☐ - restated

POLISH FINANCIAL SUPERVISION AUTHORITY

Quarterly consolidated report for the first quarter of 2014

(quarter / 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 **2014**, i.e. **from 1 January 2014 to 31 March 2014**

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: **25 April 2014**

ORANGE POLSKA SA
(full name of issuer)

ORANGEPL
(abbreviated name of the issuer)

Telecommunication (tel)
(classification according to WSE/ sector)

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SELECTED FINANCIAL DATA	PLN '000		EUR '000	
	1 quarter period from 01/01/2014 to 31/03/2014	1 quarter period from 01/01/2013 to 31/03/2013	1 quarter period from 01/01/2014 to 31/03/2014	1 quarter period from 01/01/2013 to 31/03/2013
condensed consolidated financial statements data				
I. Revenue	2 995 000	3 267 000	714 900	782 740
II. Operating income	391 000	241 000	93 331	57 741
III. Profit before income tax	272 000	107 000	64 926	25 636
IV. Consolidated net income	271 000	81 000	64 687	19 407
V. Net income attributable to owners of Orange Polska S.A.	271 000	81 000	64 687	19 407
VI. Earnings per share (in PLN/EUR) (basic and diluted)	0.21	0.06	0.05	0.01
VII. Weighted average number of shares (in millions) (basic and diluted)	1 312	1 312	1 312	1 312
VIII. Total comprehensive income	279 000	87 000	66 597	20 844
IX. Total comprehensive income attributable to owners of Orange Polska S.A.	279 000	87 000	66 597	20 844
X. Net cash provided by operating activities	708 000	863 000	168 998	206 766
XI. Net cash used in investing activities	(198 000)	(660 000)	(47 262)	(158 129)
XII. Net cash used in financing activities	(245 000)	(348 000)	(58 481)	(83 377)
XIII. Total net change in cash and cash equivalents	265 000	(145 000)	63 255	(34 741)
	balance as at 31/03/2014	balance as at 31/12/2013	balance as at 31/03/2014	balance as at 31/12/2013
XIV. Total current assets	2 181 000	1 852 000	522 859	446 566
XV. Total non-current assets	20 318 000	20 725 000	4 870 904	4 997 348
XVI. Total assets	22 499 000	22 802 000	5 393 762	5 498 167
XVII. Total current liabilities	6 775 000	7 333 000	1 624 194	1 768 181
XVIII. Total non-current liabilities	2 814 000	2 800 000	674 610	675 154
XIX. Total equity	12 910 000	12 631 000	3 094 958	3 045 669
XX. Equity attributable to owners of Orange Polska S.A.	12 908 000	12 629 000	3 094 479	3 045 187
XXI. Share capital	3 937 000	3 937 000	943 830	949 315
condensed separate financial statements data				
	1 quarter period from 01/01/2014 to 31/03/2014	1 quarter period from 01/01/2013 to 31/03/2013	1 quarter period from 01/01/2014 to 31/03/2014	1 quarter period from 01/01/2013 to 31/03/2013
I. Revenue	2 958 000	1 786 000	706 068	427 907
II. Operating income	353 000	100 000	84 260	23 959
III. Profit before income tax	331 000	726 000	79 009	173 942
IV. Net income	329 000	707 000	78 532	169 390
V. Earnings per share (in PLN/EUR) (basic and diluted)	0.25	0.54	0.06	0.13
VI. Weighted average number of shares (in millions) (basic and diluted)	1 312	1 312	1 312	1 312
VII. Total comprehensive income	337 000	704 000	80 441	168 671
VIII. Net cash provided by operating activities	781 000	924 000	186 423	221 381
IX. Net cash used in investing activities	(554 000)	(465 000)	(132 239)	(111 409)
X. Net cash provided by/(used in) financing activities	31 000	(570 000)	7 400	(136 566)
XI. Total net change in cash and cash equivalents	258 000	(111 000)	61 584	(26 594)
	balance as at 31/03/2014	balance as at 31/12/2013	balance as at 31/03/2014	balance as at 31/12/2013
XII. Total current assets	2 846 000	2 197 000	682 281	529 755
XIII. Total non-current assets	22 280 000	22 785 000	5 341 261	5 494 068
XIV. Total assets	25 126 000	25 180 000	6 023 542	6 071 566
XV. Total current liabilities	7 695 000	7 983 000	1 844 749	1 924 913
XVI. Total non-current liabilities	4 700 000	4 803 000	1 126 747	1 158 131
XVII. Total equity	12 731 000	12 394 000	3 052 046	2 988 522
XVIII. Share capital	3 937 000	3 937 000	943 830	949 315

ORANGE POLSKA GROUP

CONDENSED IFRS QUARTERLY CONSOLIDATED FINANCIAL STATEMENTS FOR THE 3 MONTHS ENDED 31 MARCH 2014

April 24, 2014

Contents

CONSOLIDATED INCOME STATEMENT

(in PLN millions, except for earnings per share)

	3 months ended 31 March 2014 (unaudited)	3 months ended 31 March 2013 (unaudited)
Revenue	**2,995**	**3,267**
External purchases	(1,452)	(1,596)
Labour expense	(522)	(545)
Other operating expense	(161)	(176)
Other operating income	82	73
Gains on disposal of assets	9	10
Gain on disposal of Wirtualna Polska S.A.	191	-
Depreciation and amortisation	(750)	(791)
Impairment of non-current assets	(1)	(1)
Operating income	**391**	**241**
Interest income	3	4
Interest expense and other financial charges	(93)	(109)
Foreign exchange losses	-	(1)
Discounting expense	(29)	(28)
Finance costs, net	**(119)**	**(134)**
Income tax	(1)	(26)
Consolidated net income	**271**	**81**
Net income attributable to owners of Orange Polska S.A.	271	81
Net income attributable to non-controlling interests	-	-
Earnings per share (in PLN) (basic and diluted)	**0.21**	**0.06**
Weighted average number of shares (in millions) (basic and diluted)	1,312	1,312

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in PLN millions)

	3 months ended 31 March 2014 (unaudited)	3 months ended 31 March 2013 (unaudited)
Consolidated net income	**271**	**81**
Items that may be reclassified subsequently to profit or loss		
Gains on cash flow hedges	10	8
Income tax relating to items that may be reclassified	(2)	(2)
Other comprehensive income, net of tax	**8**	**6**
Total comprehensive income	**279**	**87**
Total comprehensive income attributable to owners of Orange Polska S.A.	279	87
Total comprehensive income attributable to non-controlling interests	-	-

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in PLN millions)

	At 31 March 2014 *(unaudited)*	***At 31 December 2013*** *(audited)*
ASSETS		
Goodwill	3,940	3,940
Other intangible assets	3,051	3,081
Property, plant and equipment	12,410	12,768
Derivatives	8	4
Other financial assets	9	9
Deferred tax assets	900	923
Total non-current assets	**20,318**	**20,725**
Inventories	199	200
Trade receivables	1,156	1,199
Derivatives	105	89
Other financial assets	9	15
Income tax assets	30	7
Other assets	90	56
Prepaid expenses	122	88
Cash and cash equivalents	470	198
Total current assets	**2,181**	**1,852**
Assets held for sale	-	225
TOTAL ASSETS	**22,499**	**22,802**
EQUITY AND LIABILITIES		
Share capital	3,937	3,937
Share premium	832	832
Other reserves	1	(7)
Retained earnings	8,138	7,867
Equity attributable to owners of Orange Polska S.A.	**12,908**	**12,629**
Non-controlling interests	2	2
Total equity	**12,910**	**12,631**
Trade payables	932	921
Loans from related party	1,161	1,157
Other financial liabilities at amortised cost	79	79
Derivatives	11	9
Employee benefits	304	296
Provisions	303	313
Deferred income	24	25
Total non-current liabilities	**2,814**	**2,800**
Trade payables	1,604	1,921
Loans from related party	1	237
Other financial liabilities at amortised cost	3,150	3,106
Derivatives	250	276
Employee benefits	210	187
Provisions	920	899
Income tax liabilities	33	95
Other liabilities	191	185
Deferred income	416	427
Total current liabilities	**6,775**	**7,333**
Liabilities related to assets held for sale	-	38
TOTAL EQUITY AND LIABILITIES	**22,499**	**22,802**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in PLN millions)

	Share capital	Share premium	Treasury shares	Other reserves				Translation adjustment	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					
Balance at 1 January 2013 *(audited)*	**4,007**	**832**	**(400)**	**(15)**	**(127)**	**26**	**79**	**(5)**	**8,559**	**12,956**	**2**	**12,958**
Total comprehensive income for the 3 months ended 31 March 2013	-	-	-	8	-	(2)	-	-	81	87	-	87
Balance at 31 March 2013 *(unaudited)*	**4,007**	**832**	**(400)**	**(7)**	**(127)**	**24**	**79**	**(5)**	**8,640**	**13,043**	**2**	**13,045**
Balance at 1 January 2014 *(audited)*	**3,937**	**832**	**-**	**(16)**	**(89)**	**19**	**79**	**-**	**7,867**	**12,629**	**2**	**12,631**
Total comprehensive income for the 3 months ended 31 March 2014	-	-	-	10	-	(2)	-	-	271	279	-	279
Balance at 31 March 2014 *(unaudited)*	**3,937**	**832**	**-**	**(6)**	**(89)**	**17**	**79**	**-**	**8,138**	**12,908**	**2**	**12,910**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in PLN millions)

	3 months ended	
	31 March 2014	***31 March 2013***
	(unaudited)	*(see Note 2, unaudited)*
OPERATING ACTIVITIES		
Consolidated net income	271	81
Adjustments to reconcile net income to cash from operating activities		
Gains on disposal of assets	(9)	(10)
Gain on disposal of Wirtualna Polska S.A.	(191)	-
Depreciation and amortisation	750	791
Impairment of non-current assets	1	1
Finance costs, net	119	134
Income tax	1	26
Change in provisions and allowances	(50)	(52)
Operational foreign exchange and derivatives (gains)/losses, net	(1)	2
Change in working capital (trade)		
Increase in inventories, gross	(8)	(5)
Decrease in trade receivables, gross	97	117
Decrease in trade payables	(134)	(4)
Change in working capital (non-trade)		
Increase in prepaid expenses and other receivables	(17)	(39)
Increase in deferred income and other payables	5	37
Interest received	2	4
Interest paid and interest rate effect paid on derivatives, net	(65)	(110)
Exchange rate effect received/(paid) on derivatives, net	3	(21)
Income tax paid	(66)	(89)
Net cash provided by operating activities	**708**	**863**
INVESTING ACTIVITIES		
Purchases of property, plant and equipment and intangible assets	(374)	(400)
Decrease in amounts due to fixed assets suppliers	(194)	(266)
Exchange rate effect received /(paid) on derivatives economically hedging capital expenditures, net	3	(5)
Proceeds from sale of property, plant and equipment and intangible assets	14	18
Decrease in receivables related to leased fixed assets	2	1
Proceeds from sale of subsidiaries, net of cash and transaction costs	347	-
Cash paid for subsidiaries, net of cash acquired	(2)	(8)
Decrease in other financial assets	6	-
Net cash used in investing activities	**(198)**	**(660)**
FINANCING ACTIVITIES		
Repayment of long-term debt	(4)	(4)
Decrease in short-term debt	(239)	(339)
Exchange rate effect paid on derivatives, net	(2)	(5)
Net cash used in financing activities	**(245)**	**(348)**
Net change in cash and cash equivalents	**265**	**(145)**
Cash and cash equivalents at the beginning of the period	198	406
Cash and cash equivalents at the beginning of the period classified as assets held for sale	7	-
Cash and cash equivalents at the end of the period	**470**	**261**

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 telecommunications services based on the CDMA 450, GSM 900/1800, UMTS 900/2100 and LTE 1800 technologies, fixed-line telephony services (local, domestic and international calls), Integrated Services Digital Network ("ISDN"), fixed access to the Internet, TV and Voice over Internet Protocol ("VoIP"). In addition, the Group provides leased lines and other telecommunications value added services, sells telecommunications equipment, provides data transmission, multimedia services and various Internet 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").

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 "Quarterly Consolidated Financial Statements") as at and for the 3 months ended 31 March 2014 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 2013. Changes in scope of consolidation are described in Note 5.

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. To enhance the performance evaluation, where it is materially important for trends analysis, these financial data can be restated to exclude the impact of significant non-recurring transactions or changes in scope of consolidation.

Basic financial data of the operating segment is presented below:

(in PLN millions)	***3 months ended 31 March 2014*** *(selected data restated)*	***3 months ended 31 March 2013*** *(selected data restated)*
Restated [1] revenue	2,995	3,252
Restated [1] EBITDA [2]	951 [3]	1,046 [4]
Net income	271 [5]	81
Organic cash flows [6]	157	210
Capital expenditures	374	400

	At 31 March 2014	***At 31 December 2013***
Net gearing ratio [7]	24%	26%
Net financial debt / restated EBITDA [8] ratio	1.0	1.1

[1] Comparative amounts for revenue and EBITDA include Wirtualna Polska S.A.'s data for period up to February 2013 (see Note 5) and do not include data of Otwarty Rynek Elektroniczny S.A. (a subsidiary disposed of in 2013).
[2] Operating income before depreciation and amortisation expense and impairment of non-current assets.
[3] Restatement relates to the gain on disposal of Wirtualna Polska S.A. (see Note 5).
[4] Restatement relates to employment termination expenses.
[5] Net income for the period ended 31 March 2014 includes the gain on disposal of Wirtualna Polska S.A. (see Note 5).
[6] Net cash provided by operating activities decreased by payments to fixed assets suppliers (after net exchange rate effect paid/received on derivatives economically hedging capital expenditures) and increased by proceeds from sale of fixed assets.
[7] Net financial debt / (net financial debt + equity). Net financial debt corresponds to the total gross financial debt, after net derivative instruments less cash and cash equivalents, other financial assets at fair value through profit or loss and including the impact of the effective portion of cash flow hedges.
[8] Cumulative restated EBITDA for last four quarters.

2. Statement of compliance and basis of preparation

Basis of preparation

These unaudited 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 Quarterly Consolidated Financial Statements (see also Note 3).

These Quarterly Consolidated Financial Statements should be read in conjunction with the audited IFRS Consolidated Financial Statements for the year ended 31 December 2013.

The 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 Quarterly Consolidated Financial Statements are prepared in millions of Polish zloty ("PLN") and were authorised for issuance by the Management Board on 24 April 2014.

Adoption of standards and interpretations in 2014

No new standards or interpretations were adopted by the Group since 1 January 2014.

Standards and interpretations issued but not yet adopted

The following standards and interpretations might affect the Group's financial statements, when they are endorsed by the European Union:

- IFRIC 21 "Levies". This interpretation provides guidance on when to recognise a liability for a levy imposed by a government. IFRIC 21 is applicable for financial years beginning on or after 1 January 2014. This interpretation has not been endorsed by the European Union. Its application will not have a significant impact on financial statements.

- IFRS 9 "Financial Instruments". The aim of IFRS 9 is to supersede IAS 39 "Financial Instruments: Recognition and Measurement". The effects of application of IFRS 9 can be analysed after issue of the final version of the standard. This standard in its current form has not been endorsed by the European Union.

Changes in presentation of the statement of cash flows

In the fourth quarter of 2013, the Group changed the presentation of an allowance for certain trade receivables and inventories. As a result, comparative amounts presented as a change in provisions and allowances in the consolidated statement of cash flows were adjusted with the counterpart in lines presenting increase/decrease of trade receivables and inventories, gross.

3. Statement of accounting policies

Except for the changes described in Note 2, the accounting policies and methods of computation used in the preparation of the Quarterly Consolidated Financial Statements are consistent with those described in the audited IFRS Consolidated Financial Statements for the year ended 31 December 2013 (see Notes 2 and 32 to IFRS Consolidated Financial Statements for the year ended 31 December 2013).

4. Explanatory comments about the seasonality or cyclicality 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

On 13 February 2014, the Group and o2 Sp. z o.o. finalised a share sale agreement under which the Group disposed of its 100% shareholding in Wirtualna Polska S.A. ("WP"), for a total consideration amounting to PLN 367 million, consisting of consideration received in cash amounting to PLN 356 million and PLN 26 million to be received subsequently, decreased by PLN 15 million of liabilities assumed by the Group. Additionally, the Group incurred transaction costs of PLN 4 million.

The Group disposed of the following assets and liabilities:

(in PLN millions)

Assets:	**202**
- Goodwill	85
- Other intangible assets	7
- Property, plant and equipment	43
- Deferred tax assets	5
- Trade receivables	25
- Bonds issued by the Group [1]	26
- Cash and cash equivalents	7
- Other	4
Liabilities:	**30**
- Trade payables	20
- Employee benefits	8
- Other	2
Net assets disposed of	**172**

[1] Bonds issued by the Group to WP were recognised at the disposal date in the consolidated statement of financial position as current other financial liabilities at amortised cost.

Gain on disposal amounting to PLN 191 million is presented separately in the consolidated income statement. WP's assets and liabilities were classified as held for sale and presented separately in the consolidated statement of financial position as at 31 December 2013.

6. Changes in loans from related party

In the 3 months ended 31 March 2014, under the loan agreements signed with Atlas Services Belgium S.A., the Group repaid the revolving credit facility in the net amount of PLN 240 million. As at 31 March 2014, the outstanding balance of loans from related party amounted to PLN 1,162 million, including accrued interest and arrangement fees.

7. Dividends

On 10 April 2014, 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 2013 profit. Total dividend, amounting to PLN 656 million, will be paid on 10 July 2014.

8. 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 29.c-f to the IFRS Consolidated Financial Statements for the year ended 31 December 2013 or describes major matters that occurred after 31 December 2013.

a. Proceedings by UKE and UOKiK

Proceedings by UOKiK related to IP traffic
The Supreme Court decided to examine the cassation appeal and scheduled a hearing for 15 May 2014.

Proceedings by UOKiK related to retail prices of calls to Play
UOKiK informed the Company that it further prolonged the proceedings. The indicated date of prolongation is 9 May 2014.

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 or also up to a maximum amount of 10% of an entity's prior year's revenue for a breach of the law.

b. Proceedings by the tax authorities

The Fiscal Audit Office completed control proceedings relating to OPL S.A.'s year 2009 and, on 31 March 2014, delivered results of the control. Results of the control end the audit proceedings in front of the Fiscal Audit Office and confirm the correctness of the Company's VAT tax settlements. The results also raise certain questions concerning other tax settlements made, but do not decide on the obligations of the Company. The Company believes that the issues raised by the Fiscal Audit Office as regards these tax settlements are without merit. This opinion is supported by external tax advisors. Based on the Company's assessment the possibility of an ultimate outflow of resources is remote.

c. 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.

9. Related party transactions

As at 31 March 2014, 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 and leased lines, network services, IT services, consulting services and brand fees.

Financial receivables, payables and financial expense concerning transactions with the Orange Group relate to financing and hedging agreements. The impact on financial expense, net, amounting to PLN (6) million consists of PLN (1) million of interest expense (including amortised fees) and foreign exchange gains on loans from Atlas Services Belgium S.A. and PLN (5) million of foreign exchange losses and interest expense on cross currency interest rate swaps and interest rate swaps concluded with Orange S.A. to hedge exposure to foreign currency risk and interest rate risk related to the abovementioned loans. Financial income from Orange S.A. and cash and cash equivalents deposited with Orange S.A. relate to the Cash Management Treasury Agreement.

(in PLN millions)	***3 months ended 31 March 2014***	***3 months ended 31 March 2013***
Sales of goods, services and other income:	**52**	**43**
Orange S.A. (parent)	35	28
Orange Group (excluding parent)	17	15
Purchases of goods (including inventories, tangible and intangible assets) and services:	**(80)**	**(83)**
Orange S.A. (parent)	(28)	(25)
Orange Group (excluding parent)	(52)	(58)
- including Orange Brand Services Limited (brand licence agreement)	*(38)*	*(41)*
Financial income:	**1**	**-**
Orange S.A. (parent)	1	-
Financial expense, net:	**(6)**	**-**
Orange S.A. (parent)	(5)	-
Orange Group (excluding parent)	(1)	-

(in PLN millions)	***At 31 March 2014***	***At 31 December 2013***
Receivables:	**68**	**79**
Orange S.A. (parent)	50	61
Orange Group (excluding parent)	18	18
Payables:	**107**	**112**
Orange S.A. (parent)	51	54
Orange Group (excluding parent)	56	58
Financial receivables:	**8**	**5**
Orange S.A. (parent)	8	5
Cash and cash equivalents deposited with:	**345**	**37**
Orange S.A. (parent)	345	37
Financial payables:	**1,173**	**1,403**
Orange S.A. (parent)	11	9
Orange Group (excluding parent)	1,162	1,394

Compensation (remuneration, bonuses 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 2014 and 2013 amounted to PLN 5.6 million and PLN 3 million, including PLN 1.3 million and PLN 0.7 million accrued in previous periods, respectively. During the 3 months ended 31 March 2014 and 2013, the amount of accrued cost of compensation for the Company's Management Board amounted to PLN 0.8 million and PLN 0.9 million, respectively.

On 6 February 2014, OPL S.A.'s Supervisory Board appointed Mr Mariusz Gaca as the Member of the Management Board of OPL S.A. in charge of Business Market.

On 24 February 2014, Mr Jacques de Galzain submitted his resignation as the Member of the Management Board of OPL S.A. in charge of Finance with effect on 28 February 2014.

On 17 March 2014, OPL S.A.'s Supervisory Board appointed Mr Maciej Nowohoński as the Member of the Management Board of OPL S.A. in charge of Finance.

On 10 April 2014, OPL S.A. Supervisory Board Members' mandates of Mr Timothy Boatman and Mr Pierre Louette expired and were not renewed. On the same day the General Meeting of OPL S.A. appointed Mr Russ Houlden and Ms Valérie Thérond as Members of the Supervisory Board of OPL S.A.

10. Subsequent events

There was no significant event after the end of the reporting period.

ORANGE POLSKA S.A.

CONDENSED IFRS QUARTERLY SEPARATE FINANCIAL STATEMENTS FOR THE 3 MONTHS ENDED 31 MARCH 2014

April 24, 2014

Contents

INCOME STATEMENT

(in PLN millions, except for earnings per share)

	3 months ended 31 March 2014 (unaudited)	*3 months ended 31 March 2013 (unaudited)*
Revenue	**2,958**	**1,786**
External purchases	(1,556)	(796)
Labour expense	(415)	(367)
Other operating expense	(169)	(76)
Other operating income	92	97
Gains on disposal of assets	9	10
Gain on disposal of Wirtualna Polska S.A.	183	-
Depreciation and amortisation	(748)	(553)
Impairment of non-current assets	(1)	(1)
Operating income	**353**	**100**
Dividend income	99	732
Interest income	57	65
Interest expense and other financial charges	(150)	(183)
Foreign exchange gains	-	22
Discounting expense	(28)	(10)
Finance income/(costs), net	**(22)**	**626**
Income tax	(2)	(19)
Net income	**329**	**707**
Earnings per share (in PLN) (basic and diluted)	**0.25**	**0.54**
Weighted average number of shares (in millions) (basic and diluted)	1,312	1,312

STATEMENT OF COMPREHENSIVE INCOME

(in PLN millions)

	3 months ended 31 March 2014 (unaudited)	*3 months ended 31 March 2013 (unaudited)*
Net income	**329**	**707**
Items that may be reclassified subsequently to profit or loss		
Gains/(losses) on cash flow hedges	10	(4)
Income tax relating to items that may be reclassified	(2)	1
Other comprehensive income/(loss), net of tax	**8**	**(3)**
Total comprehensive income	**337**	**704**

STATEMENT OF FINANCIAL POSITION

(in PLN millions)

	At 31 March 2014 *(unaudited)*	***At 31 December 2013*** *(audited)*
ASSETS		
Goodwill	3,909	3,909
Other intangible assets	3,046	3,076
Property, plant and equipment	12,408	12,758
Investments in subsidiaries	227	227
Loans and receivables excluding trade receivables	2,015	2,120
Derivatives	8	4
Deferred tax assets	667	691
Total non-current assets	**22,280**	**22,785**
Inventories	178	179
Trade receivables	1,135	1,171
Loans and receivables excluding trade receivables	410	399
Derivatives	105	89
Income tax assets	28	6
Other assets	437	86
Prepaid expenses	122	94
Cash and cash equivalents	431	173
Total current assets	**2,846**	**2,197**
Assets held for sale	-	198
TOTAL ASSETS	**25,126**	**25,180**
EQUITY AND LIABILITIES		
Share capital	3,937	3,937
Share premium	832	832
Other reserves	(6)	(14)
Retained earnings	7,968	7,639
Total equity	**12,731**	**12,394**
Trade payables	932	921
Financial liabilities at amortised cost excluding trade payables	3,180	3,278
Derivatives	11	9
Employee benefits	262	258
Provisions	291	313
Deferred income	24	24
Total non-current liabilities	**4,700**	**4,803**
Trade payables	1,615	1,961
Financial liabilities at amortised cost excluding trade payables	4,155	4,047
Derivatives	250	276
Employee benefits	171	153
Provisions	878	860
Income tax liabilities	28	85
Other liabilities	187	177
Deferred income	411	424
Total current liabilities	**7,695**	**7,983**
TOTAL EQUITY AND LIABILITIES	**25,126**	**25,180**

STATEMENT OF CHANGES IN EQUITY

(in PLN millions)

	Share capital	Share premium	Treasury shares	Other reserves				Retained earnings	Total equity
				Losses on cash flow hedges	Actuarial losses on post-employment benefits	Deferred tax	Share-based payments		
Balance at 1 January 2013 *(audited)*	**4,007**	**832**	**(400)**	**(7)**	**(129)**	**25**	**68**	**7,209**	**11,605**
Total comprehensive income for the 3 months ended 31 March 2013	-	-	-	(4)	-	1	-	707	704
Balance at 31 March 2013 *(unaudited)*	**4,007**	**832**	**(400)**	**(11)**	**(129)**	**26**	**68**	**7,916**	**12,309**
Balance at 1 January 2014 *(audited)*	**3,937**	**832**	**-**	**(16)**	**(95)**	**21**	**76**	**7,639**	**12,394**
Total comprehensive income for the 3 months ended 31 March 2014	-	-	-	10	-	(2)	-	329	337
Balance at 31 March 2014 *(unaudited)*	**3,937**	**832**	**-**	**(6)**	**(95)**	**19**	**76**	**7,968**	**12,731**

STATEMENT OF CASH FLOWS

(in PLN millions)

	3 months ended *31 March 2014* *(unaudited)*	*31 March 2013* *(see Note 2, unaudited)*
OPERATING ACTIVITIES		
Net income	329	707
Adjustments to reconcile net income to cash from operating activities		
Gains on disposal of assets	(9)	(10)
Gain on disposal of Wirtualna Polska S.A.	(183)	-
Depreciation and amortisation	748	553
Impairment of non-current assets	1	1
Finance (income)/costs, net	22	(626)
Income tax	2	19
Change in provisions and allowances	(50)	(73)
Operational foreign exchange and derivatives (gains)/losses, net	(1)	1
Change in working capital (trade)		
(Increase)/decrease in inventories, gross	(7)	9
(Increase)/decrease in trade receivables, gross	82	(21)
Decrease in trade payables	(161)	(86)
Change in working capital (non-trade)		
Increase in prepaid expenses and other receivables	(22)	(8)
Increase in deferred income and other payables	6	35
Dividends received	99	570
Interest received	3	5
Interest paid and interest rates effect paid on derivatives, net	(67)	(122)
Exchange rate effect received/(paid) on derivatives, net	3	(21)
Income tax paid	(14)	(9)
Net cash provided by operating activities	**781**	**924**
INVESTING ACTIVITIES		
Purchases of property, plant and equipment and intangible assets	(378)	(287)
Decrease in amounts due to fixed assets suppliers	(189)	(178)
Exchange rate effect received on derivatives economically hedging capital expenditures, net	3	-
Proceeds from sale of property, plant and equipment and intangible assets	13	19
Decrease in receivables related to leased fixed assets	1	1
Transaction costs paid on sale of investments in subsidiaries	(2)	-
Cash paid for investments in subsidiaries	(2)	(11)
Exchange rate effect paid on other derivatives, net	-	(9)
Net cash used in investing activities	**(554)**	**(465)**
FINANCING ACTIVITIES		
Repayment of long-term debt	(6)	(5)
Increase/(decrease) in short-term debt	39	(560)
Exchange rate effect paid on derivatives, net	(2)	(5)
Net cash provided by/(used in) financing activities	**31**	**(570)**
Net change in cash and cash equivalents	**258**	**(111)**
Cash and cash equivalents at the beginning of the period	173	223
Cash and cash equivalents at the end of the period	**431**	**112**

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 fixed-line telephony services (local, domestic and international calls), Integrated Services Digital Network ("ISDN"), fixed access to the Internet, TV and Voice over Internet Protocol ("VoIP"). From 2014, following the merger with PTK-Centertel Sp. z o.o. ("PTK-Centertel") (see Note 4), the Company provides mobile telecommunications services based on the CDMA 450, GSM 900/1800, UMTS 900/2100 and LTE 1800 technologies. In addition, the Company provides leased lines and other telecommunications value added services, sells telecommunications equipment, provides data transmission, multimedia services and various Internet 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").

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 "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 Quarterly Separate Financial Statements (see also Note 3).

These 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 2013.

The 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 Quarterly Financial Statements are prepared in millions of Polish zloty ("PLN") and were authorised for issuance by the Management Board on 24 April 2014.

Adoption of standards and interpretations in 2014

No new standards or interpretations were adopted by the Company since 1 January 2014.

Standards and interpretations issued but not yet adopted

The following standards and interpretations might affect the Company's financial statements, when they are endorsed by the European Union:

- IFRIC 21 "Levies". This interpretation provides guidance on when to recognise a liability for a levy imposed by a government. IFRIC 21 is applicable for financial years beginning on or after 1 January 2014. This interpretation has not been endorsed by the European Union. Its application will not have a significant impact on financial statements.

- IFRS 9 "Financial Instruments". The aim of IFRS 9 is to supersede IAS 39 "Financial Instruments: Recognition and Measurement". The effects of application of IFRS 9 can be analysed after issue of the final version of the standard. This standard in its current form has not been endorsed by the European Union.

Changes in presentation of the statement of cash flows

In the fourth quarter of 2013, the Company changed the presentation of an allowance for certain trade receivables and inventories. As a result, comparative amounts presented as a change in provisions and allowances in the statement of cash flows were adjusted with the counterpart in lines presenting increase/decrease of trade receivables and inventories, gross.

3. Statement of accounting policies

Except for the changes described in Note 2, the accounting policies and methods of computation used in the preparation of the Quarterly Separate Financial Statements are consistent with those described in the audited IFRS Separate Financial Statements for the year ended 31 December 2013 (see Notes 2 and 31 to IFRS Separate Financial Statements for the year ended 31 December 2013).

4. Legal merger of Orange Polska S.A., PTK-Centertel Sp. z o.o. and Orange Polska Sp. z o.o.

Orange Polska S.A. and its 100% owned subsidiaries – PTK-Centertel and Orange Polska Sp. z o.o. – merged as at 31 December 2013 (“merger”). All assets and liabilities of PTK-Centertel and Orange Polska Sp. z o.o. were transferred to OPL S.A. (see Note 3 to IFRS Separate Financial Statements for the year ended 31 December 2013).

The merger is accounted for prospectively starting from 31 December 2013. The income statement, the statement of comprehensive income and the statement of cash flows for the 3 months ended 31 March 2013 do not include income, expenses and cash flows of PTK-Centertel and Orange Polska Sp. z o.o.

For information purposes, the income statement, the statement of comprehensive income and the statement of cash flows are presented below as if the merger had occurred as at 1 January 2013.

This pro-forma information has been prepared applying the same rules as for the legal merger accounting.

4.1. Income statement as if the merger had occurred as at 1 January 2013

(in PLN millions, except for earnings per share)

	3 months ended	
	31 March 2014 *(unaudited)*	***31 March 2013*** *(unaudited)*
Revenue	**2,958**	**3,187**
External purchases	(1,556)	(1,682)
Labour expense	(415)	(422)
Other operating expense	(169)	(156)
Other operating income	92	83
Gains on disposal of assets	9	10
Gain on disposal of Wirtualna Polska S.A.	183	-
Depreciation and amortisation	(748)	(784)
Impairment of non-current assets	(1)	(1)
Operating income	**353**	**235**
Dividend income	99	232
Interest income	57	66
Interest expense and other financial charges	(150)	(173)
Foreign exchange losses	-	(1)
Discounting expense	(28)	(28)
Finance income/(costs), net	**(22)**	**96**
Income tax	(2)	(27)
Net income	**329**	**304**
Earnings per share (in PLN) (basic and diluted)	**0.25**	**0.23**
Weighted average number of shares (in millions) (basic and diluted)	1,312	1,312

4.2. Statement of comprehensive income as if the merger had occurred as at 1 January 2013

(in PLN millions)

	3 months ended	
	31 March 2014 *(unaudited)*	***31 March 2013*** *(unaudited)*
Net income	**329**	**304**
Items that may be reclassified subsequently to profit or loss		
Gains on cash flow hedges	10	8
Income tax relating to items that may be reclassified	(2)	(2)
Other comprehensive income, net of tax	**8**	**6**
Total comprehensive income	**337**	**310**

4.3. Statement of cash flows as if the merger had occurred as at 1 January 2013

(in PLN millions)

	3 months ended *31 March 2014* *(unaudited)*	*3 months ended* *31 March 2013* *(unaudited)*
OPERATING ACTIVITIES		
Net income	329	304
Adjustments to reconcile net income to cash from operating activities		
Gains on disposal of assets	(9)	(10)
Gain on disposal of Wirtualna Polska S.A.	(183)	-
Depreciation and amortisation	748	784
Impairment of non-current assets	1	1
Finance (income)/costs, net	22	(96)
Income tax	2	27
Change in provisions and allowances	(50)	(76)
Operational foreign exchange and derivatives (gains)/losses, net	(1)	2
Change in working capital (trade)		
Increase in inventories, gross	(7)	(2)
Decrease in trade receivables, gross	82	77
Decrease in trade payables	(161)	(25)
Change in working capital (non-trade)		
Increase in prepaid expenses and other receivables	(22)	(13)
Increase in deferred income and other payables	6	22
Dividends received	99	70
Interest received	3	5
Interest paid and interest rates effect paid on derivatives, net	(67)	(115)
Exchange rate effect received/(paid) on derivatives, net	3	(21)
Income tax paid	(14)	(60)
Net cash provided by operating activities	**781**	**874**
INVESTING ACTIVITIES		
Purchases of property, plant and equipment and intangible assets	(378)	(401)
Decrease in amounts due to fixed assets suppliers	(189)	(263)
Exchange rate effect received/(paid) on derivatives economically hedging capital expenditures, net	3	(5)
Proceeds from sale of property, plant and equipment and intangible assets	13	19
Decrease in receivables related to leased fixed assets	1	1
Transaction costs paid on sale of investments in subsidiaries	(2)	-
Cash paid for investments in subsidiaries	(2)	(11)
Net cash used in investing activities	**(554)**	**(660)**
FINANCING ACTIVITIES		
Repayment of long-term debt	(6)	(5)
Increase/(decrease) in short-term debt	39	(346)
Exchange rate effect paid on derivatives, net	(2)	(5)
Net cash provided by/(used in) financing activities	**31**	**(356)**
Net change in cash and cash equivalents	**258**	**(142)**
Cash and cash equivalents at the beginning of the period	173	362
Cash and cash equivalents at the end of the period	**431**	**220**

5. Explanatory comments about the seasonality or cyclicality of interim operations

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

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

On 13 February 2014, OPL S.A. and o2 Sp. z o.o. finalised a share sale agreement under which the Company disposed of its 100% shareholding in Wirtualna Polska S.A. ("WP"), for a total consideration amounting to PLN 382 million to be received in cash. Additionally, the Company incurred transaction costs of PLN 2 million.

Gain on disposal amounting to PLN 183 million is presented separately in the income statement. The Company's investment in WP was classified as held for sale and presented separately in the statement of financial position as at 31 December 2013.

7. Changes in financial liabilities at amortised cost excluding trade payables

In the 3 months ended 31 March 2014, under the loan agreements signed with Atlas Services Belgium S.A., the Company repaid the revolving credit facility in the net amount of PLN 240 million. As at 31 March 2014, the outstanding balance of loans from related party amounted to PLN 1,162 million, including accrued interest and arrangement fees.

In the 3 months ended 31 March 2014, the Company issued and redeemed short-term bonds under the Orange Polska S.A. Bond Issuance Programme of 15 July 2002. The bonds are denominated in PLN and are offered by private placement to the Orange Polska Group's entities, exclusively within the territory of the Republic of Poland. The bonds are redeemed at their par value. In the 3 months ended 31 March 2014, the net cash flows on the bonds amounted to PLN 277 million. As a result of the issues and redemptions, the aggregate par value of the outstanding bonds issued under the programme amounted to PLN 630 million as at 31 March 2014.

8. Dividends

On 10 April 2014, 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 2013 profit. Total dividend, amounting to PLN 656 million, will be paid on 10 July 2014.

9. 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.c-f to the IFRS Separate Financial Statements for the year ended 31 December 2013 or describes major matters that occurred after 31 December 2013.

a. Proceedings by UKE and UOKiK

Proceedings by UOKiK related to IP traffic
The Supreme Court decided to examine the cassation appeal and scheduled a hearing for 15 May 2014.

Proceedings by UOKiK related to retail prices of calls to Play
UOKiK informed the Company that it further prolonged the proceedings. The indicated date of prolongation is 9 May 2014.

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 or also up to a maximum amount of 10% of an entity's prior year's revenue for a breach of the law.

b. Proceedings by the tax authorities

The Fiscal Audit Office completed control proceedings relating to OPL S.A.'s year 2009 and, on 31 March 2014, delivered results of the control. Results of the control end the audit proceedings in front of the Fiscal Audit Office and confirm the correctness of the Company's VAT tax settlements. The results also raise certain questions concerning other tax settlements made, but do not decide on the obligations of the Company. The Company believes that the issues raised by the Fiscal Audit Office as regards these tax settlements are without merit. This opinion is supported by external tax advisors. Based on the Company's assessment the possibility of an ultimate outflow of resources is remote.

c. 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.

d. Guarantees

As at 31 March 2014 and 31 December 2013, total guarantees granted by Orange Polska S.A. to purchasers of debt securities denominated in EUR and issued by a subsidiary amounted to PLN 3,070 million and PLN 3,009 million, respectively.

10. Related party transactions

As at 31 March 2014, 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, IT services, telecommunications equipment sales and data transmission. 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 and leased lines, network services, IT services, consulting services and brand fees.

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

Financial receivables, payables and financial expense concerning transactions with the Orange Group relate to financing and hedging agreements. The impact on financial expense, net, amounting to PLN (6) million consists of PLN (1) million of interest expense (including amortised fees) and foreign exchange gains on loans from Atlas Services Belgium S.A. and PLN (5) million of foreign exchange losses and interest expense on cross currency interest rate swaps and interest rate swaps concluded with Orange S.A. to hedge exposure to foreign currency risk and interest rate risk related to the abovementioned loans. Financial income from Orange S.A. and cash and cash equivalents deposited with Orange S.A. relate to the Cash Management Treasury Agreement.

(in PLN millions)	*3 months ended 31 March 2014*	*3 months ended 31 March 2013* [(1)]
Sales of goods, services and other income:	**91**	**359**
Orange Polska Group (subsidiaries)	39	318
Orange Group	52	41
- Orange S.A. (parent)	35	27
- Orange Group (excluding parent)	17	14
Purchases of goods (including inventories, tangible and intangible assets) and services:	**(377)**	**(328)**
Orange Polska Group (subsidiaries)	(297)	(281)
Orange Group	(80)	(47)
- Orange S.A. (parent)	(28)	(18)
- Orange Group (excluding parent)	(52)	(29)
- including Orange Brand Services Limited (brand licence agreement)	*(38)*	*(16)*
Financial income:	**155**	**795**
Orange Polska Group (subsidiaries)	154	795
Orange S.A. (parent)	1	**-**
Financial expense, net:	**(105)**	**(120)**
Orange Polska Group (subsidiaries)	(99)	(120)
Orange Group	(6)	-
- Orange S.A. (parent)	(5)	-
- Orange Group (excluding parent)	(1)	-

[(1)] Transactions with subsidiaries in 2013 include income earned, costs incurred and purchases from PTK-Centertel (see Note 4).

(in PLN millions)	*At 31 March 2014*	*At 31 December 2013*
Receivables:	**110**	**131**
Orange Polska Group (subsidiaries)	42	52
Orange Group	68	79
- Orange S.A. (parent)	50	61
- Orange Group (excluding parent)	18	18
Payables:	**286**	**353**
Orange Polska Group (subsidiaries)	179	241
Orange Group	107	112
- Orange S.A. (parent)	51	54
- Orange Group (excluding parent)	56	58
Financial receivables:	**2,416**	**2,505**
Orange Polska Group (subsidiaries)	2,408	2,500
Orange S.A. (parent)	8	5
Cash and cash equivalents deposited with:	**339**	**37**
Orange S.A. (parent)	339	37
Financial payables:	**7,219**	**7,204**
Orange Polska Group (subsidiaries)	6,046	5,801
Orange Group	1,173	1,403
- Orange S.A. (parent)	11	9
- Orange Group (excluding parent)	1,162	1,394

In addition to the above mentioned receivables from OPL Group subsidiaries, as at 31 March 2014 OPL S.A. had a receivable from TP Invest Sp. z o.o. amounting to PLN 385 million resulting from settlements relating to disposal of WP shares.

Compensation (remuneration, bonuses 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 2014 and 2013 amounted to PLN 5.6 million and PLN 3 million, including PLN 1.3 million and PLN 0.7 million accrued in previous periods, respectively. During the 3 months ended 31 March 2014 and 2013, the amount of accrued cost of compensation for the Company's Management Board amounted to PLN 0.8 million and PLN 0.9 million, respectively.

On 6 February 2014, OPL S.A.'s Supervisory Board appointed Mr Mariusz Gaca as the Member of the Management Board of OPL S.A. in charge of Business Market.

On 24 February 2014, Mr Jacques de Galzain submitted his resignation as the Member of the Management Board of OPL S.A. in charge of Finance with effect on 28 February 2014.

On 17 March 2014, OPL S.A.'s Supervisory Board appointed Mr Maciej Nowohoński as the Member of the Management Board of OPL S.A. in charge of Finance.

On 10 April 2014, OPL S.A. Supervisory Board Members' mandates of Mr Timothy Boatman and Mr Pierre Louette expired and were not renewed. On the same day the General Meeting of OPL S.A. appointed Mr Russ Houlden and Ms Valérie Thérond as Members of the Supervisory Board of OPL S.A.

11. Subsequent events

There was no significant event after the end of the reporting period.

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 25 April 2014, i.e. the date of submission of the quarterly report for the first quarter of 2014 was the same as at 12 February 2014, i.e. the date of submission of the annual report for the 12 months ended 31 December 2013:

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%
TOTAL	**1,312,357,479**	**1,312,357,479**	**100.00%**	**3,937,072,437**	**100.00%**

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 first quarter of 2014 and the annual report for the 12 months ended 31 December 2013 is as follows:

	25 April 2014	12 February 2014
Bruno Duthoit	-	-
Vincent Lobry	-	-
Piotr Muszyński	190,896	190,896
Mariusz Gaca	68,839	68,839
Jacek Kowalski	25,241	25,241
Maciej Nowohoński (1)	35,715	Not applicable
Jacques de Galzain (2)	Not applicable	-

(1) On 17 March 2014 the Supervisory Board of OPL S.A. appointed Mr Maciej Nowohoński as the Member of the Management Board of OPL S.A. in charge of Finance.
(2) On 24 February 2014 Mr Jacques de Galzain submitted his resignation as the Member of the Management Board of OPL S.A. in charge of Finance with the effect on 28 February 2014.

Mr Maciej Witucki, the Chairman of the Supervisory Board of OPL S.A. held 305,557 bonds with a pre-emption right as at 25 April 2014 and 12 February 2014. Other Members of the Supervisory Board of OPL S.A. do not participate in the Company's incentive program and as at 25 April 2014 and 12 February 2014 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 25 April 2014 and 12 February 2014. 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 2014, 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 5 of Management Board's Report on the Activity of Orange Polska Group in 2013 as well as in current report 24/2014 published on 19 March 2014. 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 2014 and 31 December 2013 presented in the table "Selected financial data" was translated into Euro at the average exchange rate of the National Bank of Poland ("NBP") on 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 2014 and 2013, 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 quarters ended 31 March 2014 and 2013.

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:

	31 March 2014	**31 December 2013**	**31 March 2013**
Statement of financial position	4.1713 PLN	4.1472 PLN	Not applicable
Income statement, statement of comprehensive income, statement of cash flows	4.1894 PLN	Not applicable	4.1738