBP of 31.03.2009. Table 63/A/NBP/2009 - 4,7013
- Average exchange rate for EUR in NBP of 31.03.2010. Table 63/A/NBP/2010 - 3,8622

*Financial statement contains only unitary data, because Qumak-Sekom SA does not consist of internal organizational units which draw up their own financial statements.*

## V. Continuity of accounting rules and comparability of financial statements

Financial statement for the I quarter of 2010 ensures the comparability of data and was not subject to conversion.

Qumak-Sekom SA draws up the financial statement on the basis of provisions contained in the Accounting Act of 29th September 1994. Due to the fact, that the company does not draw up consolidated financial statements, a separate financial statement according to MRS has not been drawn up.

## VI. Information about important changes in estimated values, about adjustments concerning reserves, reserves and assets as deferred corporate income tax.

In accordance with the provisions of the Accounting Act there was created at the day of 31.03.2010 settlement position of long-term contracts and works in progress of 14.850 thousand zlotys (incomes) and 13.084 thousand zlotys (costs). During the I quarter of 2010 there was resolved the position of long-term contracts established at 31.12.2009 in the amount of 16.290 thousand zlotys (income), 14.193 thousand zlotys (costs).

During I quarter 2010 the Company did not create any reserves, however, it released provisions for:

- bonuses for employees and management (1.397 thousand zlotys),
- repairs guarantee (85 thousand zlotys).

As for 31.03.2010 assets due to deferred income tax was 1.069 thousand zlotys, and reserve due to deferred income tax was 427 thousand zlotys.

## VII. Description of significant achievements and failures of Qumak-Sekom SA during the I quarter of 2010, together with a list of the most important events concerning them

In the I quarter of 2010 the company has the largest in its history package of agreements signed to implement and those while being executed (so called, back log) amounting to 270 million zlotys. Period of execution of these projects is 2010 and 2011. As a result of realization time shifts, in the I quarter of 2010, the Company did not manage to repeat the very good net profit of previous year, however, in situations of weak and uncertain market the I quarter of 2010 should be treated as a successful one. The company reached revenues from sales amounting to 47.500 thousand zlotys compared to 36.913 thousand zlotys in the corresponding period last year. Also reached a net profit of 574 thousand zlotys, in comparison to profit in the I quarter of 2009 of 1,861 thousand zlotys.

In the I quarter of 2010, the Company informed about conclusions or annexes of significant contracts described below and other agreements that are important to its activity.

- Agreement with Annex no 1 concluded between ALPINE Construction Polska Sp. z o.o. and a consortium of companies Qumak-Sekom SA, ELEKTROBUDOWA SA (in the role of leader of Consortium) and PRZEDSIĘBIORSTWO "AGAT" SA of 7 January 2010.

The subject of this agreement is execution of installations of power installations, low-voltage and BMS, under the project of realization of construction works at the National Stadium, including elements of a surrounding infrastructure of Warsaw.

The ordering body of execution of these works are the companies ALPINE Construction Polska Sp. z o.o. with its headquarters in Krakow, and Hydrobudowa Polska SA with its headquarters in Wysogotow.

The fixed remuneration for execution of the subject of agreement, including annex no 1, is PLN 91.000.000,00 net.

The value of works performed by Qumak-Sekom SA, is estimated by the Issuer, to amount to PLN 30.000.000,00.

The execution of the subject of agreement shall follow the set schedule:

- date of beginning of works – January 2010.
- date of completion of execution – 28.02.2011.
- date of completion of all of the implementation works – 4.05.2011.

➤ Agreement concluded between Polimex-Mostostal S.A. and a consortium of companies Qumak-Sekom SA and Energoserwis Kleszczów Sp. z o.o. of 3 February 2010.

Agreement concerns the final financial settlement of construction works executed under the contract of 21.01.2008 signed between the company, being in a consortium with Energoserwis Kleszczów Sp. z o.o., and Polimex-Mostostal S.A.

The subject matter of this above-mentioned contract was realization of works of power, electricity, teletechnical and automation; execution of implementation and as-built documentation, as well as conducting adequate training and regulating the use of the aforementioned installations on construction site of Educational and Sports Complex in Kleszczów.

About the conclusion of this contract the Company informed in the current report no 6/2008 of 22.01.2008, and about Annex no 1 – with the current report no 51/2009 of 17.09.2009.

In accordance to Agreement the final value of contract at the amount of PLN 18.971.034,12 net was determined. This amount consists of remuneration for the implementation of the subject matter ranging to PLN 17.486.373,80 net (including the Annex no 1) and a number of orders for additional works.

➤ Agreement concluded between AGH-University of Science and Technology under the patronage of Stanisław Staszic in Kraków – and a consortium of companies Warbud SA and Qumak-Sekom SA of 10 February 2010.

Subject of this Agreement is an execution of works involving construction of the Academic Center for Materials and Nanotechnology AGH in Krakow.

Fixed remuneration for the execution of the subject of Agreement is PLN 26.825.624,00 net, from which the value of the work to be performed by Qumak-Sekom SA is PLN 11.350.000,00.

The starting date of works was established on 18.02.2010 and the date of their completion on 31.03.2012.

- Agreement concluded between Ministry of Foreign Affairs and Qumak-Sekom of 1 March 2010.

Subject of the Agreement is execution of teletechnical services.

Remuneration for the implementation of subject matter is maximum PLN 31.984.793,92 gross and it shall depend on detailed settlement of particular completed works.

Execution of the Agreement shall take place during 26 months starting from the day of its signing, in accordance with agreed schedule.

- Agreement concluded between SPS Construction Sp. z o.o. and Qumak-Sekom SA of 3 March 2010.

Subject of the agreement is complex implementation of electric high-voltage installations, low-voltage installations, automation control HVAC and IBMS installations for the building D in the complex of office buildings „Centrum Biurowe -etap C- faza II”.

Flat rate based remuneration for the execution of the subject of agreement is PLN 4.775.162,97 net.

Deadline for completion of the works was set at 22.05.2010.

This agreement is the third contract associated with the investment task „Zespół budynków biurowych – etap C – Harmony”, on II stage of execution of this project and from this point of view it is essential to the activity of the Issuer.

- Agreement concluded between Permanent Representation of the Republic of Poland to the European Union and the consortium of companies: Entreprises Jacques Delens SA and Qumak-Sekom SA of 5 March 2010.

Subject matter of the Agreement is execution of the full range of construction, assembly, and detail works under reconstruction, modernization and equipping of the building located on Rue Stevin 139 in 1000 Brussels, into office for Permanent Representation of Poland to the European Union.

Estimated remuneration for the implementation of the subject of Agreement shall not exceed the amount of EUR 19.057.348,50 net and will depend on detailed settlement of the executed works. The Management Board of the Issuer estimates that the value of works to be completed by the company is EUR 4.170.000,00.

Execution of the Agreement shall take place during 52 weeks starting from the day of its signing.

- Annex to the Agreement concluded with the Commander of the Police of 24 October 2008

Subject matter of the Agreement is an execution of complex rebuilding of the Police Headquarters in Warsaw, as well as building a technical infrastructure, starting with development of a program-spatial concept, through realization of design

documentation, and execution of construction and installation works, together with launching and assembly of the first equipment of the investment.

With the Annex no 2 of 31 March 2010 the date of completion of the agreement's subject was changed to 31st October 2010. The change occurred for administrative reasons and weather conditions, resulting in extra time for implementation of the agreement.

Remuneration for the implementation of subject matter has not changed and is not more than PLN 49.934.600 gross.

Other essential conditions of the contract remain unchanged.

### **VIII. Description of factors and events, in particular non-specific, having a significant impact on the achieved financial results.**

In the presented period no extraordinary events having significant influence on the company's financial performance occurred.

### **IX. Explanation of the seasonality or cyclicity of the issuer's activity during the reporting period**

During the calendar year only period showing deviations from the average is the IV quarter, in which every year there are realized higher sales than in other quarters. In addition, the Company's activity was not a subject to seasonal or cyclical fluctuations in the period presented.

### **X. Information concerning the issue, redemption and repayment of debt and equity securities**

In the presented period the Company did not issue or realize redemption or payment of any securities.

### **XI. Information on the dividends paid or declared, in total and per share, with division into ordinary shares and preference**

On March 26, 2010 the Management Board of the Company adopted resolution in which it recommends to Supervisory Board of the Company, followed by the request to General Meeting the pay of dividends in the amount of 10.375.082 zlotys, which is 1 zloty per share.

The dividend shall be paid from means gathered in reserve fund in the amount of 5.706.295,10 zlotys and from part of income in the amount of 9.641.768,15 zlotys. The remaining part of income for 2009 in the amount of 9.641.768,15 zlotys the Management Board recommends to allocate to reserve capital.

### **XII. Events occurring after the day on which the report is drawn up, and having an impact on future financial performance of the issuer**

After the day of report no events having impact on future financial performance of the Company occurred.

### **XIII. Changes in contingent liabilities or contingent assets that have occurred since the last financial year**

The Company has no contingent assets.

The Company under the business records is obliged by some contracts to submission in the form of bank or insurance bid warranty, good performance of works guarantee, warranty of removal of defects and faults.

As for 31.03.2010 there were active :

- |   |                        |
|---|------------------------|
| - good performance of works guarantee amounting to        | 20.656 thousand zlotys |
| - warranty for removal of defects and faults amounting to | 9.396 thousand zlotys  |
| - warranty for bid bond amounting to                      | 1.367 thousand zlotys  |
| - tenant guarantee amounting to                           | 138 thousand euro.     |



## C. OTHER ADDITIONAL INFORMATION TO FINANCIAL STATEMENT OF QUMAK-SEKOM SA FOR I QUARTER OF 2010

### I. Description of corporate group organization

Qumak-Sekom SA has no subordinate entities and does not create a corporate group.

### II. Indication of the effects of changes in composition of entity

In the reporting period in Qumak-Sekom SA there were no changes in the structure of the unit. There was also no transactions in financial assets.

### III. Board position regarding the implementation of the profit forecast for 2010

The Management Board of the Company did not provide results forecast for 2010.

### IV. Information about shareholders holding at least 5% of the votes at the General Meeting of Qumak-Sekom SA, together with changes in ownership of large blocks of shares during the period since submission of the previous quarterly report

Capital of the Company at the date of publication of the report for the first quarter of 2010 amounts to 10.375.082 zlotys and is divided into 10.375.082 shares, which correspond to 10.375.082 votes at the General Meeting Qumak-Sekom SA.

#### The shareholding structure at the date of the report for the fourth quarter of 2009

To the knowledge of the Company at the date of report for the fourth quarter of 2009 shareholders who directly or indirectly through subsidiaries owned at least 5% of the total number of votes at the General Meeting of the Company were:

Shareholder	Number of shares	Share in capital in %	Number of votes	Share in total number of votes on GM in%
<b>Aviva Investors Poland SA</b>	835.777	8,06%	835.777	8,06%
Including: - CU Specjalistyczny FIO Subfundusz CU Akcyjny	574.807	5,54%	574.807	5,54%
<b>Legg Mason Zarządzanie Aktywami SA</b>	1.040.614	10,03%	1.040.614	10,03%
Including: Legg Mason Akcji FIO	843.008	8,13%	843.008	8,13%
<b>OFE PZU "Złota Jesień"</b>	820.446	7,91%	820.446	7,91%

ING Otwarty Fundusz Emerytalny	574.375	5,54%	574.375	5,54%
PZU Asset Management SA	546.646	5,27%	546.646	5,27%

### The shareholding structure at the date of the report for the I quarter of 2010

Shareholder	Number of shares	Share in capital in %	Number of votes	Share in total number of votes on GM in%
Aviva Investors Poland SA Including: - CU Specjalistyczny FIO Subfundusz CU Akcyjny	835.777	8,06%	835.777	8,06%
Legg Mason Zarządzanie Aktywami SA Including: Legg Mason Akcji FIO	1.025.652	9,88%	1.025.652	9,88%
OFE PZU „Złota Jesień”	820.446	7,91%	820.446	7,91%
ING Otwarty Fundusz Emerytalny	574.375	5,54%	574.375	5,54%
PZU Asset Management SA	546.646	5,27%	546.646	5,27%

The above table incorporates the following information:

1. Notice received on 14.04.2010 from Legg Mason Zarządzanie Aktywami SA informing about disposal of shares of Qumak-Sekom SA from accounts of Clients, as a result of which the number of Company's shares dropped below 10% of total number of votes.

### V. Statement of changes in ownership of the issuer's shares or scope of rights to shares held by managers and supervisors of the issuer

The state of Qumak Sekom shares owned by members of the Management and Supervisory Board at the date of submission of the report for the I quarter of 2010, in comparison to the state on the date of submission of the report for the IV quarter of 2009 is as follows:

Management Board	Status as for submission of report for IV quarter of 2009	Status as for submission of report for I quarter of 2010	Change of status
Paweł Jaguś	325.000	325.000	0
Aleksander Plata	383.381	383.381	0
Andrzej Swolkień	347.700	347.700	0
Jan Goliński	313.088	313.088	0

Members of Supervisory Board hold no shares of Qumak-Sekom SA

## **VI. Information about proceedings instituted before a court or administrative authority**

In the reporting period there were not instituted any proceedings before the court or administrative bodies.

## **VII. Information about the conclusion by the issuer of one or more transactions with related parties, if they are relevant and have been included under other circumstances than market ones**

The Company has no affiliated entities.

## **VIII. Information about granting by the issuer or its subsidiary a credit, loan or guarantees – together to one entity – if the value of the guarantee or guarantees shall be equivalent to at least 10% of equity of the issuer.**

During the I quarter of 2010, the Company has not provided guarantees, loan guarantees or loans with a value exceeding the equivalent of at least 10% of equity issuer.

## **IX. Other information which, according to the issuer are important for assessing its personnel, property, financial, financial results and their changes and information that are relevant for assessing the feasibility of the obligations of the issuer**

No other information relevant to the assessment of staffing levels, assets, financial position and profit or loss in the I quarter of 2010, beyond the information provided in the preceding paragraphs.

## **X. Factors that in the assessment of the issuer will have an impact on the results achieved by him in at least the next quarter perspective**

Gradual improvement of macroeconomic situation in the world and economic growth forecasts for Poland, allow to look at the year 2010 with cautious optimism. Further work on objects associated with stadiums and the infrastructure necessary to host the European Championships in 2012, emphasize the use of EU funds in the execution of contracts and the emerging investment optimism allows to count on the fact that the year 2010 should be better than 2009.