

□ - restated

## POLISH FINANCIAL SUPERVISION AUTHORITY

## Quarterly consolidated report for the first quarter of 2015

(year)

(according to par. 82 s. 2 and par. 83 s. 1 of the Decree of Minister of Finance dated 19 February 2009 - Journal of Laws No. 33, item 259, with amendments)  
for the issuers in sectors of production, construction, trade or services  
for the first quarter of 2015, i.e. from 1 January 2015 to 31 March 2015

including condensed consolidated financial statements prepared under: **International Financial Reporting Standards**  
in currency: **PLN**

and condensed separate financial statements prepared under: **International Financial Reporting Standards**  
in currency: **PLN**

date of issuance: 27 April 2015

<b>ORANGE POLSKA SA</b>	
(full name of issuer)	
<b>ORANGEPL</b>	<b>Telecommunication (tel)</b>
(abbreviated name of the issuer)	(classification according to WSE/ sector)
<b>02-326</b>	<b>Warsaw</b>
(post code)	(location)
<b>Al. Jerozolimskie</b>	<b>160</b>
(street)	(number)
<b>22 527 23 23</b>	<b>22 527 23 41</b>
(telephone)	(fax)
<b>investors@orange.com</b>	<b>www.orange.pl</b>
(e-mail)	(www)
<b>526-02-50-995</b>	<b>012100784</b>
(NIP)	(REGON)

SELECTED FINANCIAL DATA	PLN '000		EUR '000	
	1 quarter cumulative period from 01/01/2015 to 31/03/2015	1 quarter cumulative period from 01/01/2014 to 31/03/2014	1 quarter cumulative period from 01/01/2015 to 31/03/2015	1 quarter cumulative period from 01/01/2014 to 31/03/2014
<b>condensed consolidated financial statements data</b>				
I. Revenue	2 930 000	2 995 000	706 211	714 900
II. Operating income	246 000	391 000	59 293	93 331
III. Profit before income tax	188 000	272 000	45 313	64 926
IV. Consolidated net income	171 000	271 000	41 216	64 687
V. Net income attributable to owners of Orange Polska S.A.	171 000	271 000	41 216	64 687
VI. Earnings per share (in PLN/EUR) (basic and diluted)	0.13	0.21	0.03	0.05
VII. Weighted average number of shares (in millions) (basic and diluted)	1 312	1 312	1 312	1 312
VIII. Total comprehensive income	158 000	279 000	38 082	66 597
IX. Total comprehensive income attributable to owners of Orange Polska S.A.	158 000	279 000	38 082	66 597
X. Net cash provided by operating activities	667 000	708 000	160 766	168 998
XI. Net cash used in investing activities	(712 000)	(198 000)	(171 612)	(47 262)
XII. Net cash used in financing activities	(3 000)	(245 000)	(723)	(58 481)
XIII. Total net change in cash and cash equivalents	(48 000)	272 000	(11 569)	64 926
	balance as at 31/03/2015	balance as at 31/12/2014	balance as at 31/03/2015	balance as at 31/12/2014
XIV. Total current assets	2 283 000	2 078 000	558 327	487 530
XV. Total non-current assets	19 572 000	20 026 000	4 786 501	4 698 402
XVI. Total assets	21 855 000	22 104 828	5 344 828	5 185 932
XVII. Total current liabilities	5 616 000	4 709 000	1 373 441	1 104 802
XVIII. Total non-current liabilities	3 683 000	4 997 000	900 709	1 172 372
XIX. Total equity	12 556 000	12 398 000	3 070 678	2 908 758
XX. Equity attributable to owners of Orange Polska S.A.	12 554 000	12 396 000	3 070 188	2 908 289
XXI. Share capital	3 937 000	3 937 000	962 827	923 680
<b>condensed separate financial statements data</b>				
	1 quarter cumulative period from 01/01/2015 to 31/03/2015	1 quarter cumulative period from 01/01/2014 to 31/03/2014	1 quarter cumulative period from 01/01/2015 to 31/03/2015	1 quarter cumulative period from 01/01/2014 to 31/03/2014
I. Revenue	2 864 000	2 958 000	690 303	706 068
II. Operating income	225 000	353 000	54 231	84 260
III. Profit before income tax	213 000	331 000	51 339	79 009
IV. Net income	195 000	329 000	47 000	78 532
V. Earnings per share (in PLN/EUR) (basic and diluted)	0.15	0.25	0.04	0.06
VI. Weighted average number of shares (in millions) (basic and diluted)	1 312	1 312	1 312	1 312
VII. Total comprehensive income	182 000	337 000	43 867	80 441
VIII. Net cash provided by operating activities	716 000	781 000	172 576	186 423
IX. Net cash used in investing activities	(714 000)	(554 000)	(172 094)	(132 239)
X. Net cash provided by/(used in) financing activities	(34 000)	31 000	(8 195)	7 400
XI. Total net change in cash and cash equivalents	(32 000)	258 000	(7 713)	61 584
	balance as at 31/03/2015	balance as at 31/12/2014	balance as at 31/03/2015	balance as at 31/12/2014
XII. Total current assets	2 509 000	2 298 000	613 598	539 145
XIII. Total non-current assets	21 117 000	21 688 000	5 164 343	5 088 333
XIV. Total assets	23 626 000	23 986 000	5 777 941	5 627 478
XV. Total current liabilities	6 107 000	5 218 000	1 493 519	1 224 221
XVI. Total non-current liabilities	5 138 000	6 569 000	1 256 542	1 541 187
XVII. Total equity	12 381 000	12 199 000	3 027 880	2 862 070
XVIII. Share capital	3 937 000	3 937 000	962 827	923 680

## **ORANGE POLSKA GROUP**

# **CONDENSED IFRS QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3 MONTHS ENDED 31 MARCH 2015**

---



**April 27, 2015**

## Contents

CONSOLIDATED INCOME STATEMENT .....	3
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME .....	3
CONSOLIDATED STATEMENT OF FINANCIAL POSITION .....	4
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY .....	5
CONSOLIDATED STATEMENT OF CASH FLOWS.....	6
1. The Orange Polska Group .....	7
2. Statement of compliance and basis of preparation.....	8
3. Statement of accounting policies .....	9
4. Explanatory comments about the seasonality or cyclicity of interim Group operations .....	9
5. Items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence .....	9
6. Dividends .....	9
7. Changes in major litigation and claims, contingent liabilities and contingent assets since the end of the last annual reporting period .....	9
8. Related party transactions .....	10
9. Subsequent events .....	11

**Orange Polska Group**  
**Condensed IFRS Quarterly Consolidated Financial Statements – 31 March 2015**

*Translation of the financial statements originally issued in Polish*

**CONSOLIDATED INCOME STATEMENT**

*(in PLN millions, except for earnings per share)*

	<b>3 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Revenue</b>	<b>2,930</b>	<b>2,995</b>
External purchases	(1,476)	(1,452)
Labour expense	(430)	(522)
Other operating expense	(185)	(161)
Other operating income	115	82
Gains on disposal of assets	5	9
Gain on disposal of Wirtualna Polska S.A.	-	191
Depreciation and amortisation	(710)	(750)
Impairment of non-current assets	(3)	(1)
<b>Operating income</b>	<b>246</b>	<b>391</b>
Interest income	3	3
Interest expense and other financial charges	(53)	(93)
Discounting expense	(8)	(29)
<b>Finance costs, net</b>	<b>(58)</b>	<b>(119)</b>
Income tax	(17)	(1)
<b>Consolidated net income</b>	<b>171</b>	<b>271</b>
Net income attributable to owners of Orange Polska S.A.	171	271
Net income attributable to non-controlling interests	-	-
<b>Earnings per share (in PLN) (basic and diluted)</b>	<b>0.13</b>	<b>0.21</b>
Weighted average number of shares (in millions) (basic and diluted)	1,312	1,312

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*(in PLN millions)*

	<b>3 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Consolidated net income</b>	<b>171</b>	<b>271</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Gains/(losses) on cash flow hedges	(16)	10
Income tax relating to items that may be reclassified	3	(2)
<b>Other comprehensive income/(loss), net of tax</b>	<b>(13)</b>	<b>8</b>
<b>Total comprehensive income</b>	<b>158</b>	<b>279</b>
Total comprehensive income attributable to owners of Orange Polska S.A.	158	279
Total comprehensive income attributable to non-controlling interests	-	-

**Orange Polska Group**  
**Condensed IFRS Quarterly Consolidated Financial Statements – 31 March 2015**

*Translation of the financial statements originally issued in Polish*

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(in PLN millions)

	<b>At 31 March 2015</b>	<b>At 31 December 2014</b>
<b>ASSETS</b>		
Goodwill	3,940	3,940
Other intangible assets	3,132	3,215
Property, plant and equipment	11,434	11,715
Trade receivables	147	138
Derivatives	-	70
Other financial assets	14	14
Deferred tax assets	905	934
<b>Total non-current assets</b>	<b>19,572</b>	<b>20,026</b>
Inventories	192	198
Trade receivables	1,387	1,372
Derivatives	3	21
Other financial assets	10	10
Income tax assets	37	4
Other assets	331	154
Prepaid expenses	123	71
Cash and cash equivalents	200	248
<b>Total current assets</b>	<b>2,283</b>	<b>2,078</b>
<b>TOTAL ASSETS</b>	<b>21,855</b>	<b>22,104</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	3,937	3,937
Share premium	832	832
Other reserves	(132)	(119)
Retained earnings	7,917	7,746
<b>Equity attributable to owners of Orange Polska S.A.</b>	<b>12,554</b>	<b>12,396</b>
Non-controlling interests	2	2
<b>Total equity</b>	<b>12,556</b>	<b>12,398</b>
Trade payables	843	866
Loans from related party	1,956	3,229
Other financial liabilities at amortised cost	60	59
Derivatives	190	148
Employee benefits	290	345
Provisions	295	303
Deferred income	49	47
<b>Total non-current liabilities</b>	<b>3,683</b>	<b>4,997</b>
Trade payables	1,621	2,006
Loans from related party	2,228	1,078
Other financial liabilities at amortised cost	69	65
Derivatives	91	-
Employee benefits	198	179
Provisions	777	790
Income tax liabilities	24	58
Other liabilities	176	131
Deferred income	432	402
<b>Total current liabilities</b>	<b>5,616</b>	<b>4,709</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>21,855</b>	<b>22,104</b>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in PLN millions)

	Share capital	Share premium	Other reserves				Retained earnings	Equity attributable to owners of OPL S.A.	Non-controlling interests	Total equity
			Losses on cash flow hedges	Actuarial losses on post-employment benefits	Deferred tax	Share-based payments				
<b>Balance at 1 January 2015</b>	<b>3,937</b>	<b>832</b>	<b>(106)</b>	<b>(137)</b>	<b>45</b>	<b>79</b>	<b>7,746</b>	<b>12,396</b>	<b>2</b>	<b>12,398</b>
Total comprehensive income for the 3 months ended 31 March 2015	-	-	(16)	-	3	-	171	158	-	158
<b>Balance at 31 March 2015</b>	<b>3,937</b>	<b>832</b>	<b>(122)</b>	<b>(137)</b>	<b>48</b>	<b>79</b>	<b>7,917</b>	<b>12,554</b>	<b>2</b>	<b>12,556</b>
<b>Balance at 1 January 2014</b>	<b>3,937</b>	<b>832</b>	<b>(16)</b>	<b>(89)</b>	<b>19</b>	<b>79</b>	<b>7,867</b>	<b>12,629</b>	<b>2</b>	<b>12,631</b>
Total comprehensive income for the 3 months ended 31 March 2014	-	-	10	-	(2)	-	271	279	-	279
<b>Balance at 31 March 2014</b>	<b>3,937</b>	<b>832</b>	<b>(6)</b>	<b>(89)</b>	<b>17</b>	<b>79</b>	<b>8,138</b>	<b>12,908</b>	<b>2</b>	<b>12,910</b>

**Orange Polska Group**  
**Condensed IFRS Quarterly Consolidated Financial Statements – 31 March 2015**

*Translation of the financial statements originally issued in Polish*

**CONSOLIDATED STATEMENT OF CASH FLOWS**

(in PLN millions)

	<b>3 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>OPERATING ACTIVITIES</b>		
Consolidated net income	171	271
<i>Adjustments to reconcile net income to cash from operating activities</i>		
Gains on disposal of assets	(5)	(9)
Gain on disposal of Wirtualna Polska S.A.	-	(191)
Depreciation and amortisation	710	750
Impairment of non-current assets	3	1
Finance costs, net	58	119
Income tax	17	1
Change in provisions and allowances	(90)	(50)
Operational foreign exchange and derivatives gains, net	(1)	(1)
<i>Change in working capital</i>		
(Increase)/decrease in inventories, gross	1	(8)
(Increase)/decrease in trade receivables, gross	(27)	97
Decrease in trade payables	(156)	(134)
Increase in prepaid expenses and other receivables	(59)	(17)
Increase in deferred income and other payables	120	5
Interest received	4	2
Interest paid and interest rate effect paid on derivatives, net	(28)	(65)
Exchange rate effect received on derivatives, net	-	3
Income tax paid	(51)	(66)
<b>Net cash provided by operating activities</b>	<b>667</b>	<b>708</b>
<b>INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment and intangible assets	(321)	(374)
Decrease in amounts due to fixed assets suppliers	(416)	(194)
Exchange rate effect received on derivatives economically hedging capital expenditures, net	7	3
Proceeds from sale of property, plant and equipment and intangible assets	15	14
Proceeds from sale of subsidiaries, net of cash and transaction costs	-	347
Cash paid for subsidiaries, net of cash acquired	-	(2)
Decrease in receivables related to leased fixed assets	3	2
Decrease in other financial assets	-	6
<b>Net cash used in investing activities</b>	<b>(712)</b>	<b>(198)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(5)	(4)
Decrease in short-term debt	(1)	(239)
Exchange rate effect received/(paid) on derivatives, net	3	(2)
<b>Net cash used in financing activities</b>	<b>(3)</b>	<b>(245)</b>
<b>Net change in cash and cash equivalents</b>	<b>(48)</b>	<b>265</b>
Cash and cash equivalents at the beginning of the period	248	205 <sup>(1)</sup>
<b>Cash and cash equivalents at the end of the period</b>	<b>200</b>	<b>470</b>

<sup>(1)</sup> Includes PLN 7 million classified as assets held for sale.

## Notes to the Condensed Quarterly Consolidated Financial Statements

### 1. The Orange Polska Group

Orange Polska S.A. (“Orange Polska” or “the Company” or “OPL S.A.”), a joint stock company, was incorporated and commenced its operations on 4 December 1991. The Orange Polska Group (“the Group”) comprises Orange Polska and its subsidiaries. Orange Polska shares are listed on the Warsaw Stock Exchange.

The Group is the principal provider of telecommunications services in Poland. The Group provides mobile and fixed telecommunications services, including calls, messaging, content, access to the Internet and TV. In addition, the Group provides ICT (Information and Communications Technology) services, leased lines and other telecommunications value added services, sells telecommunications equipment, provides data transmission, constructs telecommunications infrastructure, sells electrical energy and financial services. Orange Polska provides telecommunications services on the basis of entry number 1 in the register of telecommunications companies maintained by the President of Office of Electronic Communication (“UKE”), the national regulatory authority for the telecommunications market.

Orange Polska’s registered office is located in Warsaw at 160 Aleje Jerozolimskie St.

The list of entities included in the Condensed IFRS Quarterly Consolidated Financial Statements of the Group (the “Condensed Quarterly Consolidated Financial Statements”) as at and for the 3 months ended 31 March 2015 is presented in the Note 1.2 to the Orange Polska Group IFRS Consolidated Financial Statements and the notes thereto (“IFRS Consolidated Financial Statements”) for the year ended 31 December 2014.

#### Segment revenue and segment results

The Group reports a single operating segment. Segment performance is evaluated by the Management Board mainly based on consolidated revenue, consolidated EBITDA, consolidated net income, consolidated organic cash flows, consolidated capital expenditures, consolidated net gearing ratio and consolidated net financial debt / EBITDA ratio based on cumulative EBITDA for the last four quarters. EBITDA corresponds to operating income before depreciation and amortisation expense and impairment of non-current assets. Organic cash flows correspond to net cash provided by operating activities decreased by purchases of property, plant and equipment and intangible assets, changes in amounts due to fixed assets suppliers, impact of net exchange rate effect paid/received on derivatives economically hedging capital expenditures and increased by proceeds from sale of fixed assets. Net gearing ratio is the share of net financial debt in the sum of net financial debt and equity.

To enhance the performance evaluation, where it is materially important for trends analysis, these financial data can be restated to exclude mainly the impact of significant exceptional transactions or other events not related to business as usual activities and changes in scope of consolidation.

Basic financial data of the operating segment is presented below:

<i>(in PLN millions)</i>	<i>3 months ended</i>	<i>3 months ended</i>
	<i>31 March 2015</i>	<i>31 March 2014</i>
Restated revenue	2,930	2,980
Restated EBITDA	960	947
Net income as per consolidated income statement	171	271
Restated organic cash flows	152	157
Restated capital expenditures	321	373
	<i>At 31 March</i>	<i>At 31 December</i>
	<i>2015</i>	<i>2014</i>
Net gearing ratio	25%	25%
Net financial debt / restated EBITDA ratio	1.1	1.1



**Orange Polska Group**  
**Condensed IFRS Quarterly Consolidated Financial Statements – 31 March 2015**

*Translation of the financial statements originally issued in Polish*

Restatements made to financial data of the operating segment are presented below:

<i>(in PLN millions)</i>	<u>3 months ended</u> <u>31 March 2015</u>	<u>3 months ended</u> <u>31 March 2014</u>
Revenue	2,930	2,995
- restatement for data of Wirtualna Polska S.A. <sup>(1)</sup>	-	(15)
Restated revenue	2,930	2,980
EBITDA	959	1,142
- restatement for gain on disposal of Wirtualna Polska S.A.	-	(191)
- restatement for data of Wirtualna Polska S.A. <sup>(1)</sup>	-	(4)
- restatement for employment termination expense	1	-
Restated EBITDA	960	947
Organic cash flows	(48)	157
- restatement for payments relating to acquisition of telecommunications licences (see Note 5)	200	-
Restated organic cash flows	152	157
Capital expenditures	321	374
- restatement for expenditures on acquisition of telecommunications licences	-	(1)
Restated capital expenditures	321	373

<sup>(1)</sup> Restated revenue and restated EBITDA for 3 months ended 31 March 2014 do not include data of Wirtualna Polska S.A., a subsidiary disposed of in February 2014.

## 2. Statement of compliance and basis of preparation

### Basis of preparation

These unaudited Condensed Quarterly Consolidated Financial Statements are prepared in accordance with International Accounting Standard (“IAS”) 34 - Interim Financial Reporting (“IAS 34”) and with all accounting standards applicable to interim financial reporting adopted by the European Union, issued and effective as at the time of preparing the Condensed Quarterly Consolidated Financial Statements (see also Note 3).

These Condensed Quarterly Consolidated Financial Statements should be read in conjunction with the audited IFRS Consolidated Financial Statements for the year ended 31 December 2014.

The Condensed Quarterly Consolidated Financial Statements include the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and selected explanatory notes.

Costs that arise unevenly during the year are anticipated or deferred in the quarterly financial statements only if it would also be appropriate to anticipate or defer such costs at the end of the year.

These Condensed Quarterly Consolidated Financial Statements are prepared in millions of Polish zloty (“PLN”) and were authorised for issuance by the Management Board on 27 April 2015.

### Adoption of standards or interpretations in 2015

- IFRIC 21 “Levies”. This interpretation provides guidance on when to recognise a liability for a levy imposed by a government. Adoption of IFRIC 21 did not have a significant impact on financial statements.

### **3. Statement of accounting policies**

The accounting policies and methods of computation used in the preparation of the Condensed Quarterly Consolidated Financial Statements are consistent with those described in the audited IFRS Consolidated Financial Statements for the year ended 31 December 2014 (see Notes 2 and 31 to IFRS Consolidated Financial Statements for the year ended 31 December 2014).

### **4. Explanatory comments about the seasonality or cyclicity of interim Group operations**

The Group's activities are not subject to any significant seasonality or cyclical trends of operations.

### **5. Items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

In the first quarter of 2015, the Group signed with Trade Unions agreements which curtailed other post-employment benefits for retirees of the Group and agreed additional contributions totalling PLN 24 million to the social fund during years 2015-2017. As a result, in the first quarter of 2015, a credit of PLN 58 million was recognised in labour expense as the net effect of PLN 82 million of released provision for post-employment benefits and PLN 24 million of the recognised liability relating to the additional contributions to the social fund.

From 2015, the Group extended the estimated useful lives for certain items of software which decreased the depreciation expense by PLN 34 million in the 3 months ended 31 March 2015.

In the 3 months ended 31 March 2015, interest expense and other financial charges amounted to PLN 53 million and were lower by PLN 40 million compared to the 3 months ended 31 March 2014. The change resulted mainly from lower interest expense on debt refinanced in 2014 and lower financial costs on derivatives (in May 2014, the Group redeemed bonds of the nominal value of EUR 700 million issued under the European Medium Term Note issuance programme, which were refinanced by loans from Atlas Services Belgium S.A., an Orange Group entity).

The amount of cash flows from investing activities for the 3 months ended 31 March 2015 includes PLN 200 million of the deposit paid in the course of the auction for 800 MHz and 2600 MHz telecommunications licences.

### **6. Dividends**

On 9 April 2015, the General Meeting of Orange Polska S.A. adopted a resolution on the payment of an ordinary dividend of PLN 0.50 per share from the 2014 profit and retained earnings from previous years. The total dividend, amounting to PLN 656 million, will be paid on 9 July 2015.

### **7. Changes in major litigation and claims, contingent liabilities and contingent assets since the end of the last annual reporting period**

The information hereunder refers to the matters presented in Note 28 to the IFRS Consolidated Financial Statements for the year ended 31 December 2014 or describes major matters that occurred after 31 December 2014.

#### **a. Proceedings by UOKiK**

##### *Proceedings by UOKiK related to retail prices of calls to Play*

UOKiK informed the Company that it had further prolonged the proceedings. The indicated date of prolongation is 12 May 2015.

##### *Proceedings by UOKiK related to tenders for mobile services*

UOKiK informed the Company that it had further prolonged the proceedings. The indicated date of prolongation is 20 May 2015.

According to the Act on Competition and Consumer Protection, in case of non-compliance with its regulations, the President of the UOKiK is empowered to impose on an entity penalties of up to a maximum amount of EUR 50 million for refusal to provide requested information and/or up to a maximum amount of 10% of an entity's prior year's revenue for a breach of the law.

b. Other contingent liabilities and provisions

Apart from the above mentioned, operational activities of the Group are subject to legal, social and administrative regulations and the Group is a party to a number of legal proceedings and commercial contracts related to its operational activities. Some regulatory decisions can be detrimental to the Group and court verdicts within appeal proceedings against such decisions can have potential negative consequences for the Group. The Group monitors the risks on a regular basis and the Management believes that adequate provisions have been recorded for known and quantifiable risks.

## 8. Related party transactions

As at 31 March 2015, Orange S.A. owned 50.67% of shares of the Company and had the power to appoint the majority of OPL S.A.'s Supervisory Board Members. The Supervisory Board appoints and dismisses Members of the Management Board.

The Group's income earned from the Orange Group comprises mainly interconnect, research and development services and data transmission. The purchases from the Orange Group comprise mainly costs of interconnect, data transmission, IT services, consulting services and brand fees.

Financial receivables, payables, financial expense and other comprehensive income concerning transactions with the Orange Group relate to loan agreements concluded with Atlas Services Belgium S.A. and agreement with Orange S.A. concerning derivative transactions to hedge exposure to foreign currency risk and interest rate risk related to the abovementioned loan agreements. Financial income from Orange S.A. and cash and cash equivalents deposited with Orange S.A. relate to the Cash Management Treasury Agreement.

<i>(in PLN millions)</i>	<i>3 months ended 31 March 2015</i>	<i>3 months ended 31 March 2014</i>
<b>Sales of goods, services and other income:</b>	<b>49</b>	<b>52</b>
Orange S.A. (parent)	27	35
Orange Group (excluding parent)	22	17
<b>Purchases of goods (including inventories, tangible and intangible assets) and services:</b>	<b>(66)</b>	<b>(80)</b>
Orange S.A. (parent)	(21)	(28)
Orange Group (excluding parent)	(45)	(52)
- including Orange Brand Services Limited (brand licence agreement)	(33)	(38)
<b>Financial income:</b>	<b>1</b>	<b>1</b>
Orange S.A. (parent)	1	1
<b>Financial expense, net:</b>	<b>(45)</b>	<b>(6)</b>
Orange S.A. (parent)	(156)	(5)
Orange Group (excluding parent)	111	(1)
<b>Other comprehensive income:</b>	<b>1</b>	<b>-</b>
Orange S.A. (parent)	1	-

**Orange Polska Group**  
**Condensed IFRS Quarterly Consolidated Financial Statements – 31 March 2015**

*Translation of the financial statements originally issued in Polish*

<i>(in PLN millions)</i>	<i>At 31 March 2015</i>	<i>At 31 December 2014</i>
<b>Receivables:</b>	<b>59</b>	<b>71</b>
Orange S.A. (parent)	34	46
Orange Group (excluding parent)	25	25
<b>Payables:</b>	<b>84</b>	<b>106</b>
Orange S.A. (parent)	19	43
Orange Group (excluding parent)	65	63
<b>Financial receivables:</b>	<b>-</b>	<b>70</b>
Orange S.A. (parent)	-	70
<b>Cash and cash equivalents deposited with:</b>	<b>93</b>	<b>69</b>
Orange S.A. (parent)	93	69
<b>Financial payables:</b>	<b>4,410</b>	<b>4,455</b>
Orange S.A. (parent)	226	148
Orange Group (excluding parent)	4,184	4,307

Compensation (remuneration, bonuses, post-employment benefits and termination indemnities, including compensation under a competition prohibition clause - cash, benefits in kind or any other benefits) paid in accordance with contractual commitments to OPL S.A.'s Management Board and Supervisory Board Members during the 3 months ended 31 March 2015 and 2014 amounted to PLN 3.7 million and PLN 5.6 million, respectively, including PLN 1.3 million and PLN 1.3 million accrued in previous periods. During the 3 months ended 31 March 2015 and 2014, the amount of accrued cost of compensation for the Company's Management Board amounted to PLN 0.8 million and PLN 0.8 million.

On 9 April 2015, the mandate of Mr Sławomir Lachowski, a Member of the Supervisory Board of OPL S.A., expired and was not renewed. On the same day the General Meeting of OPL S.A. appointed Ms Maria Pasło-Wiśniewska as a Member of the Supervisory Board of OPL S.A.

## 9. Subsequent events

On 15 April 2015, OPL S.A. increased the deposit paid in the course of the auction for 800 MHz and 2600 MHz telecommunications licences. The amount of the deposit is not disclosed due to commercial sensitivity.

**ORANGE POLSKA S.A.**

**CONDENSED IFRS QUARTERLY SEPARATE FINANCIAL  
STATEMENTS FOR THE 3 MONTHS ENDED 31 MARCH 2015**

---



**April 27, 2015**

## Contents

INCOME STATEMENT .....	3
STATEMENT OF COMPREHENSIVE INCOME .....	3
STATEMENT OF FINANCIAL POSITION .....	4
STATEMENT OF CHANGES IN EQUITY .....	5
STATEMENT OF CASH FLOWS .....	6
1. Orange Polska S.A. ....	7
2. Statement of compliance and basis of preparation .....	7
3. Statement of accounting policies .....	7
4. Explanatory comments about the seasonality or cyclicity of interim operations .....	8
5. Items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence .....	8
6. Dividends .....	8
7. Changes in major litigation and claims, contingent liabilities and contingent assets since the end of the last annual reporting period .....	8
8. Related party transactions .....	9
9. Subsequent events .....	11

**INCOME STATEMENT***(in PLN millions, except for earnings per share)*

	<b>3 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Revenue</b>	<b>2,864</b>	<b>2,958</b>
External purchases	(1,520)	(1,556)
Labour expense	(343)	(415)
Other operating expense	(192)	(169)
Other operating income	123	92
Gains on disposal of assets	5	9
Gain on disposal of Wirtualna Polska S.A.	-	183
Depreciation and amortisation	(709)	(748)
Impairment of non-current assets	(3)	(1)
<b>Operating income</b>	<b>225</b>	<b>353</b>
Dividend income	45	99
Interest income	50	57
Interest expense and other financial charges	(99)	(150)
Discounting expense	(8)	(28)
<b>Finance costs, net</b>	<b>(12)</b>	<b>(22)</b>
Income tax	(18)	(2)
<b>Net income</b>	<b>195</b>	<b>329</b>
<b>Earnings per share (in PLN) (basic and diluted)</b>	<b>0.15</b>	<b>0.25</b>
Weighted average number of shares (in millions) (basic and diluted)	1,312	1,312

**STATEMENT OF COMPREHENSIVE INCOME***(in PLN millions)*

	<b>3 months ended</b>	
	<b>31 March 2015</b>	<b>31 March 2014</b>
<b>Net income</b>	<b>195</b>	<b>329</b>
<b>Items that may be reclassified subsequently to profit or loss</b>		
Gains/(losses) on cash flow hedges	(16)	10
Income tax relating to items that may be reclassified	3	(2)
<b>Other comprehensive income/(loss), net of tax</b>	<b>(13)</b>	<b>8</b>
<b>Total comprehensive income</b>	<b>182</b>	<b>337</b>

## STATEMENT OF FINANCIAL POSITION

(in PLN millions)

	At 31 March 2015	At 31 December 2014
<b>ASSETS</b>		
Goodwill	3,909	3,909
Other intangible assets	3,130	3,211
Property, plant and equipment	11,463	11,743
Investments in subsidiaries	227	227
Trade receivables	147	138
Loans and receivables excluding trade receivables	1,580	1,695
Derivatives	-	70
Deferred tax assets	661	695
<b>Total non-current assets</b>	<b>21,117</b>	<b>21,688</b>
Inventories	162	176
Trade receivables	1,256	1,244
Loans and receivables excluding trade receivables	461	451
Derivatives	3	21
Income tax assets	34	1
Other assets	308	133
Prepaid expenses	112	67
Cash and cash equivalents	173	205
<b>Total current assets</b>	<b>2,509</b>	<b>2,298</b>
<b>TOTAL ASSETS</b>	<b>23,626</b>	<b>23,986</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	3,937	3,937
Share premium	832	832
Other reserves	(133)	(120)
Retained earnings	7,745	7,550
<b>Total equity</b>	<b>12,381</b>	<b>12,199</b>
Trade payables	843	866
Financial liabilities at amortised cost excluding trade payables	3,524	4,909
Derivatives	190	148
Employee benefits	243	300
Provisions	295	303
Deferred income	43	43
<b>Total non-current liabilities</b>	<b>5,138</b>	<b>6,569</b>
Trade payables	1,556	1,932
Financial liabilities at amortised cost excluding trade payables	2,919	1,788
Derivatives	91	-
Employee benefits	165	150
Provisions	755	768
Income tax liabilities	24	57
Other liabilities	173	129
Deferred income	424	394
<b>Total current liabilities</b>	<b>6,107</b>	<b>5,218</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>23,626</b>	<b>23,986</b>



## STATEMENT OF CHANGES IN EQUITY

(in PLN millions)

	Share capital	Share premium	Other reserves				Retained earnings	Total equity
			Losses on cash flow hedges	Actuarial losses on post-employment benefits	Deferred tax	Share-based payments		
<b>Balance at 1 January 2015</b>	<b>3,937</b>	<b>832</b>	<b>(106)</b>	<b>(136)</b>	<b>46</b>	<b>76</b>	<b>7,550</b>	<b>12,199</b>
Total comprehensive income for the 3 months ended 31 March 2015	-	-	(16)	-	3	-	195	182
<b>Balance at 31 March 2015</b>	<b>3,937</b>	<b>832</b>	<b>(122)</b>	<b>(136)</b>	<b>49</b>	<b>76</b>	<b>7,745</b>	<b>12,381</b>
<b>Balance at 1 January 2014</b>	<b>3,937</b>	<b>832</b>	<b>(16)</b>	<b>(95)</b>	<b>21</b>	<b>76</b>	<b>7,639</b>	<b>12,394</b>
Total comprehensive income for the 3 months ended 31 March 2014	-	-	10	-	(2)	-	329	337
<b>Balance at 31 March 2014</b>	<b>3,937</b>	<b>832</b>	<b>(6)</b>	<b>(95)</b>	<b>19</b>	<b>76</b>	<b>7,968</b>	<b>12,731</b>

## STATEMENT OF CASH FLOWS

(in PLN millions)

	3 months ended	
	31 March 2015	31 March 2014
<b>OPERATING ACTIVITIES</b>		
Net income	195	329
<i>Adjustments to reconcile net income to cash from operating activities</i>		
Gains on disposal of assets	(5)	(9)
Gain on disposal of Wirtualna Polska S.A.	-	(183)
Depreciation and amortisation	709	748
Impairment of non-current assets	3	1
Finance costs, net	12	22
Income tax	18	2
Change in provisions and allowances	(90)	(50)
Operational foreign exchange and derivatives gains, net	(1)	(1)
<i>Change in working capital</i>		
(Increase)/decrease in inventories, gross	10	(7)
(Increase)/decrease in trade receivables, gross	(25)	82
Decrease in trade payables	(151)	(161)
Increase in prepaid expenses and other receivables	(55)	(22)
Increase in deferred income and other payables	112	6
Dividends received	45	99
Interest received	5	3
Interest paid and interest rates effect paid on derivatives, net	(29)	(67)
Exchange rate effect received on derivatives, net	-	3
Income tax paid	(37)	(14)
<b>Net cash provided by operating activities</b>	<b>716</b>	<b>781</b>
<b>INVESTING ACTIVITIES</b>		
Purchases of property, plant and equipment and intangible assets	(325)	(378)
Decrease in amounts due to fixed assets suppliers	(413)	(189)
Exchange rate effect received on derivatives economically hedging capital expenditures, net	7	3
Proceeds from sale of property, plant and equipment and intangible assets	12	13
Transaction costs paid on sale of investments in subsidiaries	-	(2)
Cash paid for investments in subsidiaries	-	(2)
Decrease in receivables related to leased fixed assets	3	1
Decrease in loans and other financial assets	2	-
<b>Net cash used in investing activities</b>	<b>(714)</b>	<b>(554)</b>
<b>FINANCING ACTIVITIES</b>		
Repayment of long-term debt	(5)	(6)
Increase/(decrease) in short-term debt	(32)	39
Exchange rate effect received/(paid) on derivatives, net	3	(2)
<b>Net cash provided by/(used in) financing activities</b>	<b>(34)</b>	<b>31</b>
<b>Net change in cash and cash equivalents</b>	<b>(32)</b>	<b>258</b>
Cash and cash equivalents at the beginning of the period	205	173
<b>Cash and cash equivalents at the end of the period</b>	<b>173</b>	<b>431</b>

## **Notes to the Condensed Quarterly Separate Financial Statements**

### **1. Orange Polska S.A.**

Orange Polska S.A. (“Orange Polska” or “the Company” or “OPL S.A.”), a joint stock company, was incorporated and commenced its operations on 4 December 1991. Orange Polska shares are listed on the Warsaw Stock Exchange.

Orange Polska is the principal provider of telecommunications services in Poland. The Company provides mobile and fixed telecommunications services, including calls, messaging, content, access to the Internet and TV. In addition, Orange Polska provides ICT (Information and Communications Technology) services, leased lines and other telecommunications value added services, sells telecommunications equipment, provides data transmission, sells electrical energy and financial services. Orange Polska provides telecommunications services on the basis of entry number 1 in the register of telecommunications companies maintained by the President of Office of Electronic Communication (“UKE”), the national regulatory authority for the telecommunications market.

Orange Polska’s registered office is located in Warsaw at 160 Aleje Jerozolimskie St.

### **2. Statement of compliance and basis of preparation**

#### Basis of preparation

These unaudited Condensed IFRS Quarterly Separate Financial Statements (the “Condensed Quarterly Separate Financial Statements”) are prepared in accordance with International Accounting Standard (“IAS”) 34 - Interim Financial Reporting (“IAS 34”) and with all accounting standards applicable to interim financial reporting adopted by the European Union, issued and effective as at the time of preparing the Condensed Quarterly Separate Financial Statements (see also Note 3).

These Condensed Quarterly Separate Financial Statements should be read in conjunction with the audited Orange Polska S.A. IFRS Separate Financial Statements and the notes thereto (“IFRS Separate Financial Statements”) for the year ended 31 December 2014.

The Condensed Quarterly Separate Financial Statements include the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and selected explanatory notes.

Costs that arise unevenly during the year are anticipated or deferred in the quarterly financial statements only if it would also be appropriate to anticipate or defer such costs at the end of the year.

These Condensed Quarterly Separate Financial Statements are prepared in millions of Polish zloty (“PLN”) and were authorised for issuance by the Management Board on 27 April 2015.

#### Adoption of standards or interpretations in 2015

- IFRIC 21 “Levies”. This interpretation provides guidance on when to recognise a liability for a levy imposed by a government. Adoption of IFRIC 21 did not have a significant impact on financial statements.

### **3. Statement of accounting policies**

The accounting policies and methods of computation used in the preparation of the Condensed Quarterly Separate Financial Statements are consistent with those described in the audited IFRS Separate Financial Statements for the year ended 31 December 2014 (see Notes 2 and 32 to IFRS Separate Financial Statements for the year ended 31 December 2014).

#### **4. Explanatory comments about the seasonality or cyclicity of interim operations**

The Company's activities are not subject to any significant seasonality or cyclical trends of operations.

#### **5. Items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

In the first quarter of 2015, Orange Polska signed with Trade Unions agreements which curtailed other post-employment benefits for retirees of the Company and agreed additional contributions totalling PLN 24 million to the social fund during years 2015-2017. As a result, in the first quarter of 2015, a credit of PLN 58 million was recognised in labour expense as the net effect of PLN 82 million of released provision for post-employment benefits and PLN 24 million of the recognised liability relating to the additional contributions to the social fund.

From 2015, the Company extended the estimated useful lives for certain items of software which decreased the depreciation expense by PLN 34 million in the 3 months ended 31 March 2015.

In the 3 months ended 31 March 2015, interest expense and other financial charges amounted to PLN 99 million and were lower by PLN 51 million compared to the 3 months ended 31 March 2014. The change resulted mainly from lower interest expense on debt refinanced in 2014 and lower financial costs on derivatives (in May 2014, Orange Polska redeemed bonds of the nominal value of EUR 700 million issued under the European Medium Term Note issuance programme, which were refinanced by loans from Atlas Services Belgium S.A., an Orange Group entity).

The amount of cash flows from investing activities for the 3 months ended 31 March 2015 includes PLN 200 million of the deposit paid in the course of the auction for 800 MHz and 2600 MHz telecommunications licences.

#### **6. Dividends**

On 9 April 2015, the General Meeting of Orange Polska S.A. adopted a resolution on the payment of an ordinary dividend of PLN 0.50 per share from the 2014 profit and retained earnings from previous years. The total dividend, amounting to PLN 656 million, will be paid on 9 July 2015.

#### **7. Changes in major litigation and claims, contingent liabilities and contingent assets since the end of the last annual reporting period**

The information hereunder refers to the matters presented in Note 28 to the IFRS Separate Financial Statements for the year ended 31 December 2014 or describes major matters that occurred after 31 December 2014.

##### **a. Proceedings by UOKiK**

###### *Proceedings by UOKiK related to retail prices of calls to Play*

UOKiK informed the Company that it had further prolonged the proceedings. The indicated date of prolongation is 12 May 2015.

###### *Proceedings by UOKiK related to tenders for mobile services*

UOKiK informed the Company that it had further prolonged the proceedings. The indicated date of prolongation is 20 May 2015.

According to the Act on Competition and Consumer Protection, in case of non-compliance with its regulations, the President of the UOKiK is empowered to impose on an entity penalties of up to a maximum amount of EUR 50 million for refusal to provide requested information and/or up to a maximum amount of 10% of an entity's prior year's revenue for a breach of the law.

b. Other contingent liabilities and provisions

Apart from the above mentioned, operational activities of the Company are subject to legal, social and administrative regulations and the Company is a party to a number of legal proceedings and commercial contracts related to its operational activities. Some regulatory decisions can be detrimental to the Company and court verdicts within appeal proceedings against such decisions can have potential negative consequences for the Company. The Company monitors the risks on a regular basis and the Management believes that adequate provisions have been recorded for known and quantifiable risks.

## 8. Related party transactions

As at 31 March 2015, Orange S.A. owned 50.67% of shares of the Company and had the power to appoint the majority of OPL S.A.'s Supervisory Board Members. The Supervisory Board appoints and dismisses Members of the Management Board.

OPL S.A.'s income earned from its subsidiaries comprises mainly property rental and related fees, telecommunications equipment sales and IT services. The purchases from the subsidiaries comprise mainly customer support and management services, selling fees, network services and property rental and related fees. Costs incurred by the Company in transactions with its subsidiaries also comprise donations to Fundacja Orange.

Income earned from the Orange Group comprises mainly interconnect, research and development services and data transmission. The purchases from the Orange Group comprise mainly costs of interconnect, data transmission, IT services, consulting services and brand fees.

OPL S.A.'s financial income earned from its subsidiaries comprises mainly dividends from the subsidiaries and interest on bonds issued by the subsidiaries. Financial costs incurred by OPL S.A. in transactions with the subsidiaries comprise interest on loans from the subsidiaries and interest on bonds issued to the subsidiaries. The Company's financial receivables from its subsidiaries comprise mainly bonds issued by the subsidiaries, together with accrued interest. Financial payables to the subsidiaries comprise loans from the subsidiaries together with accrued interest and bonds issued to the subsidiaries.

Financial receivables, payables, financial expense and other comprehensive income concerning transactions with the Orange Group relate to loan agreements concluded with Atlas Services Belgium S.A. and agreement with Orange S.A. concerning derivative transactions to hedge exposure to foreign currency risk and interest rate risk related to the abovementioned loan agreements. Financial income from Orange S.A. and cash and cash equivalents deposited with Orange S.A. relate to the Cash Management Treasury Agreement.

<i>(in PLN millions)</i>	<i>3 months ended 31 March 2015</i>	<i>3 months ended 31 March 2014</i>
<b>Sales of goods, services and other income:</b>	<b>94</b>	<b>91</b>
Orange Polska Group (subsidiaries)	45	39
Orange Group	49	52
- Orange S.A. (parent)	27	35
- Orange Group (excluding parent)	22	17
<b>Purchases of goods (including inventories, tangible and intangible assets) and services:</b>	<b>(302)</b>	<b>(377)</b>
Orange Polska Group (subsidiaries)	(236)	(297)
Orange Group	(66)	(80)
- Orange S.A. (parent)	(21)	(28)
- Orange Group (excluding parent)	(45)	(52)
- including Orange Brand Services Limited (brand licence agreement)	(33)	(38)
<b>Financial income:</b>	<b>92</b>	<b>155</b>
Orange Polska Group (subsidiaries)	91	154
Orange S.A. (parent)	1	1
<b>Financial expense, net:</b>	<b>(91)</b>	<b>(105)</b>
Orange Polska Group (subsidiaries)	(46)	(99)
Orange Group	(45)	(6)
- Orange S.A. (parent)	(156)	(5)
- Orange Group (excluding parent)	111	(1)
<b>Other comprehensive income:</b>	<b>1</b>	<b>-</b>
Orange S.A. (parent)	1	-

<i>(in PLN millions)</i>	<i>At 31 March 2015</i>	<i>At 31 December 2014</i>
<b>Receivables:</b>	<b>108</b>	<b>143</b>
Orange Polska Group (subsidiaries)	49	72
Orange Group	59	71
- Orange S.A. (parent)	34	46
- Orange Group (excluding parent)	25	25
<b>Payables:</b>	<b>246</b>	<b>303</b>
Orange Polska Group (subsidiaries)	162	197
Orange Group	84	106
- Orange S.A. (parent)	19	43
- Orange Group (excluding parent)	65	63
<b>Financial receivables:</b>	<b>2,017</b>	<b>2,193</b>
Orange Polska Group (subsidiaries)	2,017	2,123
Orange S.A. (parent)	-	70
<b>Cash and cash equivalents deposited with:</b>	<b>87</b>	<b>63</b>
Orange S.A. (parent)	87	63
<b>Financial payables:</b>	<b>6,549</b>	<b>6,729</b>
Orange Polska Group (subsidiaries)	2,139	2,274
Orange Group	4,410	4,455
- Orange S.A. (parent)	226	148
- Orange Group (excluding parent)	4,184	4,307

Compensation (remuneration, bonuses, post-employment benefits and termination indemnities, including compensation under a competition prohibition clause - cash, benefits in kind or any other benefits) paid in accordance with contractual commitments to OPL S.A.'s Management Board and Supervisory Board Members during the 3 months ended 31 March 2015 and 2014 amounted to PLN 3.7 million and PLN 5.6 million, respectively, including PLN 1.3 million and PLN 1.3 million accrued in previous periods. During the 3 months ended 31 March 2015 and 2014, the amount of accrued cost of compensation for the Company's Management Board amounted to PLN 0.8 million and PLN 0.8 million.

On 9 April 2015, the mandate of Mr Sławomir Lachowski, a Member of the Supervisory Board of OPL S.A., expired and was not renewed. On the same day the General Meeting of OPL S.A. appointed Ms Maria Pasło-Wiśniewska as a Member of the Supervisory Board of OPL S.A.

## 9. Subsequent events

On 15 April 2015, OPL S.A. increased the deposit paid in the course of the auction for 800 MHz and 2600 MHz telecommunications licences. The amount of the deposit is not disclosed due to commercial sensitivity.

*Orange Polska Group*  
*Quarterly consolidated report for the 3 months ended 31 March 2015*

Pursuant to Art. 87 of the Decree of the Minister of Finance of 19 February 2009 on current and periodic information to be disclosed by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state - Journal of Laws of 2009, no. 33, item 259, with amendments ("the Decree of the Minister of Finance of 19 February 2009"), the Management Board of Orange Polska S.A. ("OPL S.A.", "the Company") discloses the following information:

**I. Shareholders entitled to exercise at least 5% of total voting rights at the General Meeting of OPL S.A., either directly or through subsidiaries, as at the date of publication of the quarterly report and changes in the ownership structure in the period since the submission of the previous annual report**

The ownership structure of the Company's share capital, based on the information available to the Company as at 27 April 2015, i.e. the date of submission of the quarterly report for the 3 months ended 31 March 2015 was the same as at 12 February 2015, i.e. the date of submission of the annual report for the 12 months ended 31 December 2014:

Shareholder	Number of shares held	Number of votes at the General Meeting of OPL S.A.	Percentage of the total number of votes at the General Meeting of OPL S.A.	Nominal value of shares held (in PLN)	Share in the capital
Orange S.A.	664,999,999	664,999,999	50.67%	1,994,999,997	50.67%
Other shareholders	647,357,480	647,357,480	49.33%	1,942,072,440	49.33%
<b>TOTAL</b>	<b>1,312,357,479</b>	<b>1,312,357,479</b>	<b>100.00%</b>	<b>3,937,072,437</b>	<b>100.00%</b>

**II. Statement of changes in ownership of OPL S.A.'s shares or rights to them (options) held by Members of the Management Board and the Supervisory Board of OPL S.A., according to information obtained by OPL S.A., in the period since the submission of the previous annual report**

As part of the Company's incentive program, Members of the Management Board of the Company acquired OPL S.A. registered A-series bonds with a pre-emption right attached to the bonds to subscribe for the Company's shares with priority over existing shareholders.

The number of bonds with a pre-emption right held by Members of the Management Board of the Company at the dates of submission of the quarterly report for the 3 months ended 31 March 2015 and the annual report for the 12 months ended 31 December 2014 is as follows:

	27 April 2015	12 February 2015
Bruno Duthoit	-	-
Mariusz Gaca	68,839	68,839
Piotr Muszyński	190,896	190,896
Jacek Kowalski	25,241	25,241
Maciej Nowohoński	36,715	36,715



*Orange Polska Group*  
*Quarterly consolidated report for the 3 months ended 31 March 2015*

Mr Maciej Witucki, the Chairman of the Supervisory Board of OPL S.A. held 305,557 bonds with a pre-emption right as at 27 April 2015 and 12 February 2015. Other Members of the Supervisory Board of OPL S.A. do not participate in the Company's incentive program and as at 27 April 2015 and 12 February 2015 held no bond with a pre-emption right.

Mr Maciej Witucki, the Chairman of the Supervisory Board of OPL S.A. held 4,000 OPL S.A. shares as at 27 April 2015 and 12 February 2015. There was no OPL S.A. share held by other members of the Management Board or the Supervisory Board of OPL S.A.

**III. Information on guarantees or collaterals of loans or borrowings granted by the Company or its subsidiaries to other entities or their subsidiaries, where the total amount of guarantees or collaterals account for at least 10% of the Company's equity**

In the 3 months ended 31 March 2015, neither the Company nor its subsidiaries granted guarantees or collateral of loans or borrowings to any entity or its subsidiary with a total value representing the equivalent of at least 10% of OPL S.A.'s shareholders equity.

**IV. The Management Board's comment on previously published financial forecasts**

The Group does not publish financial forecasts as defined by the Decree of the Minister of Finance of 19 February 2009.

**V. Factors which, in the opinion of the Group, may affect its results over at least the next quarter**

Factors that, in the Management Board's opinion, have influence on the Group's operations or may have such influence in the near future are presented in Section 4 of Management Board's Report on the Activity of Orange Polska Group in 2014 as well as in the current report 5/2015 published on 10 February 2015. Additionally, threats and risks that may impact the Group's operational and financial performance are reviewed in detail in the Chapter IV of the above mentioned Report.

**VI. Foreign exchange rates**

The statement of financial position data as at 31 March 2015 and 31 December 2014 presented in the table "Selected financial data" was translated into Euro at the average exchange rate of the National Bank of Poland ("NBP") at the end of the reporting period. The income statement data, together with the statement of comprehensive income and statement of cash flows data for the 3 months ended 31 March 2015 and 2014, was translated into Euro at an exchange rate which is the arithmetical average of the average NBP rates published by the NBP on the last day of each month of the 3 month periods ended 31 March 2015 and 2014.

The exchange rates used in the translation of the statement of financial position, income statement, statement of comprehensive income and statement of cash flows data are presented below:

	<b>31 March 2015</b>	<b>31 December 2014</b>	<b>31 March 2014</b>
Statement of financial position	4.0890 PLN	4.2623 PLN	Not applicable
Income statement, statement of comprehensive income, statement of cash flows	4.1489 PLN	Not applicable	4.1894 PLN