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## POLISH FINANCIAL SUPERVISION AUTHORITY

## SA-R 2008 Annual Report

(pursuant to the §82 section 1 point 3 of the Decree of the Minister of Finance dated 19.02.09 (Journal of Laws No. 33, item 259)  
(for the emitting entities of securities which run business activity such as manufacturing, building and construction, commercial and services)

For the financial year 2008 covering the period from 1-01-2008 to 31-12-2008  
and the prior financial year 2007 covering the period from 1-01-2007 to 31-12-2007

Date of submission: 2009-06-15

<b>ZAKŁADY LNIARSKIE "ORZEŁ" SA</b>	
(full name of the emitting entity)	
<b>ORZEŁ</b>	<b>Light industry (lek- acronym in Polish)</b>
(abbreviated name of the emitting entity)	(sector acc to class of Warsaw Stock Exchange in Warsaw)
<b>58-533</b>	<b>Mysłakowice</b>
(postal code)	(place)
<b>ul. Daszyńskiego 16</b>	
(street)	(number)
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(Taxpayer Identification Number [NIP])	(Business Statistical Number [REGON])

(entity authorised for auditing)

The Annual Report contains:

- ✓ An opinion and report of the authorized entity for examining financial statements from the audited annual financial report
- ✓ Declaration of the Board on accuracy of the financial report
- ✓ Declaration of the Board on the entity authorized for examining the financial statements
- ✓ A letter of the Chairman of the Board of Directors
- ✓ Annual financial report
  - ✓ Introduction
  - ✓ Balance sheet
  - ✓ Profit and Loss Account
- ✓ Funds flow statement.
- ✓ Cash flow statement.
- ✓ Complementary information and explanations
- ✓ Report of the Board of Directors (report on business activity of the emitting entity)
  - ✓ The declaration on observance of the principles of corporate order

SELECTED FINANCIAL DATA	thousand PLN		thousand EUR	
	2008	2007	2008	2007
I. Products, goods and materials sales revenue net	16 271	27 939	4 607	7 398
II. Profit/Loss on operating activity	-14 285	-3 813	-4 044	-1 009
III. Gross profit (loss)	-14 948	-4 263	-4 232	-1 129
IV. Net profit (loss)	-15 262	-4 469	-4 321	-1 183
V. Net cash flow from operating activity	-247	-21 060	-70	-5 576
VI. Net cash flow from investment activity	74	-2 993	21	-793
VII. Net cash flow from financial activity	339	24 205	96	6 409
VIII. Total net cash flow	166	152	47	40
IX. Total assets	25 510	37 366	6 114	10 432
X. Liabilities and provisions for liabilities	11 144	7 738	2 671	2 160
XI. Long-term liabilities	65	359	16	100
XII. Short-term liabilities	8 629	6 518	2 068	1 820
XIII. Equity capital	14 366	29 628	3 443	8 271
XIV. Initial capital	16 031	16 031	3 842	4 475
XV. Number of shares (in pieces)	160 305 402	160 305 402	160 305 402	160 305 402
XVI. Profit (loss) per a single equity (in PLN/EUR)	-0,10	-0,03	-0,03	-0,01
XVII. Thinned out profit (loss) per a single equity (in PLN/EUR)	-0,10	-0,03	-0,03	-0,01
XVIII. Book value per a single share (in PLN/EUR)	0,09	0,18	0,02	0,05
XIX. Thinned out book value per a single share (in PLN/EUR)	0,09	0,18	0,02	0,05
Declared or paid out a dividend per a single share (in PLN/EUR)				

The Report should be submitted to Polish Financial Supervision Authority, Warsaw Stock Exchange in Warsaw S.A. or to MTS-CeTo S.A. as well as to Information Agency according to relevant regulations.

**INFORMATION ABOUT THE CORRECTION  
OF THE REPORT**

Adjusted with the current report No. \_\_\_\_\_ as of \_\_\_\_\_ of the following provisions:

File	Description

**OPINION OF THE AUTHORIZED ENTITY FOR EXAMINING THE FINANCIAL STATEMENTS  
ON THE AUDITED ANNUAL FINANCIAL REPORT**

File \_\_\_\_\_ Description \_\_\_\_\_  
The opinion of the authorized entity for examining financial statements

**REPORT OF THE AUTHORIZED ENTITY FOR EXAMINING THE FINANCIAL STATEMENTS  
ON THE AUDITED ANNUAL FINANCIAL REPORT**

File \_\_\_\_\_ Description \_\_\_\_\_  
The report of the authorized entity for examining financial statements

**DECLARATION OF THE BOARD ON ACCURACY OF THE FINANCIAL  
REPORT**

File \_\_\_\_\_ Description \_\_\_\_\_  
Declaration of the Board on accuracy of the financial report

**DECLARATION OF THE BOARD ON THE ENTITY AUTHORIZED  
FOR EXAMINING THE FINANCIAL STATEMENTS**

File \_\_\_\_\_ Description \_\_\_\_\_  
Declaration of the Board on the entity authorized for examining the financial statements

## A LETTER OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

File	Description
Letter of the Chairman.rtf	

## ANNUAL FINANCIAL REPORT

## INTRODUCTION TO THE FINANCIAL REPORT

Introduction to the financial report and comparable financial data contain with all specifics of the emitting entity business activity the following:

- 1) Name of the company and its registered seat, indicating the competent court of register and register number and the principal subject of the emitting entity business activity according to Polish Classification of Business Activity hereinafter called "PKD" and in case the securities of the emitting entity are sold in the regulated market the classification of the industry accepted by this market should also be indicated;
- 2) Indication of the emitting entity's activity duration, if limited;
- 3) Indication of the periods for which the subject financial report and comparable financial data are prepared;
- 4) Information in relation to the composition of the Board of Directors and Supervisory Board of the emitting entity;
- 5) Indication that the financial report includes consolidated figures if the entity comprises organizations preparing their financial reports independently;
- 6) Indication that the emitting entity is a predominant one, a partner of the co-subsidiary or a major investor and also if it prepares consolidated financial report;
- 7) In case of a financial report prepared for the period in which merger took place, indication that the financial report was prepared after companies' merger and indication of the applied method of merger;
- 8) Indication whether the financial report has been prepared with an assumption that the economic activity will be continued by the emitting entity in the predictable future and whether there are any circumstances showing threat to continuation of the entity's activity;
- 9) A declaration that the financial reports were subjected to some transformations in order to ensure the comparability of the figures and the list and clarification of the differences being the result of adjustments made due to some changes of principles (policy) of accountancy or errors correction and that they have been shown in the explanatory note;
- 10) Indication that in the presented financial report or comparable financial data the relevant adjustments have been made resulting from the opinions of the authorised entities to auditing the financial statements for the periods for which the said financial report or comparable financial data have been prepared and published in the report;
- 11) Description of the assumed accountancy principles (policy), including the method of assets and liabilities valuation (incl. depreciation), financial performance measurement and the way of the financial report and comparable data preparation;
- 12) Showing the average exchange rate of PLN for the periods of time included in the financial report and comparable financial data in relation to EUR which are established by the National Bank of Poland and the following in particular:
  - a) Binding exchange rate as of the last day of every period,
  - b) An average exchange rate for every period counted as the arithmetic average of the binding exchange rates as of the last day of every month in the given period and in justified cases counted as the arithmetic average of binding exchange rates as of the last day of a given period and last day of preceding period,
  - c) The highest and the lowest exchange rate in the given period;
- 13) Indication of at least basic items of balance sheet, profit and loss account and cash flow from the financial report and comparable financial data, converted into EUR indicating the principle accepted for such conversion;
- 14) Indication and clarification of the differences in the published date as well as significant differences relating to the accepted principles (policy) of accountancy – according to § 7 of the Ordinance on financial statement shown in the prospectus.

File	Description
Introduction to the financial matters.2008.rtf	

## BALANCE SHEET

	Notes	thousand PLN	
		2008	2007
<b>ASSETS</b>			
I. Fixed assets		13 976	15 664
1. Intangible and legal values, including:	1	103	73
goodwill			
2. Tangible fixed assets	2	13 873	15 274
Long-term receivables	3 8		
From associate companies			
From other entities			
Long-term investments	4		
Real property			
Intangible and legal values			
Long-term financial assets			

	Notes	thousand PLN	
		2008	2007
in associated companies including:			
shares and stocks at associated companies valued by property rights			
in other entities			
Other long-term investments			
3. Long-term accruals	5		317
3.1. Assets from deferred income tax			317
Other accruals			
II. Current assets		11 534	21 702
1. Stocks	6	8 294	15 524
2. Short-term receivables	7 8	2 494	5 521
From associate companies			
2.1. From other entities		2 494	5 521
3. Short-term investments		716	550
3.1. Short-term financial assets	9	716	550
in associate companies			
in other entities			
a) cash and other cash related assets		716	550
Other short-term investments			
4. Short-term accruals	10	30	107
T o t a l a s s e t s		25 510	37 366
LIABILITIES			
I. Equity capital		14 366	29 628
1. Initial capital	12	16 031	16 031
Contributions due to initial capital (negative value)			
Own shares (negative figure)	13		
2. Reserve capital	14	13 597	18 014
Capital from revaluation	15		
3. Other reserve capital	16		52
Profit (loss) from previous years			
4. Net profit (loss)		-15 262	-4 469
Net profit write-offs during the financial year (negative value)	17		
II. Liabilities and provisions for liabilities		11 144	7 738
1. Provisions for liabilities	18	1 762	111
1.1. Provision for deferred income tax		108	111
Provision for pension benefits and similar ones			
long-term liabilities			
short-term			
1.2. Other provisions		1 654	
long-term			
a) short-term		1 654	
2. Long-term liabilities	19	65	359
Towards associated companies			
2.1. Towards other entities		65	359
3. Short-term liabilities	20	8 629	6 518
Towards associated companies			
3.1. Towards other entities		8 533	6 502
3.2. Special funds		96	16
4. Accruals	21	688	750
Negative goodwill			
4.1. Other accruals		688	750
a) long-term		635	697
b) short-term		53	53
Total liabilities		25 510	37 366
Net book value		14 366	29 628
Number of shares (in pieces)		160 305 402	160 305 402
Book value per a single share (in PLN)	22	0,09	0,18
Thinned out number of shares (in pieces)		160 305 402	160 305 402
Thinned book value per a single share (in PLN)	22	0,09	0,18
Thinned out book value per a single share (in PLN)	22	0,09	0,18

The item „Subordinate undertakings' share in profits (loss) evaluated with ownership rights method” is shown in the financial statement in case of applying the method of ownership rights method to evaluate stocks and shares at subordinate undertakings.

The emitting company presents its equity capital in compliance with suitable regulations, articles of association or incorporation agreement.

The indicator „Thinned out book value per a single share” is calculated considering the potential number of ordinary shares applied when calculating thinned out profit (loss) per a single ordinary share.

### OFF BALANCE SHEET ITEMS

	Note	thousand PLN	
		2008	2007
Contingent receivables	23		
From associated companies (as a result of)			
-warranties and guarantees obtained			
From other entities (as a result of)			
warranties and guarantees obtained			
1. Contingent liabilities	23	1 799	5 143
For associated companies (as a result of)			
warranties and guarantees provided			
1.1. For other entities (as a result of)		1 799	5 143
warranties and guarantees provided			
- collateral on the property (mortgage, registered lien)		1 799	5 143
Other (as a result of)			
<b>Total off-balance sheet items</b>		<b>1 799</b>	<b>5 143</b>

### PROFIT AND LOSS ACCOUNT

	Notes	thousand PLN	
		2008	2007
I. Net income from sales of products, goods and materials including:		16 271	27 939
- from associated companies			
1. Product sale revenue net	24	14 931	26 771
2. Goods and materials sale revenue net	25	1 340	1 168
II. Cost of sold products, goods and materials including:		18 556	25 728
- to associate companies			
1. Cost of manufacturing of products sold	26	17 177	24 746
2. Value of goods and materials sold		1 389	982
III. Gross profit (loss) from sales		-2 295	2 211
IV. Sales costs	26	1 022	1 222
V. Costs of general administration	26	5 006	4 653
VI. Gross profit (loss) from sales		-8 323	-3 664
VII. Other operating income		1 107	1 467
1. Profit from sales of non-monetary fixed assets		266	194
Subsidies			
2. Other operating income	27	841	1 273
VIII. Other operating charges		7 069	1 616
Loss from sales of non-monetary fixed assets			
1. Fixed assets revaluation		5 584	1 296
2. Other operating charges	28	1 485	320
IX. Profit/Loss on operating activity		-14 285	-3 813
X. Financial income	29	4	179
Dividends and shares in profits, including:			
from associated companies			
1. Interest payable, including:		4	130
from associated companies			
Profit on investment divestiture	31		
Value of investments revaluation			

	Notes	In thousand PLN	
		2008	2007
2. Other			49
XI. Financial costs	30	667	630
1. Interest payable, including:		492	490
for associated companies			
Loss on investment divestiture	31		
Value of investments revaluation			
2. Other		175	140
XII. Profit/Loss from business activity		-13 690	-4 264
XIII. Results of extraordinary events			1
1. Extraordinary profits	32		1
Extraordinary loss	33		
XIV. Gross profit (loss)		-14 948	-4 263
XV. Income tax	34	314	206
current part			
a) deferred part		314	206
Other obligatory decreases of profit (increases of loss)	35		
Share in profits (loss) net of associated companies valued with ownership method	36		
XVI. Net profit (loss)		-15 262	-4 469
Profit (loss) net (annualised)		-15 262	-4 469
Weighted average of the number of equities (in pieces)		160 305 402	54 502 515
Profit (loss) per a single equity (in PLN)	38	-0,10	-0,03
Weighted average of thinned out number of equities (in pieces)		160 305 402	54 502 515
Thinned out profit (loss) per a single equity (in PLN)	38	-0,10	-0,08

The item „Subordinate undertakings' share in profits (loss) evaluated with ownership rights method” is shown in the financial statement in case of applying the method of ownership rights method to evaluate stocks and shares at subordinate undertakings.

Indicators: „Profit (loss) per a single share (in PLN)”, “Thinned out profit (loss) per a single share (in PLN) are calculated in compliance with IAS.

#### FUNDS FLOW STATEMENT

	thousand PLN	
	2008	2007
I. Equity capital (fund) at the beginning of period (opening balance)	29 628	5 177
changes of accounting principles		
corrections of errors		
I.a. Equity at the beginning of period (opening balance) after referring to comparable data	29 628	5 177
1. Initial capital at the beginning of period	16 031	2 606
1.1. Movements in initial capital		13 425
a) increase (as a result of)		13 477
- issue of shares		13 477
b) decrease (as a result of)		52
redemption of shares		
-		52
1.2. Initial capital at the end of period	16 031	16 031
Called up share capital at the beginning of period		
Movements in called up share capital		
increase (as a result of)		
decrease (as a result of)		
Called up share capital at the end of period		
Own shares at the beginning of period		
Movements of equity shares (stocks)		
increase (as a result of)		
decrease (as a result of)		

	thousand PLN	
	2008	2007
Own shares at the end of period		
2. Reserve capital at the beginning of period	18 014	5 265
2.1. Movements in capital reserve	-4 417	12 749
a) increase (as a result of)		15 443
- issue of shares at premium		15 443
distribution of profits (statutory)		
distribution of profits (above the minimum statutory nominal value)		
b) decrease (as a result of)	-4 417	-2 694
- coverage of losses	-4 417	-2 694
2.2. Reserve capital at the end of period	13 597	18 014
Revaluation reserve at the beginning of period		
changes of accounting principles		
Change in revaluation reserve		
increase (as a result of)		
decrease (as a result of)		
fixed assets divestiture		
Revaluation reserve at the end of period		
3. Other reserves at the beginning of period	52	
3.1. Movements in other reserves	-52	52
a) increase (as a result of)		52
- transfer from capital share (split)		52
b) decrease (as a result of)	-52	
-	-52	
3.2. Other reserves at the end of period		52
4. Profit (loss) brought forward at the beginning of period	-4 469	-2 694
Profit brought forward at the beginning of period		
changes of accounting principles		
corrections of errors		
Profit brought forward at the beginning of period		
increase (as a result of)		
distribution of profit brought forward		
decrease (as a result of)		
Profit brought forward at the end of period		
Loss brought forward at the beginning of period		
changes of accounting principles		
corrections of errors		
4.1. Loss brought forward at the beginning of period after referring to comparable data	-4 469	-2 694
a) increase (as a result of)		
- reclassification of loss brought forward to be covered		
b) decrease (as a result of)	4 469	2 694
- reclassification of loss brought forward to be covered	4 469	2 694
Loss brought forward at the end of period		
Profit (loss) brought forward at the end of period		
5. Net result	-15 262	-4 469
Profit net		
a) Loss net	-15 262	-4 469
write-offs from profit		
II. Equity at the end of period (closing balance)	14 366	29 628
III. Equity after adjustment for the proposed distribution of profit (coverage of loss)	14 366	29 628



## CASH FLOW STATEMENT

	In thousand PLN	
	2008	2007
Cash flow from operating activity		
(direct method)		
Receipts		
Sales		
Other operating inflows		
Expenditures		
Deliveries and services		
Wages net		
Social security costs and other benefits		
Public law fees and taxes		
Other operating charges		
Net investment cash flows (I-II - direct method)		
(indirect method)		
I. Net profit (loss)	-15 262	-4 469
II. Total adjustments	15 015	-16 591
Share in profits (loss) net of associated companies valued with ownership method		
1. Depreciation	1 563	1 225
2. Profit/Loss from exchange rate differences	4	-430
3. Interest and share in profits	16	366
4. Profit/Loss from investment activity	-266	-175
5. Change in provision level	1 651	-221
6. Change in stock level	7 226	-3 599
7. Change in receivables level	3 027	-1 317
8. Change in short-term liabilities except credit and loans	1 462	-12 733
9. Change in accruals	332	293
Other adjustments		
III. Net investment cash flows (I-II - indirect method)	-247	-21 060
B. Cash flow from investment activity		
I. Receipts	321	734
1. Sale of intangibles as well as legal and fixed assets	321	734
Sale of investments in real estate as well as intangibles and legal assets		
From financial assets including:		
in associate companies		
sales of financial assets		
Interest and share in profits		
repayment of granted long-terms loans		
interest		
other receipts from financial assets		
in other entities		
sales of financial assets		
Interest and share in profits		
repayment of granted long-terms loans		
interest		
other receipts from financial assets		
Other investment earnings		
II. Expenditures	247	3 727
1. Purchase of intangibles as well as legal and fixed assets	247	3 727
Investments in real estate as well as intangibles and legal assets		
Into financial assets including:		
in associate companies		
purchase of financial assets		
long-term loans granted		
in other entities		
purchase of financial assets		
long-term loans granted		
Other investment expenditures		
III. Net cash flows from investment activity (I-II)	74	-2 993
C. Cash flow from financial activity		
I. Receipts	600	29 349

	In thousand PLN	
	2008	2007
1. Net earnings from issue of shares (corporate issue) and other capital instruments as well as contributions to capital		28 919
2. Credits and loans	600	
Issue of debt securities		
3. Other financial revenues		430
II. Expenditures	261	5 144
Purchase of equity shares (stocks)		
Dividends and other payments due to owners		
Other than payments due to owners and expenditures due to profit sharing		
1. Repayments of credits and loans		4 202
Redemption of debt securities		
Due to other financial liabilities		
2. Payments of liabilities due to financial leasing agreements	245	576
3. Interest	16	366
Other financial expenditure		
III. Net financial cash flows (I-II)	339	24 205
D. Total net cash flows (A.III+/-B.III+/-C.III)	166	152
E. Balance sheet movements in cash and cash equivalents, of which:	162	152
- change in cash due to exchange rate differences	-4	
F. Cash at the beginning of period	550	398
G. Cash at the end of period (F +/- D), including:	716	550
- of limited cash disposal	39	16

The cash flow can be made with the direct or indirect method depending on the choice made by the emitting entity (relevant variant of letter A should be filled in depending on the method chosen).

The item „Subordinate undertakings' share in profits (loss) evaluated with ownership rights method” is shown in the financial statement in case of applying the method of ownership rights method to evaluate stocks and shares at subordinate undertakings.

### SUPPLEMENTARY INFORMATION AND EXPLANATIONS

Additional information and clarification should contain essential data and explanations so that the financial report and relevant comparable data were in compliance with the conditions defined in the article 4, section 1 of the act on accounting in scope shown below:

#### A. EXPLANATORY NOTES CLARIFYING THE NOTES TO THE BALANCE SHEET

Information about charging the assets of material, legal obligatory nature, as well as revaluation write-offs and explaining the reasons for doing so.

##### Note 1a

INTANGIBLE AND LEGAL VALUES	In thousand PLN	
	2008	2007
a) costs of completed development works		73
Goodwill		
b) concessions, patents, licenses and similar values, including:	103	
- computer software	103	
Other intangible and legal values		
advance payments for intangible and legal values		
intangible and legal values, in total	103	73

## Note 1 b

CHANGE IN INTANGIBLE ASSETS (ACCORDING TO TYPE GROUPS)							
thousand PLN							
	a	b	c		d	e	Total intangible and legal values
	Costs of completed development works	Goodwill	Acquired concessions, patents, licences and the like values, including:		Other intangible and legal values	Advance towards intangible assets and legal values	
			- computer software				
a) Gross value of intangibles and legal values at the beginning of the period	190			165	598		953
b) increase (as a result of)				118			118
- purchase				118			118
c) decrease (as a result of)	190			1			191
- abandonment of implementation of computer software	190						190
- liquidation / disposal				1			1
d) gross value of intangibles and legal values at the end of the period	0			282	598		880
e) accumulated depreciation value at the beginning of the period	117			165	598		880
f) depreciation for the period (as a result of)	32			15			47
- current	32			15			47
- decreases ( as a result of)	149			1			150
- liquidation/ disposal	149			1			150
g) accumulated depreciation value at the end of period	0			179	598		777
write-offs due to permanent loss of value at the beginning of period							
- increase							
- decrease							
write-offs due to permanent loss of value at the end of the period							
h) gross value of intangibles and legal values at the end of the period	0			103	0		103

## Note 1 c

INTANGIBLE ASSET AND LEGAL VALUES (OWNERSHIP STRUCTURE)	In thousand PLN	
	2008	2007
a) its own	103	73
b) used based on lease, rental or other contracts, including leasing contracts, including:		
Total intangible and legal values	103	73

## Note 2 a

TANGIBLE FIXED ASSETS	In thousand PLN	
	2008	2007
a) fixed assets, including:	12 810	12 578
- lands (incl. perpetual usufruct right for the land)	688	750
- buildings, premises and civil engineering structures	3 976	4 197
- plant and machinery	7 857	7 280
- means of transport	217	258
- other fixed assets	72	93
b) Fixed assets under construction	125	1 758
c) Advance payment for fixed assets under construction	938	938
Tangible fixed assets, in total	13 873	15 274

As of 31.12.2008, in the position: Advance payment for fixed assets under construction the Company disclosed the amounts paid the Unitech supplier in the 2007 year for purchase of a drier. Amount of the advance payment did not change during the financial year. Works connected with installation were completed in the 2009 year.

Collaterals on the Company's property as of 31.12.2008:

1. Millenium Leasing Sp. z o.o. – registered pledge on a winding machine purposed for SAVIO yarn and a belt warping machine for total sum amounting to PLN thousand 832.

2. Zakład Ubezpieczeń Społecznych (the Social Insurance Institution) – real estate mortgage securing an existing or future claim on the real estates for a sum amounting to PLN thousand 845.

3. Mayor of Kowary - real estate mortgage securing an existing or future claim on the real estates for a sum amounting to PLN thousand 122.

## Note 2 b

CHANGE IN FIXED ASSETS (ACCORDING TO TYPE GROUPS)						
In thousand PLN						
	- Lands (incl. perpetual usufruct right for the land)	- Buildings, premises and civil engineering structures	- Plant and machinery	- Means of transport	- Other fixed assets	Fixed assets in total
a) Gross value of the fixed assets at the beginning of the period	1 065	10 664	21 570	568	800	34 667
b) Increase (as a result of)			1 756		6	1 762
- purchase and development			1 756		6	1 762
c) Decrease (as a result of)	13	40	1 887	4	10	1 954
- dispossal	13	40	1 081			1 134
- liquidation			806	4	10	820
d) Gross value of the fixed assets at the end of the period	1 052	10 624	21 439	564	796	34 475
e) Accumulated depreciation value at the beginning of the period	315	6 467	14 290	310	707	22 089
f) Depreciation for the period (as a result of)	53	218	1 177	41	27	1 516
- current	53	218	1 177	41	27	1 516
- decrease (as a result of)	4	37	1 885	4	10	1 940
- dispossal	4	37	1 081			1 122
- liquidation			804	4	10	818
g) Accumulated depreciation value at the end of the period	364	6 648	13 582	347	724	21 665
Write-offs due to permanent loss of value at the beginning of the period						
Increase						
Decrease						
Write-offs due to permanent loss of value at the end of the period						
h) Gross value of the fixed assets at the end of the period	688	3 976	7 857	217	72	12 810

## Note 2 c

BALANCE SHEET FIXED ASSETS (OWNERSHIP STRUCTURE)	In thousand PLN	
	2008	2007
a) Its own	10 887	9 666
b) Used based on lease, rental or other contracts, including leasing contracts, including:	1 923	2 912
- acquired right to perpetual usufruct of land	688	750
- leasing	1 235	2 162
Balance sheet fixed assets in total	12 810	12 578

## Note 2 d

OFF-BALANCE SHEET FIXED ASSETS	Thousand PLN	
	2008	2007
Used based on lease, rental or other contracts, including leasing contracts, including:	0	0
-	0	0
Off-balance sheet fixed assets in total	0	0

## Note 3 a

LONG-TERM RECEIVABLES	Thousand PLN	
	2008	2007
a) From associated companies, including:	0	0
- From subsidiaries (as a result of)	0	0
-	0	0
- From co-subsidiaries (as a result of)	0	0
-	0	0
- From associated companies (as a result of)	0	0
-	0	0
- From a major investor (as a result of)	0	0
-	0	0
From a partner of co-subsidiary (as a result of)	0	0
-	0	0
- From a predominant entity (as a result of)	0	0
-	0	0
b) From other entities (as a result of)	0	0
-	0	0
Long-term receivables net	0	0
c) Receivables revaluation write-offs	0	0
Long-term receivables gross	0	0

## Note 3 b

CHANGE IN LONG-TERM RECEIVABLES (ACC TO TYPES)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
-	0	0
b) Increase (as result of)	0	0
-	0	0
c) Decrease (as result of)	0	0
-	0	0
d) Value at the end of period	0	0
-	0	0

## Note 3 c

CHANGE OF LONG-TERM RECEIVABLES REVALUATION WRITE-OFFS	Thousand PLN	
	2008	2007
Value at the beginning of period	0	0
a) Increase (as a result of)	0	0
-	0	0
b) Decrease (as a result of)	0	0
-	0	0
Long-term receivables revaluation write-offs at the end of the period	0	0

## Note 3 d

LONG-TERM RECEIVABLES (CURRENCY STRUCTURE)	Unit	Curre ncy	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-			0	0
Other foreign currencies in thousand PLN			0	0
Total long-term receivables			0	0

## Note 4 a

CHANGE IN REAL PROPERTIES (ACCORDING TO TYPE GROUPS)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	4 947	5 137
- Acquired right to perpetual usufruct of land	750	837
- Buildings, facilities of civil engineering	4 197	4 300
b) Increase (as result of)		115
- Purchase, modernization		115
c) Decrease (as result of)	283	305
- Sales	12	72
- Amortization	271	233
d) Value at the end of period	4 664	4 947
- Acquired right to perpetual usufruct of land	688	750
- Buildings, premises and civil engineering structures	3 976	4 197

## Note 4 b

CHANGE IN INTANGIBLE AND LEGAL ASSETS (ACCORDING TO TYPE GROUPS)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	73	151
- Computer software		40
- Acquired property rights –development works, management system	73	111
b) Increase (as result of)	118	
-	118	
c) Decrease (as result of)	88	78
- Abandoning the implementation of computer software	43	40
- Depreciation of development works – system of management accounting	45	38
d) Value at the end of period	103	73
- Computer software	103	
- Development works – system of management accounting		73

## Note 4 c

LONGTERM FINANCIAL ASSETS	thousand PLN	
	2008	2007
a) In subsidiaries	0	0
- Stocks and shares	0	0
- Other debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
b) In co-subsidiaries	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
c) In associated companies	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
d) In major investor	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
e) In the partner of co-subsidiary	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
f) In the predominant entity	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
g) In other entities	0	0
- Stocks and shares	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
Long-term financial assets in total	0	0

## Note 4 d

STOCKS AND SHARES IN SUBORDINATE UNDERTAKINGS ASSESSES WITH OWNERSHIP METHOD, INCLUDING:	Thousand PLN	
	2008	2007
a) Goodwill of subordinate undertakings	0	0
- Subsidiaries	0	0
- Co-subsidiaries	0	0
- Associated companies	0	0
b) Negative goodwill of subordinate undertakings	0	0
- Subsidiary companies	0	0
- Co-subsidiary companies	0	0
- Associated companies	0	0

## Note 4 e

CHANGE OF GOODWILL – SUBSIDIARY COMPANIES	Thousand PLN	
	2008	2007
a) Change of goodwill at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Goodwill gross at the end of period	0	0
e) Goodwill write-off at the beginning of period	0	0
f) Goodwill write-off for the period (as a result of)	0	0
g) Goodwill write-off at the end of period	0	0
h) Goodwill net at the end of period	0	0

## Note 4 f

CHANGE OF GOODWILL – CO- SUBSIDIARY COMPANIES	Thousand PLN	
	2008	2007
a) Goodwill at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Goodwill gross at the end of period	0	0
e) Goodwill write-off at the beginning of period	0	0
f) Goodwill write-off for the period (as a result of)	0	0
g) Goodwill write-off at the end of period	0	0
h) Goodwill net at the end of period	0	0

## Note 4 g

CHANGE OF GOODWILL – ASSOCIATED COMPANIES	Thousand PLN	
	2008	2007
a) Goodwill gross at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0

CHANGE OF GOODWILL – ASSOCIATED COMPANIES	In thousand PLN	
	2008	2007
d) Goodwill gross at the end of period	0	0
e) Goodwill write-off at the beginning of period	0	0
f) Goodwill write-off for the period (as a result of)	0	0
g) Goodwill write-off at the end of period	0	0
h) Goodwill net at the end of period	0	0

## Note 4 h

CHANGE OF NEGATIVE VALUE OF GOODWILL – SUBSIDIARY COMPANIES	In thousand PLN	
	2008	2007
a) Negative goodwill gross at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Negative goodwill gross at the end of period	0	0
e) Negative goodwill write-off at the beginning of period	0	0
f) Negative goodwill write-off for the period (as a result of)	0	0
g) Negative goodwill write-off at the end of period	0	0
h) Negative goodwill net at the end of period	0	0

## Note 4 i

CHANGE OF NEGATIVE VALUE OF GOODWILL – CO-SUBSIDIARY COMPANIES	In thousand PLN	
	2008	2007
a) Negative goodwill gross at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Negative goodwill gross at the end of period	0	0
e) Negative goodwill write-off at the beginning of period	0	0
f) Negative goodwill write-off for the period (as a result of)	0	0
g) Negative goodwill write-off at the end of period	0	0
h) Negative goodwill net at the end of period	0	0

## Note 4 j

CHANGE OF NEGATIVE VALUE OF GOODWILL – ASSOCIATED COMPANIES	In thousand PLN	
	2008	2007
a) Negative goodwill gross at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Negative goodwill gross at the end of period	0	0
e) Negative goodwill write-off at the beginning of period	0	0
f) Negative goodwill write-off for the period (as a result of)	0	0
g) Negative goodwill write-off at the end of period	0	0

CHANGE OF NEGATIVE VALUE OF GOODWILL – ASSOCIATED COMPANIES	Thousand PLN	
	2008	2007
h) Negative goodwill net at the end of period	0	0

d) Value at th

The goodwill and negative goodwill of the related companies should be disclosed separately for each of the entity, indicating the method of determining and the amount of write-offs made so far.

Items "Shares and stocks in subordinate undertakings valued with ownership rights method", "Change of the goodwill – subsidiaries", Change of the goodwill – co-subsidiaries", Change of the goodwill – associated companies", "Change of negative value of the goodwill – subsidiaries", Change of negative value of the goodwill – co-subsidiaries", Change of negative value of the goodwill – associated companies" shown in the financial report in case of applying the ownership rights method to evaluate the shares or stocks at the related entities.

**Note 4 k**

CHANGE OF LONGTERM FINANCIAL ASSETS (ACCORDING TO TYPE GROUPS)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Value at the end of period	0	0

## Note 4 l

STOCKS AND SHARES IN THE SUBORDINATE UNDERTAKINGS												
Item	Thousand PLN											
	a	b	c	d	e	f	g	h	i	j	k	l
	Name (company) indicating its legal status	Registered seat	Subject of the company	Nature of subordination (subsidiary, co-subsidiary, associated company indicating the direct and indirect connections)	Applied method of consolidation / evaluation with an ownership method or indication that the entity is not subjected to consolidation / evaluation by an ownership method	The date of taking control/ co-control over the entity / or significant influence over it	Value of shares / stocks acc to purchase price	Revaluation adjustments to the value (in total)	Percentage balance sheet value of the shares owned / equities		Share of the total votes at AGM	Indication other than defined under j) or k) grounds of control / co-control / major influence
1.												

## Note 4 m

STOCKS AND SHARES IN THE SUBORDINATE UNDERTAKINGS											
Item	Thousand PLN										
	a	m				n	o	p	r	s	t
	Name of the company	Equity capital, including:				Liabilities and provisions for liabilities including:	Receivables, of which:	Total assets	Revenues from sales	Not paid by the issuer the value of shares / equities in	Received or due dividends from the entity for the last financial
		Initial capital	- Contributions due to initial capital	- Reserve capital	- Other equity capital, including:	- Long-term and short-term liabilities	- Long-term and short-term receivables				

## Note 4 n

SHARES AND STOCKS IN OTHER ENTITIES									
Item	Thousand PLN								
	a	b	c	d	e	f	g	h	i
	Name (company) indicating its legal status	Registered seat	Subject of the company	Balance sheet value of shares and stocks	Equity capital, including:  - Initial capital	Procent posiadanego kapitału zakładowego	Share of the total votes at AGM	Not paid by the emitent the value of shares / equities in the entity	Received or due dividends from the entity for the last financial year
1.									

Stocks and shares ensuring at least 5% of capital and general number of votes at the annual general meeting (AGM) can be shown together at the item "other" unless they are essential as far as the value (fair value) or investment policy of the issuer is concerned.

## Note 4 o

SECURITIES, SHARES AND OTHER LONGTERM FINANCIAL ASSETS (CURRENCY STRUCTURE)	Unit	Currency	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-				
Other foreign currencies in thousand PLN			0	0
Securities, shares and other long-term financial assets in total			0	0

## Note 4 p

SECURITIES, SHARES AND OTHERLONGTERM FINANCIAL ASSETS (ACCORDING TO DISPOSITION)	Thousand PLN	
	2008	2007
A. With unrestricted disposition and quoted at stock exchange (balance sheet value)	0	0
a. Shares and stocks (balance sheet value)	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c2)....	0	0
B. With unrestricted disposition and quoted off stock exchange (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c2)....	0	0
C. With unrestricted disposition and not quoted on the regulated market (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c. - Other – according to type groups (balance sheet value)	0	0
c1)....	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c2)....	0	0
D. With unrestricted disposition (balance sheet value)	0	0
Shares and stocks – balance sheet value	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0

SECURITIES, SHARES AND OTHER LONGTERM FINANCIAL ASSETS (ACCORDING TO DISPOSITION)	Thousand PLN	
	2008	2007
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....	0	0
- Revaluation adjustments to the value (for period)	0	0
- Value at the beginning of period	0	0
- Value according to the price of purchase	0	0
c2)....	0	0
Total value according to the price of purchase	0	0
Total value at the beginning of period	0	0
Total revaluation adjustments to the value (for period)	0	0
Balance sheet value in total	0	0

**Note 4q**

LONG-TERM LOANS GRANTED (CURRENCY STRUCTURE)	Unit	Currency	In thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-				
Other foreign currencies in thousand PLN			0	0
Securities, shares and other long-term financial assets in total			0	0

**Note 4 r**

OTHER LONGTERM INVESTMENTS (ACC TO TYPE)	In thousand PLN	
	2008	2007
Total other long-term investments	0	0

**Note 4 s**

CHANGE OF OTHER LONGTERM INVESTMENTS (ACCORDING TO TYPE GROUPS)	In thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Decrease (as result of)	0	0
d) Value at the end of period	0	0

## Note 4 t

OTHER LONGTERM INVESTMENTS (CURRENCY STRUCTURE)	Unit	Currency	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-				
Other foreign currencies in thousand PLN			0	0
Total other long-term investments			0	0

## Note 5 a

CHANGE OF THE ASSETS DUE TO DEFERRED INCOME TAX	Thousand PLN	
	2008	2007
1. State of assets due to deferred income tax at the beginning of the period, including:	317	725
a) Resulting in financial result	317	725
Resulting in equity capital		
Resulting in goodwill or negative goodwill		
2. Increase		317
a) Resulting in financial result of the period due to some negative temporary differences (as a result of)		317
- Temporary differences occurrence		317
- Including: working assets (stocks, receivables, short-term investments)		152
- Liabilities and provisions for liabilities		165
Resulting in financial result of the period due to tax loss (as a result of)		
Resulting in equity capital due to some negative temporary differences (as a result of)		
Resulting in equity capital due to tax loss (as a result of)		
Resulting in goodwill or negative goodwill due to some negative temporary differences (as a result of)		
3. Decrease	317	725
a) Resulting in financial result of the period due to some negative temporary differences (as a result of)	317	725
- Reversal of transitory differences	317	725
- Including: - working assets (stocks, short-term receivables, short-term investments)	152	306
- Liabilities and provisions for liabilities	165	419
- Assets write-offs due to deferred income tax		
- Including: working assets (stocks, short-term receivables)		
Resulting in financial result of the period due to tax loss (as a result of)		
Resulting in equity capital due to some negative temporary differences (as a result of)		
Resulting in equity capital due to tax loss (as a result of)		
Resulting in goodwill or negative goodwill due to some negative temporary differences (as a result of)		
4. State of assets due to deferred income tax at the end of the period in total, including:		317
a) Resulting in financial result		317
Resulting in equity capital		
Resulting in goodwill or negative goodwill		

## SPECIFICATION OF NEGATIVE TEMPORARY DIFFERENCES in thousand PLN

	Date of termination: up till 31.12.2009	Closing balance	Opening balance
Working assets, including:		5 644	805
- stocks		5 321	391
- short-term receivables		327	414
- short-term financial assets		-4	0
Liabilities		2 645	866
Liabilities and provisions, including:		2 535	0
- provisions		2 342	0
- short-term liabilities		303	866
Total		8 289	1 671

Decreases and increases of the value of assets due to deferred income tax should be presented properly according to the titles mentioned below indicating the basic groups of assets and liabilities which cover:

Increases (as a result of):

- Temporary differences occurrence
- Change in tax rates
- Not shown temporary difference from the previous period
- Tax loss formation
- Not shown tax loss from the previous periods

Decreases (as a result of):

- Reversal of transitory differences
- Change in tax rates
- Write-offs of assets from deferred income tax
- Use of tax loss

Referring to negative temporary differences should be additionally disclosed separately for the basic groups of assets and liabilities:

- Amount of negative temporary differences at the beginning and end of period,
- Expiration date of negative temporary differences.

**Note 5 b**

OTHER ACCRUALS	Thousand PLN	
	2008	2007
a) Accrued costs, including:	0	0
b) Other accruals, including:	0	0
Other accruals in total	0	0

**Note 6 a**

STOCKS	Thousand PLN	
	2008	2007
a) Materials	510	1 102
b) Semi-finished goods and work in progress	2 456	7 180
c) Finished goods	4 422	6 286
d) Goods	868	953
e) Advance for deliveries	38	3
Stocks in total	8 294	15 524

In the first half of the 2008 year stocks/inventories of finished goods were delivered to the warehouse in Panama. This transaction was wrongly registered in the Company's account books as sale. The mistake was adjusted by the Management Board in the second half of the 2008 year.

Due to the adjustment, particular items of the balance sheet and the profit and loss account changed:

- sales of finished goods was adjusted by -1 299 thousand PLN,
- trade (as a result of supplies and services) receivables (debtors) were adjusted by -1 299 thousand PLN,
- own cost of sales was adjusted by -1 585 thousand PLN,
- position of stocks was adjusted by 1 585 thousand PLN.

## Note 7 a

SHORT-TERM RECEIVABLES	In thousand PLN	
	2008	2007
From associated companies		
As a result of supplies and services, maturity period:		
Up to 12 months		
Above 12 months		
Vindicated at court		
other		
a) Receivables form other companies	2 494	5 521
- As a result of supplies and services, maturity period:	2 258	5 238
- Up to 12 months	2 258	5 238
Above 12 months		
- Arising from taxes, subsidies, duties, social and health insurance and other benefits		278
- Vindicated at court		5
- Other	236	
Short-term receivables net in total	2 494	5 521
b) Receivables revaluation write-offs	327	414
Short-term receivables gross in total	2 821	5 935

## Note 7 b

SHORT-TERM RECEIVABLES FROM THE ASSOCIATE COMPANIES	In thousand PLN	
	2008	2007
	a) Due to deliveries and services, including	0
- From subsidiaries	0	0
- From co-subsidiary companies	0	0
- From associated companies	0	0
- From a major investor	0	0
- From partner of co-subsidiary company	0	0
From predominant entity	0	0
b) Other, including:	0	0
- From subsidiaries	0	0
- From co-subsidiary companies	0	0
- From associated companies	0	0
- From a major investor	0	0
- From partner of co-subsidiary company	0	0
From predominant entity	0	0
c) Vindicated at court, including:	0	0
- From subsidiaries	0	0
- From co-subsidiary companies	0	0
- From associated companies	0	0
- From a major investor	0	0
- From partner of co-subsidiary company	0	0
From predominant entity	0	0
Short-term receivables net from related companies in total	0	0
b) Receivables revaluation write-offs from the related companies	0	0
Short-term receivables gross from related companies in total	0	0

## Note 7 c

CHANGE OF SHORT-TERM RECEIVABLES REVALUATION WRITE-OFFS	In thousand PLN	
	2008	2007
Value at the beginning of period	414	1 221
a) Increase (as a result of)	288	880
- Allowance for receivables from abroad and domestic	288	880
b) Decrease (as a result of)	375	1 687
- Used	84	1 259
- Release	291	428
Short-term receivables revaluation write-offs at the end of the period	327	414

## Note 7 d

SHORT-TERM RECEIVABLES GROSS (CURRENCY STRUCTURE)	Unit	Currency	In thousand PLN	
			2008	2007
a) In Polish currency			888	2 276
b) In foreign currencies (acc to currencies and after converting into PLN)			1 933	3 659
b1. In foreign currency	thousand	USD	269	495
After converting into thousand PLN			796	1 415
In foreign currency	thousand	EUR	272	619
After converting into thousand PLN			1 137	2 244
Other foreign currencies in thousand PLN				
Short-term receivables in total			2 821	5 935

## Note 7 e

TRADE RECEIVABLES (GROSS) – TO BE PAID AFTER THE BALANCE SHEET DATE:	Thousand PLN	
	2008	2007
a) Up to 1 month	689	1 950
b) Above 1 month and up to 3 months,	933	887
c) Above 3 months and up to 6 months,		716
d) Above 6 months and up to 1 year,		
e) Above 1 year		
f) Overdue receivables	868	1 950
Trade receivables gross in total	2 490	5 503
g) Revaluation write-offs of trade receivables	232	265
Trade receivables net in total	2 258	5 238

30 days is the standard term of payment of receivables decided by the Company, however due to trade reasons terms are extended even up to 90 days.

Referring to the trade receivables it should be indicated that the time payment schedule is connected with normal course of sale by the emitting entity.

## Note 7 f

TRADE RECEIVABLES, OVERDUE (GROSS) – DEVIDED INTO THE RECEIVABLES NOT PAID IN THE FOLLOWING PERIODS:	Thousand PLN	
	2008	2007
a) Up to 1 month	465	1 035
b) Above 1 month and up to 3 months	5	469
c) Above 3 months and up to 6 months	66	108
d) Above 6 months and up to 1 year	100	249
e) Above 1 year	232	89
Overdue trade receivables gross, in total	868	1 950
f) Overdue revaluation write-offs of trade receivables	232	265
Overdue trade receivables net, in total	636	1 685

## Note 8 a

Referring to the total value of receivables (long- and short-term ones) the amounts of disputable receivables and overdue receivables (divided into titles) should be shown where revaluation write-offs have been made and they have not been shown as "Receivables vindicated at court".

Revaluation write-offs were not made for receivables amounting to PLN thousand 636, the referred receivables are short-term overdue receivables resulting from deliveries of finished goods for which payment is not threatened.

File	Description

## Note 9 a

SHORT-TERM FINANCIAL ASSETS	Thousand PLN	
	2008	2007
a) In subsidiaries	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0

SHORT-TERM FINANCIAL ASSETS	Thousand PLN	
	2008	2007
b) In co-subsiaries	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
c) In associated companies	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
d) In major investor	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
e) In the partner of co-subsiary	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
f) In the predominant entity	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
g) In other entities	0	0
- Stocks and shares	0	0
- Receivables as a result of dividends and other shares in profits	0	0
- Debt securities	0	0
- Other securities (acc to type)	0	0
-	0	0
- Loans granted	0	0
- Other long-term financial assets (acc to type)	0	0
-	0	0
h) Cash and other cash related assets	716	550
- Cash at hand and in bank accounts	716	550
Other cash		
Other cash assets		
Short-term financial assets in total	716	550

## Note 9 b

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (CURRENCY STRUCTURE)	jednostk a	waluta	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-				
Other foreign currencies in thousand PLN			0	0
Securities, shares and other short-term financial assets in total			0	0

## Note 9 c

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (ACC TO DISPOSITION)	Thousand PLN	
	2008	2007
A. With unrestricted disposition and quoted at stock exchange (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....		
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c2)....		
B. With unrestricted disposition and quoted off stock exchange (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....		
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c2)....		
C. With unrestricted disposition and not quoted on the regulated market (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....		
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c2)....		
D. With unrestricted disposition (balance sheet value)	0	0
a. Shares and stocks – balance sheet value	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
b. Bonds (balance sheet value)	0	0
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0

SECURITIES, SHARES AND OTHER SHORT-TERM FINANCIAL ASSETS (ACC TO DISPOSITION)	Thousand PLN	
	2008	2007
c. - Other – acc to type groups (balance sheet value)	0	0
c1)....		
- Fair value	0	0
- Market value	0	0
- Value according to the price of purchase	0	0
c2)....		
Total value according to the price of purchase	0	0
Total value at the beginning of period	0	0
Total revaluation adjustments to the value (for period)	0	0
Balance sheet value in total	0	0

## Note 9 d

SHORT-TERM LOANS GRANTED (CURRENCY STRUCTURE)	Unit	Currency	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0
-			0	0
Other foreign currencies in thousand PLN			0	0
Short-term loans granted in total			0	0

## Note 9 e

CASH AND OTHER CASH RELATED ASSETS (CURRENCY STRUCTURE)	Unit	Currency	Thousand PLN	
			2008	2007
a) In Polish currency			677	450
b) In foreign currencies (acc to currencies and after converting into PLN)			39	100
b1. In foreign currency	thousand	EUR	9	28
After converting into thousand PLN			39	100
b1. In foreign currency	thousand	USD	0	0
After converting into thousand PLN			0	0
Other foreign currencies in thousand PLN			0	0
Total cash and other cash related assets			716	550

## Note 9 f

OTHER SHORT-TERM INVESTMENTS (ACC TO TYPE)	Thousand PLN	
	2008	2007
Total other short-term investments		0

## Note 9 g

OTHER SHORT-TERM INVESTMENTS (CURRENCY STRUCTURE)	Unit	Currency	Thousand PLN	
			2008	2007
a) In Polish currency			0	0
b) In foreign currencies (acc to currencies and after converting into PLN)			0	0
b1. In foreign currency			0	0
After converting into thousand PLN			0	0

OTHER SHORT-TERM INVESTMENTS (CURRENCY STRUCTURE)	Unit	Curren y	Thousand PLN	
			2008	2007
-				
Other foreign currencies in thousand PLN				0
Total other short-term investments				0

**Note 10 a**

SHORT-TERM ACCRUALS	Thousand PLN	
	2008	2007
a) Accrued costs, including:	30	107
Research and development works		
- Insurance	30	26
- Other (subscription, trade fairs, fees)		81
Other accruals, including:		
Short-term accruals in total	30	107

**Note 11 a**

If the total amount of revaluation write-offs due to permanent loss of values shown / reversed is essential then the following should shown:

- The main element or groups of elements of assets to which the write-offs or their reversal related
- The main events and circumstances, which resulted in making or reversing the write-offs,
- For each of the separated groups of asset elements: the amount of revaluation write-offs made including the amount referred directly to the equity capital or the amount of reversed revaluation write-offs including the one referred directly to the equity capital.

File	Description
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## Note 12 a

## EQUITY CAPITAL (STRUCTURE)

in PLN thousand

Series /emission	Type of share	Type of privileged shares	Type of restriction of rights to share	Number of shares	Value of series/ issue acc. of nominal value	Type of capital coverage	Date of registration	Right to dividend from the day
A	a bearer	ordinary		20 770 000	2 077	transformation	1.03.1995	1.03.1995
B	a bearer	ordinary		5 208 000	521	Cash	20.01.1998	1.01.1998
C	a bearer	ordinary		27 457 134	2 746	Cash	14.06.2007	1.01.2007
D	a bearer	ordinary		106 870 268	10 687	Cash	12.09.2007	1.01.2007
Number of shares in total				160 305 402				
Equity capital in total					16 031			
Nominal value of a single share (in PLN)			0.10					

Shareholders who have at least 5% of equity capital of the Company	Number of shares in pieces	Share in equity capital	Value of shares acc to nominal value in PLN thousand
Bank Gospodarstwa Krajowego	15,526,908	9.69%	1 553
Krzysztof Jaszczyr	11,554,730	7.21%	1 155
Others	133,223,764	83.1%	13 323

On 09<sup>th</sup> January 2009 the Extraordinary Shareholders' Meeting adopted increase of the Company's initial capital through emission of 16 000 000 new bearer ordinary shares designated as the F series in mode of private subscription excluding the right to acquire, directed to EVIP Progress Spółka Akcyjna (Joint Stock Company) seated in Warsaw.

EVIP Progress Spółka Akcyjna subscribed the shares on 19<sup>th</sup> January 2009 for emission has been fully paid up.

Information on any movements in the equity capital should be provided, and the following ones, in particular:

- Number, type, nominal value, emission price of the stocks and shares being offered
- Changes of the nominal value of stocks and shares
- Changes of rights resulting from stocks and shares

As well as information about forecasted movements in equity capital as a result of equity capital increase within the limits of target capital or conditional increase of equity capital.

In addition to that the information about the structure of capital ownership of emitting entity should be given separating out the number and value of shares, including preference stock being in the possession of the emitting entity or other related entities and indicate shareholders possessing directly or indirectly in the related entities at least 5% of the equity capital of the emitting entity or at least 5% of total votes at AGM of shareholders separating out the number and value of the stocks and shares including the preference stock, as well as the information about the share in equity capital and share in managing.

If the emitting entity is not a joint stock company then it should present relevant data for the equity capital.

## Note 13 a

EQUITY SHARES				
In thousand PLN				
Quantity	Valued at their purchase price	Balance sheet value	Purpose of purchase	Purpose

## Note 13 b

STOCKS AND SHARES OF THE EMITENT BEING THE OWNERSHIP OF SUBORDINATE UNDERTAKINGS			
In thousand PLN			
Name (company) of entity, seat	Quantity	Valued at their purchase price	Balance sheet value

## Note 14 a

Reserve capital in total

RESERVE CAPITAL	Thousand PLN	
	2008	2007
a) From sale of shares above their nominal value		16 483
b) Formed statutorily		0
c) Formed acc to articles of association / contract above their statutory (minimum) value		4 225
Other (acc to type)		
- Loss coverage from previous years		-2 694
- From profit distribution from the year 2004		0

## Note 14 a

RESERVE CAPITAL	In thousand PLN	
	2008	2007
a) From sale of shares above their nominal value	16 483	16 483
Formed statutorily		0
b) Formed according to articles of association / contract above their statutory (minimum) value	1 531	4 225
From shareholders' / partners' extras		
Other (by type)		
- Loss coverage from previous years	-4 417	-2 694
From profit distribution from the year 2004		
Reserve capital, total	13 597	18 014

## Note 15 a

CAPITAL AFTER REVALUATION	In thousand PLN	
	2008	2007
a) due to revaluation of fixed assets	0	0
b) due to profits/losses from revaluation of financial instruments, including:	0	0
- from revaluation of securing instruments	0	0
c) resulting from deferred tax	0	0
d) exchange rate differences due to revaluation of foreign branches	0	0
Other (by type)	0	0
Capital after revaluation, total	0	0

## Note 16 a

OTHER RESERVE CAPITAL (ACC TO THE PURPOSE)	In thousand PLN	
	2008	2007
- Loss coverage for the financial years	0	52
Total other reserve capital	0	52

## Note 17 a

WRITE-OFFS FROM PROFIT NET DURING THE FINANCIAL YEARS (AS A RESULT OF)	In thousand PLN	
	2008	2007
-		0
Net profit write-offs during the financial year in total		0

## Note 18 a

CHANGE OF THE PROVISION DUE TO DEFERRED INCOME TAX	In thousand PLN	
	2008	2007
1. State of provision due to deferred income tax at the beginning of the period, including:	111	312
a) disclosed in financial result	111	312
disclosed in equity capital		
disclosed in goodwill or negative goodwill		
2. Increase	108	62
a) disclosed in financial result of the period as a result of positive temporary differences:		62
- temporary differences occurrence		62
- Including: - current assets		8
- liabilities and provisions for liabilities		54
--- fixed assets	108	
Resulting in goodwill or negative goodwill due to some positive temporary differences (as a result of)		
3. Decrease	111	263
a) Resulting in financial result of the period due to some positive temporary differences (as a result of)	111	263
- Reversal of transitory differences	111	263

CHANGE OF THE PROVISION DUE TO DEFERRED INCOME TAX	In thousand PLN	
	2008	2007
Including: - current assets	8	
- fixed assets		15
- liabilities and provisions for liabilities	103	248
Disclosed in equity capital due to some positive temporary differences (as a result of)		
Disclosed in goodwill or negative goodwill due to some positive temporary differences (as a result of)		
4. State of provision due to deferred income tax at the end of the period in total	108	111
a) disclosed in financial result	108	111
disclosed in equity capital		
disclosed in goodwill or negative goodwill		

## SPECIFICATION OF POSITIVE TEMPORARY DIFFERENCES in thousand PLN

	Date of termination: up till 31.12.2009	Closing balance	Opening balance
<b>Assets</b>			
Fixed assets		569	0
Working assets, including:		0	43
- short-term receivables		0	42
- short-term investments		0	1
<b>Liabilities</b>			
Liabilities and provisions, including:		0	540
- short-term liabilities		0	540
<b>Total</b>		<b>569</b>	<b>583</b>

Decrease and increase of the value of provision due to deferred income tax should be disclosed properly according to the titles mentioned below indicating the basic groups of assets and liabilities which cover:

## Increase (as a result of):

- Temporary differences occurrence
- Change in tax rates
- Not shown temporary difference from the previous period

## Decrease (as a result of):

- Reversal of the temporary differences (the use of provision for deferred income tax)
- Change in tax rates
- Release of provision due to lack of possibility to make use of it

Referring to the positive temporary differenced it should be additionally revealed, separately for the basic groups of assets and liabilities the following:

- Amount of positive temporary differences at the beginning and end of period,
- Expiration date of positive temporary differences,
- Total amount of temporary differences connected with investments at related companies and branches as well as at joint ventures for which relevant provisions for deferred tax were generated.

## Note 18 b

CHANGE OF LONG-TERM PROVISION FOR PENSIONS BENEFITS AND THE LIKE (ACC TO TYPES)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Used (as result of)	0	0
d) Release (as a result of)	0	0
e) Value at the end of period	0	0

## Note 18 c

CHANGE OF SHORT-TERM PROVISION FOR PENSIONS BENEFITS AND THE LIKE (ACC TO TYPES)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Used (as result of)	0	0
d) Release (as a result of)	0	0
e) Value at the end of period	0	0

## Note 18 d

CHANGE IN OTHER LONG-TERM PROVISION (ACC TO TYPES)	Thousand PLN	
	2008	2007
a) Value at the beginning of period	0	0
b) Increase (as result of)	0	0
c) Used (as result of)	0	0
d) Release (as a result of)	0	0
e) Value at the end of period	0	0

## Note 18 e

CHANGE IN OTHER SHORT-TERM PROVISIONS (ACCORDING TO TYPES)	Thousand PLN	
	2008	2007
a) Value at the beginning of period		20
- Interest on liabilities		
- Disputable		
b) Increase (as result of)	1 654	
- providing provisions purposed for interest on liabilities	409	
- providing provisions purposed for court and court executive costs	800	
- providing provisions purposed for salaries	203	
- providing provisions purposed for possible claims	213	
- providing other provisions	29	
c) Used (as result of)		7
-		
d) Release (as a result of)		13
-		13
e) Value at the end of period	1 654	

## Note 19 a

LONG-TERM LIABILITIES	Thousand PLN	
	2008	2007
a) Towards subsidiaries	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0
b) Towards co-subsidiaries	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0
c) Towards associated companies	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0
d) Towards major investor	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0
e) Towards the partner of co-subsidiary	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0

LONG-TERM LIABILITIES	Thousand PLN	
	2008	2007
f) To predominant entity	0	0
- Credits and loans	0	0
- Due to issuance of redeemable securities	0	0
- Other financial liabilities, including:	0	0
- Leasing contracts	0	0
- Other (acc to type)	0	0
g) To other companies	65	359
- Credits and loans		
- Due to issuance of redeemable securities		
- Other financial liabilities, including:	65	359
- Leasing contracts	65	359
- Other (acc to type)		
Total long-term liabilities	65	359

## Note 19b

LONG-TERM LIABILITIES TO BE PAID AFTER BALANCE SHEET DATE	In thousand PLN	
	2008	2007
a) Above 1 year and up to 3 years	65	269
b) Above 3 to 5 years		90
c) Above 5 years.		0
Total long-term liabilities	65	359

## Note 19 c

LONGTERM LIABILITIES (CURRENCY STRUCTURE)	Unit	Curre ncy	Thousand PLN	
			2008	2007
a) In Polish currency			65	90
b) In foreign currencies (acc to currencies and after converting into PLN)				269
b1. In foreign currency	thous	USD		156
After converting into thousand PLN				269
Other foreign currencies in thousand PLN				
Total long-term liabilities			65	359

## Note 19 d

LONG-TERM LIABILITIES ON ACCOUNT OF LOANS AND CREDITS													
Thousand PLN													
Name (company) indicating its legal status	Registered seat	Amount of credit/loan acc to the contract				Amount of credit/loan left to be paid off				Interest conditions %	Date of payment	Collaterals	Other
		Thousand PLN	In foreign currency	Unit	Currency	Thousand PLN	In foreign currency	Unit	Currency				

In case of loans and credits in foreign currency amount in the particular currency after converting it into PLN should shown.

## Note 19 e

LONG-TERM LIABILITIES ON ACCOUNT OF REDEEMABLES ISSUED							
Thousand PLN							
Debenture financial instruments on the type	Nominal value	Interest conditions %	Date of redemption	Guaranties / securities	Additional rights	Quotations market	Other

List of long-term liabilities groups secured by the entity's assets (indicating type of security) should be shown.

## Note 20 a

SHORT-TERM LIABILITIES	Thousand PLN	
	2008	2007
a) Towards subsidiaries	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividends	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
b) Towards co-subsidiaries	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividend	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
c) Towards associated companies	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividend	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
d) Towards major investor	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividend	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
e) Towards the partner of co-subsidiary	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividend	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0

SHORT-TERM LIABILITIES	Thousand PLN	
	2008	2007
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
f) To predominant entity	0	0
- Credits and loans, including	0	0
- Long-term ones being paid off	0	0
- Due to issuance of redeemable securities	0	0
- As a result of dividend	0	0
- Other financial liabilities, including:	0	0
- Deliveries and services with maturity period:	0	0
- Up to 12 months	0	0
- Above 12 months	0	0
- Advance payments for supplies	0	0
- Bill of exchange payable	0	0
- Other (acc to type)	0	0
g) Against other companies	8 013	6 502
- Credits and loans, including		
- Long-term ones under repayment period		
- Due to issuance of redeemable securities		
- As a result of dividend		
- short-term credits	616	
- Other financial liabilities, including:	106	
- liabilities resulting from financial instruments	106	
- Deliveries and services with maturity period:	3 221	4 503
- Up to 12 months	3 221	4 503
- Above 12 months		
- Advance payments for supplies	190	16
Bill of exchange payable		
- Due to taxes, duties, insurance and other benefits	2 832	598

- Remuneration liabilities	959	362
- Other (acc to type)	609	1 023
- Settlements with employees		24
- Settlement of accounts as a result of fixed assets in progress	57	411
- Settlements as a result of subject of leasing	373	563
- Interest on posted loans		
- Due to insurance		21
- Commission on credits		
- Other	179	4
h) Special funds (acc to titles)	96	16
<b>Total short-term liabilities</b>	<b>8 629</b>	<b>6 518</b>

## Note 20 b

SHORT-TERM LIABILITIES (CURRENCY STRUCTURE)	Unit	Curr enc y	Thousand PLN	
			2008	2007
a) In Polish currency			8 283	6 015
b) In foreign currencies (acc to currencies and after converting into PLN)			346	503
b1. In foreign currency	thousa nd	USD	65	64
After converting into thousand PLN			193	156
b1. In foreign currency	thousa nd	EUR	37	97
After converting into thousand PLN			153	347
Other foreign currencies in thousand PLN				
<b>Total short-term liabilities</b>			<b>8 629</b>	<b>6 518</b>

## Note 20 c

SHORT-TERM LIABILITIES DUE TO LOANS AND CREDITS													
Thousand PLN													
Name (company)	Registered seat	Amount of credit/loan acc to the contract				Amount of credit/loan left to be paid off				Interest conditions %	Date of payment	Collaterals Other	
		Thousand PLN	In foreign currency	Unit	Currency	Thousand PLN	In foreign currency	Unit	Currency				

In case of loans and credits in foreign currency amount in the particular currency after converting it into PLN should shown.

## Note 20 d

LONG-TERM LIABILITIES ON ACCOUNT OF REDEEMABLES ISSUED						
Thousand PLN						
Debenture financial instruments on the type	Nominal value	Interest conditions %	Date of redemption	Guaranties / securities	Additional rights	Other

List of short-term liabilities groups secured by the entity's assets (indicating type of security) should shown.

## Note 21 a

CHANGE OF NEGATIVE GOODWILL	Thousand PLN	
	2008	2007
Value at the beginning of period	0	0
a) Increase (as a result of)	0	0
b) Decrease (as a result of)	0	0
Negative goodwill at the end of period	0	0

## Note 21 b

OTHER ACCRUALS	Thousand PLN	
	2008	2007
a) Accrued liabilities		
- Long-term (acc to titles)		
- Short-term (acc to titles)		
b) Prepayments and accrued income	688	750
- Long-term (acc to titles)	635	697
-	635	697
- Short-term (acc to titles)	53	53
-	53	53
Other accruals in total	688	750

## Note 22 a

Additional data clarifying the way book value has been calculated per one share and thinned out book value per one share should be shown.

The book value per one share has been calculated as a relation of net assets to the quantity of the shares:

Net assets = total assets – liabilities [PLN thousand 25,510 – PLN thousand 11,144 / 160,305,402 = PLN 0.9 ]

File	Description

## NOTES CLARIFYING THE OFF-BALANCE ITEMS

## Note 23 a

CONTINGENT RECEIVABLES FROM THE ASSOCIATE COMPANIES (AS A RESULT OF)	In thousand PLN	
	2008	2007
a) Warranties and guarantees obtained, including:	0	0
- From subsidiaries	0	0
- From co-subsidiaries	0	0
- From associated companies	0	0
- From a major investor	0	0
- From partner of co-subsidiary company	0	0
From predominant entity	0	0
Other (as a result of)		
-	0	0
- Including: from subsidiaries	0	0
- Including: from co-subsidiaries	0	0
- Including: from associated companies	0	0
- Including: from a major investor	0	0
Including: from partner of co-subsidiary company		
- Including: from predominant entity	0	0
-	0	0
- Including: from subsidiaries	0	0
- Including: from co-subsidiaries	0	0

CONTINGENT RECEIVABLES FROM THE ASSOCIATE COMPANIES (AS A RESULT OF)	In thousand PLN	
	2008	2007
- Including: from associated companies	0	0
Including: from a major investor		
- Including: from partner of co-subsiary	0	0
- Including: from predominant entity	0	0
-	0	0
Contingent receivables from related entities in total	0	0

## Note 23 b

CONTINGENT LIABILITIES TOWARDS RELATED ENTITIES (AS A RESULT OF)	Thousand PLN	
	2008	2007
a) Warranties and guarantees obtained, including:	0	0
- For subsidiaries	0	0
- For co-subsiaries	0	0
- For associate companies	0	0
- na rzecz znaczącego inwestora	0	0
- For partner of co-subsiary	0	0
- For predominating entity	0	0
Other (as a result of)		
-	0	0
- Including: - for subsidiaries	0	0
- Including: - for co-subsiaries	0	0
- Including: - for associate companies	0	0
- Including: - from a major investor	0	0
Including: - for partner of co-subsiary		
- Including: - for predominating entity	0	0
-	0	0

- Including: - for subsidiaries	0	0
- Including: - for co-subsiaries	0	0
- Including: - for associate companies	0	0
- Including: - from a major investor	0	0
- Including: - for partner of co-subsiary	0	0
- Including: - for predominating entity	0	0
Contingent liabilities for the related companies in total	0	0

## EXPLANATORY NOTES FOR PROFIT AND LOSS ACCOUNT

## Note 24 a

NET REVENUE ON SALE OF PRODUCTS (MATERIAL STRUCTURE)	Thousand PLN	
	2008	2007
- Products sales	13 237	25 114
- Including: from associated companies		
- Sales of industrial services	465	426
- Including: from associated companies		
- Sales of semi-finished products	1 062	1 105
- Sales of products from auxiliary business activity	80	62
- Sales of intangible assets	87	64
Product sale revenue net, in total	14 931	26 771
- Including: from associated companies		

## Note 24 b

NET REVENUE ON SALE OF PRODUCTS (MATERIAL STRUCTURE – TYPES OF BUSINESS ACTIVITY))	Thousand PLN	
	2008	2007
a) Country	8 085	13 101
- Including: from associated companies		
- Including: from associated companies		
- Including: from associated companies		
b) Export	6 846	13 670
- Including: from associated companies		
- Including: from associated companies		
- Including: from associated companies		
Product sale revenue net, in total	14 931	26 771
- Including: from associated companies		0

## Note 25 a

NET REVENUE ON SALE OF GOODS AND MATERIALS (MATERIAL STRUCTURE – TYPES OF BUSINESS ACTIVITY)	In thousand PLN	
	2008	2007
-	1 210	1 055
- Including: from associated companies		
-	130	113
- Including: from associated companies		
Goods and materials sale revenue net, in total	1 340	1 168
- Including: from associated companies		0

## Note 25 b

NET REVENUE ON SALE OF PRODUCTS, GOODS AND MATERIALS (AREA STRUCTURE)	Thousand PLN	
	2008	2007
a) Country	1 340	1 168
- Including: from associated companies		
- Including: from associated companies		
- Including: from associated companies		
b) Export		
- Including: from associated companies		
- Including: from associated companies		
- Including: from associated companies		
Goods and materials sale revenue net, in total	1 340	1 168
- Including: from associated companies		0

## Note 26 a

COSTS ACCTO THEIR TYPES	Thousand PLN	
	2008	2007
a) Depreciation	1 563	1 225
b) Material and energy consumption	6 558	17 201
c) External services	2 265	2 768
d) Taxes and charges	1 217	1 199
e) Wages	8 524	10 006
f) Social security costs and other benefits	1 434	2 057
g) Other types of costs (as a result of)	251	316
- Business trips	142	82
- Expenses of the official entertainment and advertising	109	234
Costs acc to their types, in total	21 812	34 772
Changes in the level of stocks, products vision and accruals	1 290	-3 338
Costs of manufacturing the products for the entity own needs (negative value)		-813
Cost of sales (negative value)	-1 022	-1 222
Cost of general administration (negative value)	-5 006	-4 653
Cost of manufacturing of products sold	17 074	24 746

## Note 27 a

OTHER OPERATING REVENUES	Thousand PLN	
	2008	2007
a) Release of reserve (as a result of)		
b) Other, including:	841	1 273
- Allowance for stocks at MWG	391	392
- Allowance for receivables	294	424
- Sale, liquidations of fixed assets	10	37
- Depreciation of acquired right to perpetual usufruct of land	53	55
- Prescribed liabilities	63	77
- Penalties, damages		1
- Other	30	287
Other operating income, in total	841	1 273

## Note 28 a

OTHER OPERATING CHARGES	Thousand PLN	
	2008	2007
a) Generated provisions (as a result of)	1 245	
- court and court executive officer fees	800	
- salaries	203	
- possible claims	213	
- other	29	
b) Other, including:	240	320
- Donations	5	9
- court and court executive officer fees	9	2
- Costs of liabilities execution	79	49
- Other	147	260
Other operating charges, in total	1 485	320

Revaluation of non-financial assets amounting to PLN thousand 5,584, including:

## B. Working assets

## I.3. Stock of finished goods: PLN thousand 5,321

- they refer to revaluation of goods: fabrics and confection in real value what results from specific character of the production: PLN thousand 3 406
- revaluation of finished goods stored in Panama: PLN thousand 983
- revaluation of commodities: PLN thousand 103.

Revaluation of semi-finished products value: PLN thousand 828

## II. 2a) Receivables resulting from deliveries and services (trade debtors): PLN thousand 263

- doubtful receivables: PLN thousand 258
- written off receivables: PLN thousand 5.

In relation to the revaluation write-offs for non-financial asset value it is to indicate their value broken into the titles (types) and clarify the reasons for their generation.

## Note 29 a

FINANCIAL REVENUES AS A RESULT OF DIVIDENDS AND OTHER SHARES IN PROFITS	Thousand PLN	
	2008	2007
a) From associated companies, including:	0	0
- From subsidiaries	0	0
- From co-subsidiary companies	0	0
- From associated companies	0	0
- From a major investor	0	0
- From partner of co-subsidiary company	0	0
From predominant entity	0	0
a) From other companies	0	0
Financial revenues as a result of dividends and other shares in profits, in total	0	0

## Note 29 b

REVENUES FROM INTEREST	Thousand PLN	
	2008	2007
a) Due to loans granted		
a) From related companies, including:		
- From subsidiaries		
- From co-subsidiary companies		
- From associated companies		
- From a major investor		
- From partner of co-subsidiary company		
- From predominant entity		
From other entities		
b) Other interest	4	130
a) From related companies, including:		
- From subsidiaries		
- From co-subsidiary companies		
- From associated companies		
- From a major investor		
- From partner of co-subsidiary company		
From predominant entity		
From other entities	4	130
Revenues from interest, in total	4	130

## Note 29 c

OTHER FINANCIAL REVENUES	Thousand PLN	
	2008	2007
a) Positive exchange rate differences		0
- Executed		0
- Not executed		49
b) Release of reserve (as a result of)		0
c) Other, including:		0
-		0
Other financial revenues, in total		49

## Note 30 a

FINANCIAL COSTS DUE TO INTEREST	Thousand PLN	
	2008	2007
a) On credits and loans	16	210
For related companies, including:		
For subsidiary companies		
For co-subsidiary companies		

FINANCIAL CHARGES DUE TO INTEREST	Thousand PLN	
	2008	2007
For associated companies		
For a major investor		
For partner of co-subsiary company		
For predominant entity		
- For other entities	16	210
b) Other interest	476	280
For related companies, including:		
For subsidiaries		
For co-subsiary companies		
For associated companies		
For a major investor		
For partner of co-subsiary company		
For predominant entity		
- For other entities	476	280
- Provision purposed for interest	409	
Financial charges due to interest, in total	492	490

## Note 30 b

Other financial charges	Thousand PLN	
	2008	2007
a) Negative exchange rate differences, including:	14	
- Executed	207	
- Not executed	-193	
Provision generated (as a result of)		
b) Other, including:	161	140
- leasing	55	140
-OTHER	106	
Other financial charges, in total	175	140

## Note 31 a

If the emitting entity does not prepare consolidated financial report then it must present the information about the result on sales of the whole or part the stocks and shares for the particular associate companies as well as their settlements between the entity selling and the entity purchasing stocks and shares and a book value of each unit sold.

File	Description

## Note 32 a

EXTRAORDINARY PROFITS	Thousand PLN	
	2008	2007
a) random		1
b) other (according to titles)		0
Extraordinary profits, in total		1

## Note 33 a

EXTRAORDINARY LOSSES	In thousand PLN	
	2008	2007
a) Random incident		0
b) Other (acc to titles)		0
Extraordinary loss, in total		0

## Note 34 a

CURRENT INCOME TAX	Thousand PLN	
	2008	2007
1. Gross profit (loss)	-14 948	-4 263
Consolidation adjustments		
Differences between the gross profit (loss) and the income tax basis (in accordance with titles):	10 167	368
- Revenues not considered as tax revenues (acc to titles)	-679	-453
- Posted but not paid interest on receivables	-1	-19
- Interest received from the customers posted in the previous period	-4	4
- Reversal of allowances for receivables	-298	-428
- Exchange rate differences from balance sheet evaluation		376
- Depreciation of acquired right to perpetual usufruct of land	-53	-87
- Reversal of the allowance for the stock of ready products value	-391	-392
As a result of rent and lease contracts		
- Depreciation of interest on liabilities		37
- Posted court charges	-3	-3
- Other costs not being subject of taxation		3
- Revenues on court's fees refund	1	4
- Other revenues being subject to taxation	7	12
- Prescribed liabilities, written off, cancelled	63	40
- Expenditures other than tax deductible expenses (acc to titles)	10 846	821
- Donations	5	4
- Non-compulsory contributions to organizations		5
- Posted but not paid premiums on liabilities	29	4
- Paid and taxed interest in the previous period	-3	-53
- Exchange rate differences from balance sheet evaluation	193	-32
- Budgetary interest	24	118
- Written off receivables	5	44
- Reserves for future costs	1 654	0
- Allowance for receivables	259	880
- Write-offs for the State Fund for Rehabilitation of Handicapped People (PFRON)	243	307
- Expenditure towards the Supervisory Board	50	11
- Other cost not accepted by the entity	144	23
- Unpaid remuneration for resulting from commissioned jobs	1 037	-304
Conservative (safe) evaluation of stocks		
- Write-downs to revalue stocks	6 304	391
- Depreciation of assets covered by investment abatement in previous years	150	161
- Depreciation of unjustified right to perpetual usufruct of land	53	87
- Unjustified depreciation - leasing	397	393
- Costs of liabilities execution	98	49
- Write-off for ZFS for the part not covered by payment	95	-3
- Unjustified VAT	1	2
- Unpaid ZUS not posted in the costs	458	-886
- Costs of leasing	51	126
- Leasing rent, initial payment	-499	-637
- Entertainment expenses	57	83
- abandonment of implementation of computer software	42	48
3. Taxation basis for the income tax	-4 781	-3 895
Income tax at the rate ...% %		
4. Increase, discontinuing, exemption, deduction and tax reduction	-4 781	-3 895
Current income tax shown in tax return of the period, including:		
Disclosed in the profit and loss account		
- Referring to items which resulted in decreasing or increasing the equity capital		

CURRENT INCOME TAX	Thousand PLN	
	2008	2007
- Referring to items which resulted in decreasing or increasing the goodwill or negative goodwill		

## Note 34 b

DEFERRED INCOME TAX	Thousand PLN	
	2008	2007
- Decrease (increase) due to occurrence or reversal of temporary differences	108	-201
- Decrease (increase) due the change of tax rates		
- Decrease (increase) due to not posting previously the tax loss, tax allowance or the temporary difference of the previous period		
- Decrease (increase) due to writing off the assets as a result of deferred income tax or lack of possibility to use the reserve for deferred income tax	206	407
- Other elements of deferred tax (according to titles)		
Deferred income tax in total	314	206

## Note 34 c

TOTAL AMOUNT OF DEFERRED TAX	Thousand PLN	
	2008	2007
- Shown in the equity capital	314	206
- Shown in the goodwill or negative goodwill		0

The item „Total amount of deferred tax shown in the goodwill or negative goodwill” refers to individual financial reports in case of consolidation.

## Note 34 d

INCOME TAX SHOWN IN THE PROFIT AND LOSS ACCOUNT REFERRING TO	Thousand PLN	
	2008	2007
- Discontinued business activity		9
- Result on extraordinary operations		0

## Note 35 a

OTHER COMPULSORY DECREASE OF PROFIT (INCREASE OF LOSS), RESULTING FROM:	In thousand PLN	
	2008	2007
-		0
Other obligatory decreases of profit (increases of, in total (loss))		0

## Note 36 a

SUBORDINATE UNDERTAKINGS' SHARE, IN PROFITS (LOSS) NET EVALUATED WITH OWNERSHIP RIGHTS METHOD, INCLUDING:	In thousand PLN	
	2008	2007
- Goodwill write-off of subordinated undertakings		0
- Negative goodwill of subordinate undertakings		0
- Difference write-off in the evaluation of assets net		0

The item „Subordinate undertakings' share in profits (loss) evaluated with ownership rights method” is shown in the financial statement in case of applying the method of ownership rights method to evaluate stocks and shares at subordinate undertakings.

**Note 37 a**

The way of profit or loss coverage for presented financial years should be presented and in case of unfinished financial year the proposal of profit or loss coverage revealing precisely amount of profit or loss, figures.

The Company assumes to cover the loss amounting to PLN thousand 13 597 from the equity.

The other part of the loss amounting to PLN thousand 1 665 the Company proposes to cover profits of the succeeding years.

File	Description

**Note 38 a**

Additional explanatory data clarifying the method of calculating profit (loss) per one ordinary share and thinned out profit (loss) per ordinary share taking into account the breaking down into all kinds of ordinary shares should be presented, which differ between each other in that they have different rights of share in profits of the period.

The net loss per one shares has been calculated as a relation of the net loss to the quantity of the shares.

-15,262 thousand PLN : 160,305,402 = -0.10 PLN/share

File	Description

**EXPLANATORY NOTES FOR PROFIT AND LOSS ACCOUNT**

Cash shown in the profit and loss account should be defined presenting their structure at the beginning and end of the period.

In case of some discrepancies between balance sheet changes of some of the items and changes of those items shown in profit and loss account cash flow the reasons for such discrepancies should be indicated.

In reference to the items of a cash flow “Other adjustments”, “Other receipts” and “Other expenditures” the list of adjustments, receipts and expenditures should be presented of such amounts which exceed 5% of total amount of such adjustments, receipts or expenditures in particular business activity and which were shown in those items.

In case the cash flow statement has been worked out with direct method then an explanatory note containing all agreed cash flow net with operating activity with indirect method for the values worked with direct method should be presented.

File	Description

CASH FLOW FROM OPERATING ACTIVITY (INDIRECT METHOD)	Thousand PLN	
	2008	2007
I. Net profit (loss)	-15 262	-4 469
II. Total adjustments	15 015	-16 591
Share in profits (loss) net of subordinated undertakings valued with ownership method:		
1. Depreciation	1 563	1 225
2. Profit/Loss from exchange rate differences	4	-430
3. Interest and share in profits (dividends)	16	366
4. Profit/Loss from investment activity	-266	-175
5. Change in provision level	1 651	-221
6. Change in stock level	7 226	-3 599
7. Change in receivables level	3 027	-1 317
8. Change in short-term liabilities except credit and loans	1 462	-12 733
9. Change in accruals	332	293
Other adjustments		
III. Net investment cash flows (I-II)	-247	-21 060

**B. ADDITIONAL EXPLANATORY NOTES**

In additional explanatory notes to the financial report and comparable date respectively one should present the following:

**1. Information on financial instruments.**

1.1. In reference to all the assets and financial liabilities the financial instruments should be presented broken down at least into:

- a) Financial assets available for sale.
- b) Financial liabilities available for sale.
- c) Loans granted and its own receivables
- d) Financial assets maintained until their maturity date
- e) Financial assets available for sale.

- When presenting the levels at the beginning of the period of increase and decrease indicating the titles as well as at the end of the period taking into account breaking down into particular groups of assets and liabilities accepted in the balance sheet.

1.2. What is more, referring to all the assets and financial liabilities with the division according to financial instruments classes defined in pos. 1.1 as well as taking into account the division into groups (classes) the assets and financial liabilities:

1.2.1. The following should be provided:

- a) The basic characteristic, quantity and value of financial instruments, including the description of essential terms and dates which could have an impact on the value, distribution in time and likelihood of future cash flows in reference to the derivative instruments and in particular to:
  - The scope and nature of the instrument
  - The purpose of purchasing or issuing the instrument – e.g. collateral
  - An amount being the basis for calculating future payments
    - c) An amount and date of future revenues or cash payments
  - The date of agreeing the prices, maturity, validity or executing the instrument
  - Possibility of earlier settlement – period or date – if available
  - Price or range of prices of instrument execution
  - Possibility of exchanging or swapping for another element of assets or liabilities
  - Fixed rate of interest and amount of interest, dividend or other revenues and the date of their payment
    - c) Additional collaterals connected with such instrument, accepted and submitted
  - The aforementioned information should also be provided for the instrument which might replace the other one
  - Other terms which accompany the particular instrument
  - Type of risk connected with an instrument
  - An amount of existing liabilities as a result of distrained items in the instruments
- b) Description of methods and essential assumptions accepted to establish fair value of assets and financial liabilities evaluated at such amount
- c) A description of method of the effects of revaluation of financial assets allocated to the category of available for sale, i.e. whether they are referred to revenues or financial expenses, or to the capital from revaluation as well as the amounts transferred to this capital or written off from it
- d) Clarification of accepted principles of introducing financial instruments acquired in the regulated market into the books of accounts
- e) Information on the risk of interest rate charge and the following information in particular:
  - Earlier redemption date or value revaluation date resulting from the contract
  - Effective interest rate if establishing it is justified
- f) Information on the credit risk charge and the following information in particular:
  - Estimated maximum amount of loss that the entity is exposed but not considering the fair value of any accepted or arranged collaterals in case the debtor has failed to provide the payment
  - Concentration of the credit risk

1.2.2 Referring to the financial assets available for sale evaluated at the adjusted purchase price value if it is not possible to reliably measure the fair value of such assets then the balance sheet value should be indicated, reasons for not being able to credibly determine the fair value of such assets as well as – if only possible – define the limits of the range within which such fair value of instruments can be

1.2.3 Referring to the assets and financial liabilities for which the evaluation of fair value is not done the following information should be provided:

- a) The data on their fair value if in justified reasons the fair value of such assets or liabilities has not been determined then such fact should be revealed and basic characteristic of financial instruments presented, which in other case would have been evaluated at the price fixed at regulated market where the public sale of financial instruments is being performed and the information on such price is readily available
- b) In case the fair value of assets and financial liabilities is lower from its balance sheet value – balance sheet value and fair value of particular element or group of elements, the reasons for discontinuing the allowances for their balance sheet value and justification on the possibility of recovering the shown value to the its full amount.

1.2.4. In case of contract resulting in turning the financial assets into securities or contracts of redemption then the following should be presented individually for each transaction:

- a) The nature and amount of transactions concluded including the description of guaranties and securities accepted and granted, the data being the base for working out the fair value of revenue on interest connected with contracts concluded in the given period as well as transactions made in the previous periods, both completed and not completed in the period
- b) Information on financial assets excluded from books of accounts

1.2.5 In case of reclassification of financial assets evaluated at the fair value into the assets evaluated at the adjusted price of purchase then reasons for changing

the principles of evaluation should be presented.

- 1.2.6 In case the allowances for permanent loss of value of financial assets have been made or due to the fact that the reason ceased to exist for which such allowances have been made and the value of the assets element has been increased then the amount of allowance decreasing or increasing the value of financial assets should be given.
- 1.2.7. Referring to the redeemables, loans granted and company's own receivables the revenues from interest calculated with the help of interest rates resulting from contracts concluded should be presented, with assets related to the said interest broken into categories, but the accrued and paid interest for the period as well as the accrued interest but not paid should separately shown. The unpaid interest should be shown on the dates of payment:
- Up to 3 months
  - Above 3 up to 12 months
  - Above 12 months
- 1.2.8 Referring to the allowances for the value of loans granted or company's own receivable due to permanent loss of their value it necessary to present the accrued interest on the debts which have not been paid
- 1.2.9 Referring to financial liabilities the costs due to interest on these liabilities should be given calculated with interest rates resulting from contracts concluded with a break down into the costs of interest related to the liabilities available for sale, other short-term and long-term financial liabilities, and the costs of interest accrued and paid in the period should be shown separately from the costs of interest accrued but not paid. The unpaid interest should be shown on the dates of payment:
- Up to 3 months
  - Above 3 up to 12 months
  - Above 12 months
- 1.2.10. The information regarding purposes and principles of financial risk management should presented considering the break down into securing the fair value, securing cash flows and securing the shares in assets net of entities abroad and additionally the following information:
- a) Description of types of securities
  - b) Description of the securing instrument and its fair value
  - c) Characteristic of the type of risk being secured
- 1.2.11. In case of securing the planned transaction or making the future liability more probable the information regarding purposes and the principles of financial risk should be provided showing also the breaking down into secured basic types of planned transactions or more likely future liabilities and additionally the following information covering at least:
- a) Description of the item being secured including forecasted time of planned transaction execution or occurrence of future liability
  - b) Description of securing instruments applied
  - c) Amounts of any deferred or not calculated profits or loss and planned time of posting them as revenues or financial costs.
- 1.2.12. If the profits or loss from the evaluation of securing instruments being both derivative financial instruments and assets or liabilities of other nature in case of securing cash flows have been transferred to the capital from revaluation then the following information should be presented:
- a) Amounts of allowances increasing or decreasing capital from revaluation
  - b) Amounts written off from capital from revaluation and posted as revenues or financial costs
  - c) Amounts written off from capital from revaluation and added to the price of purchase or an initial value determined in a different way on the day of posting the element of assets or liabilities in the books of accounts, which as of this day was covered by the planned transaction or was most likely to be the future liability subject to security.
2. The data on off-balance items and contingent liabilities in particular including also guaranties and warranties granted by the emitting entity (also bills of exchange), with the ones granted to related entities and shown separately.
3. Date on obligations towards the state budget or territorial government units by way of obtaining the right of ownership of buildings and structures.
4. Information about proceeds, costs and results of activity discontinued in the financial year or anticipated to be discontinued next year.
5. Cost of making fixed assets under construction and fixed assets for the entity's own needs.
6. Capital expenditure incurred and planned capital expenditures in the next 12 months from the day of balance sheet including those spent on non-financial fixed assets: incurred and planned expenditures for natural environment protection should be shown separately.
- 7.1 Information about essential transactions concluded by the emitting entity with related entities on the terms and conditions other than market conditions, with their values and information defining the nature of such transactions.
- 7.2 Figures concerning related entities about:
- a) Mutual receivables and liabilities
  - b) Costs and revenues from mutual transactions
  - c) Other data indispensable for preparing consolidated financial report.
- 7a. Information of a nature and economic purpose of the contracts concluded by the emitting entity which were not included in the balance sheet in the scope necessary for the assessment of their impact on the financial standing of the company and financial result.
8. Information about mutual joint-ventures, which are not subject to consolidation, including:
- a) The name and scope of business activity of the joint venture
  - b) Percentage share
  - c) Those parts of tangible fixed assets, which are mutually controlled
  - d) Liabilities made for the needs of joint venture or the purchase of second-hand tangible fixed assets
  - e) Parts of liabilities mutually made
  - f) Revenues gained from the joint-venture and related costs
  - g) Contingent liabilities and investments related to the joint venture.
9. Information about average employment by vocational groups.
10. Information on total wages, rewards and benefits including those resulting from motivation schemes or bonus ones based on the capital of emitting entity including also the programmes based on pre-emptive right bonds, convertible bonds, subscription warrants (in cash, in kind or any other form), paid out, due or potentially due, separately for each person managing or supervising the emitting entity at its premises regardless whether they were properly allocated as costs or whether they resulted from the profit distribution; in case the emitting entity is a predominant party then the partner of co-subsidiary or a major investor – separate information on the value of remuneration and rewards received on account of being in the management in the subsidiaries, co-subsidiaries and associated entities.

11. Information about unpaid credit advance payments, guarantee loans, warranties or other contracts making a party obliged to provide services for the emitting entity, subsidiaries, co-subsidiaries and associated companies where such terms as interest conditions and paying off these amounts are shown, granted by the emitting entity at the emitting entity premises and separately w at the subsidiaries, co-subsidiaries and associated companies (separately for each of the group), to managing and supervising people, separately to managing and supervising people and their spouses, relatives and related up to a second degree, adopted or being adopted and other people with whom they are personally connected, which will show the interest conditions and payments of such amounts.
- 11a. Information about:
- a) The date of emitting entity entering into the agreement with authorized entity to conduct auditing the financial statements, examination or viewing the financial statement and the time for which this agreement has been concluded.
- b) Remuneration for the auditor or authorized entity to conduct the examination of financial statements, paid out or due for the financial year separately for:
- Examination of the financial statement
  - Other approving services, including viewing the financial statement
  - Tax consulting services
  - Other services
- c) information pursuant to letter 'b' should be also presented for the previous calendar year.
12. Information about significant events concerning previous years and included in the financial report for the current period.
13. Information about significant events, which occurred after the balance sheet date, and not included in the financial report.
14. Information about relation between the legal predecessor and the emitting entity and about the way and scope of taking over assets and liabilities.
15. Financial report and comparable financial data at least in relation to the basic balance sheet items and profit and loss account adjusted with proper inflation indicator showing the source of this indicator it has taken from and the method of its application and accepting the last financial report as a base period – if the accumulated average yearly inflation rate from the last three years of the emitting entity business activity reached or exceeded the value of 100%.
16. A list of and the clarification of the differences between the revealed data in the financial report, comparable financial data and the previously prepared and published financial reports.
17. Changes in the applied principles (policy) of accountancy and the methods the financial report is prepared, made in relation to the previous financial year (financial years) and their reasons, titles and impact of financial effects they have had on the property and financial condition, liquidity as well as financial result and profitability.
18. The correction of errors made, their reasons, titles and impact of the financial effects on the property and financial condition, liquidity as well as financial result and profitability.
19. In case there is uncertainty in relation to the possibility of continuing business activity then the description and statements that such uncertainty occurs should be shown, and indicate whether the financial report contains such relevant adjustments. This information should also contain the description of the actions being undertaking or planned by the emitting entity aiming at the elimination of such uncertainties.
20. In case of a financial report prepared for the period in which merger took place, indication that the financial report was prepared after companies' merger and indication of the applied method of merger (acquisition, combining shares).
- In case the settlement is made with so called purchase method then the name of the company and description of the subject of business activity of the taken over company, nominal value and type of shares (stocks) emitted in order to carry out the merger, the price of taking it over, value of assets net according to fair value of the taken over company as of the day of merger, goodwill or negative goodwill and the principles of its depreciation should be shown, or:
  - In case the settlement is made with method of combining the share then the name of the company and description of the subject of business activities of the companies which as a result of merger have been removed from the company's register, number, nominal value and type of shares (stocks) emitted in order to carry out the merger, revenues and costs, profit and loss as well as movements in the equity capital of the merged companies for the period from the beginning of financial year when the merger took place up to the date when the merger was completed.
21. In case the stocks and shares of the related companies were not used in the financial report for their evaluation, then:
- Ownership right method – the effect they would have caused if applied as well as their impact on the financial result should be presented.
22. If the emitting entity does not make consolidated financial report then it should in the additional explanatory note to the financial report present legal grounds for not preparing consolidated financial report along with some data justifying withdrawal from such consolidation or evaluation with ownership right method, the name and registered seat of the entity preparing consolidated financial report at the higher level of capital group and the place of its publication, basic economic and financial indicators characterizing the business activities of the related entities for the given and previous financial year, i.e. such as: the amount of revenues form the sale and financial receipts, financial result net and the value of equity capital, divided into groups, the value of fixed assets, yearly average employment and other information if it is required by other regulations.

Besides, in case of other additional information than aforementioned required on the base of binding regulations on accountancy or other information which might have a significant impact on the assessment of the property and financial condition, financial result and their changes then such information should be revealed in the relevant part of the financial report.

File	Description
AdditionalExplanatoryNotes2008.rtf	

**SIGNATURES**

<b>SIGNATURES OF ALL THE MEMEBERS OF THE BOARD</b>			
Date	First name and surname	Position/Function	Signature
2009-06-04	Rafał Czapryński	Chairman of the Board of Directors	
2009-06-04	Marcin Sawłowski	Vice-Chairman of the Board of Directors	

<b>SIGNATURE OF THE PERSON ENTRUSTED WITH THE BOOKKEEPING</b>			
Date	First name and surname	Position/Function	Signature

**REPORT OF THE BOARD OF DIRECTORS (REPORT ON BUSINESS ACTIVITY OF THE EMITTING ENTITY)**

File	Description
Board's report on business activity_2008.rtf	

**THE DECLARATION ON OBSERVANCE OF CORPORATE ORDER**

File	Description
Report on corporate order_2008.rtf	