Condensed Interim Consolidated Financial Statements
for the 6-month period ended 30 June 2009
drawn up according to the International Financial Reporting Standards
approved by the European Union

Tarnów, 21 August 2009
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CONSOLIDATED HIGHLIGHTS

<table>
<thead>
<tr>
<th>PLN ('000)</th>
<th>EUR ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Period from</strong></td>
<td><strong>Period from</strong></td>
</tr>
<tr>
<td><strong>2009-01-01 to</strong></td>
<td><strong>2008-01-01 to</strong></td>
</tr>
<tr>
<td><strong>2009-06-30</strong></td>
<td><strong>2008-06-30</strong></td>
</tr>
<tr>
<td>Income from sale</td>
<td>609,530</td>
</tr>
<tr>
<td>Operating profit</td>
<td>17,679</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>25,420</td>
</tr>
<tr>
<td>Net profit</td>
<td>21,548</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>23,122</td>
</tr>
<tr>
<td>Number of shares (pcs.)</td>
<td>391,164,211</td>
</tr>
<tr>
<td>Net profit per ordinary share</td>
<td>0,54</td>
</tr>
<tr>
<td>Net operating cash flows</td>
<td>(37,070)</td>
</tr>
<tr>
<td>Net investment cash flows</td>
<td>41,349</td>
</tr>
<tr>
<td>Net financial cash flows</td>
<td>27,858</td>
</tr>
<tr>
<td>Total net cash flows</td>
<td>32,137</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of period</td>
<td>45,333</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of period</td>
<td>77,470</td>
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As at

<table>
<thead>
<tr>
<th>30-06-2009</th>
<th>31-12-2008</th>
<th>30-06-2009</th>
<th>31-12-2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>985,633</td>
<td>1,047,354</td>
<td>220,519</td>
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<tr>
<td>Current assets</td>
<td>628,131</td>
<td>556,892</td>
<td>140,534</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>211,899</td>
<td>224,365</td>
<td>47,409</td>
</tr>
<tr>
<td>Short-term liabilities</td>
<td>261,990</td>
<td>222,550</td>
<td>58,616</td>
</tr>
<tr>
<td>Equity</td>
<td>1,139,875</td>
<td>1,157,331</td>
<td>255,028</td>
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<tr>
<td>Share capital</td>
<td>195,582</td>
<td>195,582</td>
<td>43,758</td>
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<tr>
<td>Minority interest</td>
<td>1,928</td>
<td>1,698</td>
<td>431</td>
</tr>
</tbody>
</table>

The highlights of the balance sheet, the profit and loss account, and the cash flow statement were converted to EUR according to the indicated, applicable conversion method:

a) individual items of assets and liabilities of the balance sheet were converted according to the exchange rate applicable on the last day of the balance sheet period:
   - exchange rate as at 31.12.2008: EUR 1 = PLN 4.1724 (Table No. 254/A/NBP/2008);
   - exchange rate as at 30.06.2009: EUR 1 = PLN 4.4696 (Table No. 125/A/NBP/2009);

b) individual items of the profit and loss account and the cash flow statement were converted according to the exchange rates being an arithmetic mean of the exchange rates of EUR quoted by the National Bank of Poland applicable on the last day of each month in a given reporting period:
   - average exchange rate in the period from 01.01.2008 to 30.06.2008 was EUR 1 = PLN 3.4776;
   - average exchange rate in the period from 01.01.2009 to 30.06.2009 was EUR 1 = PLN 4.5184.

The conversion was made according to the exchange rates as indicated before through dividing the values expressed in thousands of PLN by an exchange rate.
## A. CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<table>
<thead>
<tr>
<th>Note</th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>audited</td>
<td>unaudited</td>
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</tbody>
</table>

**Continued operations**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td>unaudited</td>
</tr>
<tr>
<td>Income</td>
<td>609 530</td>
<td>680 227</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(511 994)</td>
<td>(554 200)</td>
</tr>
<tr>
<td>Gross profit on sales</td>
<td>97 536</td>
<td>126 027</td>
</tr>
<tr>
<td>Selling costs</td>
<td>(28 806)</td>
<td>(30 488)</td>
</tr>
<tr>
<td>Overheads</td>
<td>(48 403)</td>
<td>(44 975)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>6 407</td>
<td>8 570</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>(9 055)</td>
<td>(7 377)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>17 679</td>
<td>51 757</td>
</tr>
<tr>
<td>Financial income</td>
<td>34 043</td>
<td>2 929</td>
</tr>
<tr>
<td>Financial costs</td>
<td>(26 331)</td>
<td>(2 600)</td>
</tr>
<tr>
<td>Net financial income / costs</td>
<td>7 712</td>
<td>329</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>25 420</td>
<td>52 143</td>
</tr>
<tr>
<td>Income tax</td>
<td>(3 872)</td>
<td>(10 287)</td>
</tr>
<tr>
<td>Net profit / loss on continued operations</td>
<td>21 548</td>
<td>41 856</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit / loss on discontinued operations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net profit (loss)</td>
<td>21 548</td>
<td>41 856</td>
</tr>
</tbody>
</table>

**Items of other comprehensive income**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>unaudited</td>
</tr>
<tr>
<td>Valuation of hedging instruments</td>
<td>(4 210)</td>
<td></td>
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<tr>
<td>Settlement of hedging instruments</td>
<td>6 155</td>
<td></td>
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<tr>
<td>Deferred tax on items of other comprehensive income</td>
<td>(371)</td>
<td></td>
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<tr>
<td>Total items of other comprehensive income</td>
<td>1 574</td>
<td></td>
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<tr>
<td>Total comprehensive income</td>
<td>23 122</td>
<td>41 856</td>
</tr>
</tbody>
</table>

**Net profit for:**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders of the parent undertaking</td>
<td>21 318</td>
<td>41 617</td>
</tr>
<tr>
<td>Minority shareholders</td>
<td>230</td>
<td>239</td>
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</tbody>
</table>

**Total comprehensive income for:**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholders of the parent undertaking</td>
<td>22 892</td>
<td>41 617</td>
</tr>
<tr>
<td>Minority shareholders</td>
<td>230</td>
<td>239</td>
</tr>
</tbody>
</table>

**Profit per share:**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2008</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td>unaudited</td>
</tr>
<tr>
<td>on continued and discontinued operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>basic (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
<tr>
<td>diluted (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
<tr>
<td>on continued operations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>basic (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
<tr>
<td>diluted (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
</tbody>
</table>
## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>Note</th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
<th>As at 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td>audited</td>
<td>unaudited</td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>1</td>
<td>911 021</td>
<td>924 836</td>
</tr>
<tr>
<td>Investment properties</td>
<td></td>
<td>6 719</td>
<td>6 100</td>
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<tr>
<td>Intangible assets</td>
<td></td>
<td>22 785</td>
<td>16 728</td>
</tr>
<tr>
<td>Investments in subordinate undertakings</td>
<td></td>
<td>291</td>
<td>280</td>
</tr>
<tr>
<td>Investments available for sale</td>
<td></td>
<td>12 374</td>
<td>12 592</td>
</tr>
<tr>
<td>Other financial assets</td>
<td></td>
<td>168</td>
<td>50 000</td>
</tr>
<tr>
<td>Long-term receivables</td>
<td></td>
<td>577</td>
<td>594</td>
</tr>
<tr>
<td>Deferred income tax assets</td>
<td></td>
<td>31 465</td>
<td>35 924</td>
</tr>
<tr>
<td>Other assets</td>
<td></td>
<td>233</td>
<td>300</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td></td>
<td>985 633</td>
<td>1 047 354</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td></td>
<td>154 423</td>
<td>136 791</td>
</tr>
<tr>
<td>Other financial assets</td>
<td></td>
<td>202 964</td>
<td>202 466</td>
</tr>
<tr>
<td>Called up share capital</td>
<td></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables relative to income tax</td>
<td></td>
<td>8 262</td>
<td>4 107</td>
</tr>
<tr>
<td>Trade receivables and other receivables</td>
<td></td>
<td>179 855</td>
<td>162 554</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td>77 470</td>
<td>45 333</td>
</tr>
<tr>
<td>Other assets</td>
<td></td>
<td>4 601</td>
<td>5 634</td>
</tr>
<tr>
<td>Fixed assets available for sale</td>
<td></td>
<td>556</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>628 131</td>
<td>556 892</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>1 613 764</td>
<td>1 604 246</td>
</tr>
</tbody>
</table>

* After considering modifications in point B X
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th>Note</th>
<th>Liabilities</th>
<th>Equity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>as at</td>
<td>as at</td>
</tr>
<tr>
<td></td>
<td></td>
<td>unaudited</td>
<td>audited</td>
</tr>
</tbody>
</table>

| Liabilities |  |  |  |
| Credits and loans | 5 | 40 232 | 48 889 | 40 006 |
| Reserves for employee benefits | 3 | 46 114 | 46 601 | 42 747 |
| Other long-term liabilities |  | 467 | 886 | 16 349 |
| Other reserves | 4 | 19 386 | 21 520 | 20 543 |
| Government subsidies |  | 137 | 244 | 420 |
| Income from future periods | 6 | 7 |  | - |
| Reserves for deferred income tax |  | 103 708 | 104 884 | 106 287 |
| Financial liabilities | 1 849 | 1 334 |  | - |
| **Total long-term liabilities** | 211 899 | 224 365 | 226 352 |

| Liabilities |  |  |  |
| Credits and loans | 5 | 61 996 | 21 174 | 12 265 |
| Reserves for employee benefits | 3 | 6 148 | 8 005 | 3 580 |
| Current income tax liabilities |  | 285 | 694 | 2 879 |
| Trade liabilities and other |  | 177 800 | 161 294 | 181 388 |
| Other reserves | 4 | 8 096 | 4 797 | 4 622 |
| Government subsidies |  | 322 | 352 | 369 |
| Income from future periods |  | 594 | 2 | - |
| Financial liabilities | 6 749 | 26 232 |  | - |
| **Total short-term liabilities** | 261 990 | 222 550 | 205 103 |
| **Total amounts due** | 473 889 | 446 915 | 431 455 |
| **Total liabilities** | 1 613 764 | 1 604 246 | 1 568 996 |

**Note**
# CONSOLIDATED FUNDS FLOW STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity of shareholders of parent undertaking</th>
<th>Minority interest</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 January 2008</strong></td>
<td>120 000</td>
<td>-</td>
<td>-</td>
<td>744 628</td>
<td>864 628</td>
<td>1 390</td>
<td>866 018</td>
</tr>
<tr>
<td>Adjustment for errors</td>
<td></td>
<td></td>
<td>-</td>
<td>(56 995)</td>
<td>-</td>
<td>-</td>
<td>(56 995)</td>
</tr>
<tr>
<td><strong>Balance as at 1 January 2008 after adjustments</strong></td>
<td>120 000</td>
<td>-</td>
<td>-</td>
<td>687 633</td>
<td>807 633</td>
<td>1 390</td>
<td>809 023</td>
</tr>
<tr>
<td>Issue of shares</td>
<td>75 582</td>
<td>209 990</td>
<td>-</td>
<td>-</td>
<td>285 572</td>
<td>-</td>
<td>285 572</td>
</tr>
<tr>
<td>Comprehensive income for 6 months ended 30 June 2008</td>
<td></td>
<td></td>
<td>-</td>
<td>41 617</td>
<td>41 617</td>
<td>200</td>
<td>41 817</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1 129</td>
<td>1 129</td>
<td>-</td>
<td>1 129</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2008 (unaudited)</strong></td>
<td>195 582</td>
<td>209 990</td>
<td>-</td>
<td>730 379</td>
<td>1 135 951</td>
<td>1 590</td>
<td>1 137 541</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity of shareholders of parent undertaking</th>
<th>Minority interest</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 January 2008</strong></td>
<td>120 000</td>
<td>-</td>
<td>-</td>
<td>744 628</td>
<td>864 628</td>
<td>1 390</td>
<td>866 018</td>
</tr>
<tr>
<td>Adjustment for errors</td>
<td></td>
<td></td>
<td>-</td>
<td>(57 907)</td>
<td>-</td>
<td>(57 907)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at 1 January 2008 after adjustments</strong></td>
<td>120 000</td>
<td>-</td>
<td>-</td>
<td>686 721</td>
<td>806 721</td>
<td>1 390</td>
<td>808 111</td>
</tr>
<tr>
<td>Issue of shares</td>
<td>75 582</td>
<td>209 990</td>
<td>-</td>
<td>-</td>
<td>285 572</td>
<td>-</td>
<td>285 572</td>
</tr>
<tr>
<td>Comprehensive income for 12 months ended 31 December 2008</td>
<td></td>
<td></td>
<td>(7 870)</td>
<td>74 232</td>
<td>66 362</td>
<td>308</td>
<td>66 670</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>(3 022)</td>
<td>(3 022)</td>
<td>-</td>
<td>(3 022)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at 31 December 2008 (audited)</strong></td>
<td>195 582</td>
<td>209 990</td>
<td>(7 870)</td>
<td>757 931</td>
<td>1 155 633</td>
<td>1 698</td>
<td>1 157 331</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity of shareholders of parent undertaking</th>
<th>Minority interest</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at 1 January 2009</strong></td>
<td>195 582</td>
<td>209 990</td>
<td>(7 870)</td>
<td>757 931</td>
<td>1 155 633</td>
<td>1 698</td>
<td>1 157 331</td>
</tr>
<tr>
<td>Adjustment for errors</td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at 1 January 2009 after adjustments</strong></td>
<td>195 582</td>
<td>209 990</td>
<td>(7 870)</td>
<td>757 931</td>
<td>1 155 633</td>
<td>1 698</td>
<td>1 157 331</td>
</tr>
<tr>
<td>Comprehensive income for 6 months ended 30 June 2009</td>
<td></td>
<td></td>
<td>-</td>
<td>21 318</td>
<td>22 892</td>
<td>230</td>
<td>23 122</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>(40 022)</td>
<td>(40 022)</td>
<td>-</td>
<td>(40 022)</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>(556)</td>
<td>(556)</td>
<td>-</td>
<td>(556)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at 30 June 2009 (unaudited)</strong></td>
<td>195 582</td>
<td>209 990</td>
<td>(6 296)</td>
<td>738 671</td>
<td>1 137 947</td>
<td>1 928</td>
<td>1 139 875</td>
</tr>
<tr>
<td>Dividends received</td>
<td>(80)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>--------------------</td>
<td>------</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit/loss on change in fair value of financial assets recognized at fair value</td>
<td>2,254 (1,044)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating profit before working capital changes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>53,826 86,872</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movements in trade receivables and other</td>
<td>1,305 (24,135)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movements in stock</td>
<td>(17,293) (3,009)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movements in trade liabilities and other</td>
<td>(64,638) (33,219)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Movements in reserves, prepayments and accruals and subsidies</td>
<td>(5,519) (3,301)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other adjustments</td>
<td>22 1,535</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cash generated from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(32,297) 24,743</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest paid</td>
<td>9 (9)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax paid</td>
<td>(4,782) (6,250)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net cash from operating activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(37,070) 18,484</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CONSOLIDATED CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th>Investment cash flows</th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of intangible assets and tangible fixed assets, investments in immovable property</td>
<td>22,044</td>
<td>341</td>
</tr>
<tr>
<td>Purchase of intangible assets and tangible fixed assets, investments in immovable property</td>
<td>(38,605)</td>
<td>(54,037)</td>
</tr>
<tr>
<td>Dividends received</td>
<td>2,546</td>
<td>59</td>
</tr>
<tr>
<td>Outflows for purchase of financial assets</td>
<td>(12,025)</td>
<td>-</td>
</tr>
<tr>
<td>Inflows from sale of financial assets</td>
<td>67,265</td>
<td>-</td>
</tr>
<tr>
<td>Interest received</td>
<td>2,635</td>
<td>37</td>
</tr>
<tr>
<td>Other outflows</td>
<td>(2,511)</td>
<td>4</td>
</tr>
<tr>
<td><strong>Net cash from investing activities</strong></td>
<td><strong>41,349</strong></td>
<td><strong>(53,596)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial cash flows</th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net inflows from issue of shares</td>
<td>-</td>
<td>(2,330)</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(2,118)</td>
<td>(79)</td>
</tr>
<tr>
<td>Inflows from credits and loans</td>
<td>45,583</td>
<td>20,984</td>
</tr>
<tr>
<td>Outflows for repayment of credits and loans</td>
<td>(13,418)</td>
<td>(4,212)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1,701)</td>
<td>(1,281)</td>
</tr>
<tr>
<td>Payments under financial lease contracts</td>
<td>(488)</td>
<td>(225)</td>
</tr>
<tr>
<td><strong>Net cash from financial activities</strong></td>
<td><strong>27,858</strong></td>
<td><strong>12,857</strong></td>
</tr>
</tbody>
</table>

| Total net cash flows | 32,137 | (22,255) |
| Cash and cash equivalent at the beginning of period | 45,333 | 54,413 |
| Effect of foreign currency translation | - | - |
| **Cash and cash equivalents at the end of period** | **77,470** | **32,158** |
B. NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

I. Information on significant events in the 1st six months of 2009

Entering the consortium Polskie Konsorcjum Chemiczne Sp. z o.o.

After the execution of the letter of intent on 9 October 2008 on buying the controlling shareholding in the company Anwil, on 5 January 2009 Azoty Tarnów entered the consortium Polskie Konsorcjum Chemiczne Sp. z o.o. (hereinafter referred to as “PKCh Sp. z o.o.”) and subscribed for 25% of shares in the increased share capital of PKCh Sp. z o.o. which entitle to 25% of votes at the Meeting of Shareholders of PKCh Sp. z o.o. Announcements of entering PKCh Sp. z o.o. and subscribing for the increased share capital thereof were prepared and certified by a notary public. The value of the shares in PKCh Sp. z o.o. subscribed for is PLN 25,000.

On 19 February 2009 the District Court of the Capital City of Warsaw, 13th Commercial Division of the National Court Register registered Polskie Konsorcjum Chemiczne Sp. z o.o. under the number KRS 0000319998. The President of the Management Board of Azoty Tarnów, Mr Jerzy Marciniak, was appointed a Member of the Management Board of PKCh Sp. z o.o.

PKCh Sp. z o.o. with its registered office in Warsaw is a special-purpose vehicle created by Ciech S.A. which Azoty Tarnów and Zakłady Azotowe Kędzierzyn S.A entered on 5 January 2009 according to the Shareholders’ Agreement governing the principles of cooperation in the process of the future purchase of the controlling shareholding in Anwil S.A.).

Sale of shares in “OKNOTAR” Sp. z o.o.

After the approval of the terms and conditions of the sale of shares in the “OKNOTAR” company given by the Supervisory Board of Zakłady Azotowe w Tarnowie-Mościcach S.A. through Resolution No. 131/VII/2009 of 2 March 2009, Azoty Tarnów disposed of 100% of the shares in the subsidiary company “OKNOTAR” Sp. z o.o. in favour of 14 natural persons. The subject of the transaction included 5,000 equal and indivisible shares of a nominal value of PLN 500 and a total nominal value of PLN 2,500. The selling price of the said shares is PLN 53 per share, which translates to a total of PLN 265,000 being the carrying value of the shares held.

Multilateral agreement

On 18 March 2009 Nafta Polska S.A. with its registered office in Warsaw (hereinafter referred to as “Nafta Polska”) and Ciech S.A. with its registered office in Warsaw (hereinafter referred to as “Ciech”), Azoty Tarnów and Zakłady Azotowe Kędzierzyn S.A. with its registered office in Kędzierzyn – Koźle (hereinafter referred to as “ZAK”), financial adviser of Nafta Polska S.A., Raiffeisen Investment AG with its registered office in Vienna and Raiffeisen Investment Polska Sp. z o.o. with its registered office in Warsaw and legal adviser of Nafta Polska S.A., Radzikowski, Szubielska i Wspólnicy Komandytowa with its registered office in Warsaw concluded a multilateral agreement in order to complete the procedure of finding and selecting an investor or investors which would purchase shares of Azoty Tarnów, ZAK and Ciech and which might simultaneously subscribe for the shares in the increased capital of the aforementioned companies (hereinafter referred to as the “Agreement”, “Procedure”).

The financial advisers of Nafta Polska and Azoty Tarnów are: Raiffeisen Investment AG with its registered office in Vienna, Raiffeisen Investment Polska Sp. z o.o. with its registered office in Warsaw, and also their subcontractors, i.e. Lazard & Co. Limited with its registered office in the UK and Bank Zachodni WBK S.A. with its registered office in Wroclaw.

The Procedure includes especially the preparatory stage, announcement of an invitation to negotiate on the sale of shares of Azotów Tarnów, ZAK and Ciech owned by the Treasury and Nafta Polska, and negotiations with selected potential investors carried out by Nafta Polska.

According to the Agreement each company authorized Nafta Polska to perform all the activities aiming at the selection of one or more investors which would be interested in purchasing the shares of the Companies and support the companies financially so that they could buy the shares of Anwil S.A. or carry out other investment objectives.
Redundancy

In the reporting period, considering the change in the environment of Azoty Tarnów, especially the change in the economic situation on the capital markets which accelerated some of the contemplated activities in Azoty Tarnów, one of the significant activities carried out by the Company is the restructuring process expected to result in the improvement of effectiveness and efficiency of work and rationalization of employment in the Company. On 22 January 2009 the employer and trade unions of the work establishment concluded an agreement concerning the voluntary redundancy scheme. The scheme provides for the payment of financial incentives to employees entitled to pension, pre-pension benefit and other employees with no such entitlements if they make a voluntary redundancy declaration. 177 employees joined the scheme, 92 of which left in the first quarter of 2009. The total amount which will be spent for the financial incentives, including retirement and pension bonuses (as per the Collective Agreement) and additional incentives resulting from the voluntary redundancy scheme is more than PLN 6,200,000. Consequently, the Company will achieve its intended objectives, i.e. lowering the employment costs, improvement of the effectiveness of activities and implementation of new management principles.

A new organizational structure was prepared. It anticipates that as at the end of 2009 the planned employment will be 2,090, i.e. 370 employees will be made redundant and around 250 will be hired.

Significant agreement on reduction of the emission of nitrogen suboxide from a nitric acid plant for the years 2008 – 2012

On 1 June 2009, the Management Board of Azoty Tarnów was informed by the Mitsubishi Corporation of Japan (hereinafter referred to as the “MC”) that an agreement on sale of ERUs (“ERPA”) had been concluded by and between the MC and a final purchaser. The sale related terms and conditions laid down in the said agreement were approved by Azoty Tarnów.

The agreement entered into force as of 1 June 2009. According to the ERPA under consideration, Azoty Tarnów together with the Mitsubishi Corporation will sell the whole ERU volume generated in 2008-2012. An estimated income of Azoty Tarnów from that transaction should amount to about PLN 135,000,000 as at the date of signature.

II. Note on principles adopted to prepare the condensed interim consolidated financial statements of the 1st six months of 2009

1. Statement of compliance and general principles of the preparation of financial statements

These condensed interim consolidated financial statements were prepared according to the requirements of IAS 34 „Interim Financial Reporting” and the Ordinance of the Minister of Finance of 19 February 2009 on current and interim information provided by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Law No. 33, item. 259) hereinafter referred to as the ordinance, and present the financial position of the Group as at 30 June 2009 and 31 December 2008, results of its activity for the 6 months’ period ended 30 June 2009 and 30 June 2008 and cash flows for the 6 months’ period ended 30 June 2009 and 30 June 2008.

These Condensed Interim Consolidated Financial Statements must be taken into account together with the audited Consolidated Financial Statements of the Group Zakłady Azotowe w Tarnowie – Mościcach S.A. prepared according to the International Financial Reporting Standards (“IFRS”) inclusive of notes for the year ended 31 December 2008.
According to § 83 item 3 of the Ordinance, these financial statements include interim financial information of the Parent Company with a separate statement of comprehensive income, separate statement of financial position, separate funds flow statement, separate cash flow statement.

The financial statements were prepared with the assumption that the Capital Group will continue as a going concern in the foreseeable future.

In these condensed interim consolidated financial statements thousands of PLN were applied.

2. Accounting principles (policy) and principles of calculation methods.

a) Amendments to the International Financial Reporting Standards

The following standards, amendments to the standards in force and interpretations (adopted or being adopted by the European Union) apply as at 1 January 2009:

- IFRS 8 “Operating Segments”;
- Revised IAS 23 “Borrowing Costs”;
- Revised IAS 1 “Presentation of Financial Statements”;
- Amendment to IFRS 2 “Share-based Payment – Vesting Conditions and Cancellations”;
- Amendments to IAS 32 “Financial Instruments: Presentation” and to IAS 1 “Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation”;
- Improvements to the International Financial Reporting Standards – a collection of amendments to the International Financial Reporting Standards, the amendments are effective, in most cases, for annual periods beginning on or after 1 January 2009;
- Amendments to IFRS 1 “First-time Adoption of International Financial Reporting Standards” and to IAS 27 “Consolidated and Separate Financial Statements - Cost of an Investment in Subsidiary, Jointly Controlled Entity or Associate”;
- IFRIC 15 “Agreements for the Construction of Real Estate”. This interpretation has not been endorsed by the European Union;
- IFRIC 16 “Hedges of a Net Investment in a Foreign Operation” applicable to financial years beginning on or after 1 October 2008.

Except for IFRS 8 and revised IAS 1, the adoption of the standards and interpretations presented above did not result in any significant changes to the Company’s accounting policies and to the presentation of the financial statements.

Adoption of revised IAS 1

- The Group presented the statements of comprehensive income as per the requirements of IAS 1 – Presentation of Financial Statements;

Adoption of IFRS 8

- The Group presented information concerning operating and geographical segments according to IFRS 8 – Operating Segments, see detailed description in B. III. Segment Data.

Standards and interpretations issued but not yet adopted

The Management Board has not opted for early application of the following standards and interpretations (adopted or being adopted by the European Union):

- Revised IFRS 3 “Business Combinations” applicable to annual periods beginning on and after 1 July 2009;
• Revised IAS 27 “Consolidated and Separate Financial Statements” applicable to annual periods beginning on and after 1 July 2009;
• Amendments to IAS 39 “Financial Instruments: Eligible Hedged Items” applicable to annual periods beginning on and after 1 July 2009. These amendments have not been endorsed by the European Union;
• Revised IFRS 1 “First-time Adoption of International Financial Reporting Standards” applicable to annual periods beginning on or after 1 July 2009. This standard has not been endorsed by the European Union;
• IFRIC 17 “Distribution of Non-cash Assets to Owners” applicable to financial annual periods beginning on or after 1 July 2009. This interpretation has not been endorsed by the European Union;
• IFRIC 18 “Transfers of Assets from Customers” applicable prospectively to assets received from customers on or after 1 July 2009. This interpretation has not been endorsed by the European Union;
• Improvements to International Financial Reporting Standards – a collection of amendments to the International Financial Reporting Standards, the amendments are effective, in most cases, for annual periods beginning on or after 1 January 2010. These amendments have not been endorsed by the European Union;
• IFRS for Small and Medium-sized Entities. The standard applies upon issuance (9 July 2009). This standard has not been endorsed by the European Union;
• Amendments to MSSF 1 “First-time Adoption of International Financial Reporting Standards” applicable to annual periods beginning on or after 1 January 2010. These amendments have not been endorsed by the European Union.

The aforementioned amendments to the standards would have no material effect on the undertaking’s accounting policy if they were applied as at the balance-sheet date.”

3. Functional and reporting currency and conversion principles

a) Functional and reporting currency

The functional and reporting currency of these condensed financial statements and the interim financial information of the Parent Company shall be PLN.

b) Conversion principles

Selected items of the balance sheet, the profit and loss account and the cash flow statement were converted to EUR according to the indicated, applicable conversion method:

c) individual items of assets and liabilities of the balance sheet were converted according to the exchange rate applicable on the last day of the balance sheet period:
exchange rate as at 31.12.2008: EUR 1 = PLN 4.1724 (Table No. 254/A/NBP/2008),
exchange rate as at 30.06.2009: EUR 1 = PLN 4.4696 (Table No. 125/A/NBP/2009);

d) individual items of the profit and loss account and the cash flow statement were converted according to the exchange rates being an arithmetic mean of the exchange rates of EUR quoted by the National Bank of Poland applicable on the last day of each month in a given reporting period:
average exchange rate in the period from 01.01.2008 to 30.06.2008 was EUR 1 = PLN 3.4776;
average exchange rate in the period from 01.01.2009 to 30.06.2009 was EUR 1 = PLN 4.5184.

The conversion was made according to the exchange rates as indicated before through dividing the values expressed in thousands of PLN by an exchange rate.

4. Information on the Capital Group

As at 30 June 2009 the Zakłady Azotowe w Tarnowie –Mościcach S.A. Capital Group comprises Zakłady Azotowe w Tarnowie-Mościcach S.A. – the Parent Company and:
In the 1st six-month period the following changes were made within the Capital Group:

- on 2 March 2009 Zakłady Azotowe w Tarnowie-Mościcach S.A. disposed of 100% of the shares of the subsidiary company “Oknotar” Sp. z o.o. in favour of 14 natural persons;
- on 5 January 2009 Zakłady Azotowe w Tarnowie-Mościcach S.A, through entering the consortium Polskie Konsorcjum Chemiczne Sp. z o.o., subscribed for 25% of the shares in the increased share capital of PKCh, which entitle to 25 % of votes at the Meeting of Shareholders.

Chart of the Capital Group with undertakings subject to consolidation and others:

The companies not under consolidation are related through subsidiary companies, being not subject to consolidation due to irrelevance.
III. Selected notes to the financial statements

1. Tangible assets

Carrying amount

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>5 717</td>
<td>6 266</td>
</tr>
<tr>
<td>Buildings and premises</td>
<td>269 513</td>
<td>242 266</td>
</tr>
<tr>
<td>Plant and machinery</td>
<td>471 729</td>
<td>444 681</td>
</tr>
<tr>
<td>Means of transport</td>
<td>75 266</td>
<td>75 881</td>
</tr>
<tr>
<td>Other fixed assets</td>
<td>8 564</td>
<td>8 088</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>830 789</td>
<td>777 182</td>
</tr>
</tbody>
</table>

Tangible assets under construction

|                      | 80 030           | 147 523          |

Advances for tangible assets

|                      | 202              | 131              |

Net carrying amount as at 31.12.2008

|                      | 911 021          | 924 836          |

Tangible assets, gross

<table>
<thead>
<tr>
<th></th>
<th>Buildings and premises</th>
<th>Plant and machinery</th>
<th>Means of transport</th>
<th>Other fixed assets</th>
<th>Fixed assets under construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>6 266</td>
<td>635 689</td>
<td>1 338 485</td>
<td>119 241</td>
<td>37 549</td>
<td>197 686</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-1 317 140</td>
<td>2 334 916</td>
</tr>
<tr>
<td>Impairment write-offs (-)</td>
<td>- (382 094)</td>
<td>(862 651)</td>
<td>(43 352)</td>
<td>(29 043)</td>
<td>-</td>
<td>- (1 317 140)</td>
</tr>
<tr>
<td>Net carrying amount as at 31.12.2008</td>
<td>6 266</td>
<td>242 266</td>
<td>444 681</td>
<td>75 881</td>
<td>8 088</td>
<td>147 654</td>
</tr>
</tbody>
</table>

Balance as at 30.06.2009

|                      | 5 717                  | 660 411             | 1 358 808          | 121 314            | 38 067                          | 130 264| 2 314 581 |
|                      |                        |                     |                    |                    |                                  |        |           |
| Impairment write-offs (-) | - (11 832)              | (26 054)            | (1)                | (444)              | (50 032)                        | (88 363)|           |
| Net carrying amount as at 30.06.2009 | 5 717                  | 269 513             | 471 729            | 75 266             | 8 564                           | 80 232| 911 021 |

Page 15
In the 1st six months of 2009 the movements in the balance of tangible assets breaks down as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>31.12.2008</th>
<th>01.01.2009</th>
<th>Increases, including:</th>
<th>Decreases, including:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amortization and depreciation</td>
<td>(22 893)</td>
<td>(39 547)</td>
<td>(2 844)</td>
<td>(2 217)</td>
</tr>
<tr>
<td>Decreases as a result of disposal</td>
<td>(61)</td>
<td>(55)</td>
<td>(12 408)</td>
<td>(2 217)</td>
</tr>
<tr>
<td>Decreases as a result of liquidation</td>
<td>(1)</td>
<td>(1 207)</td>
<td>(709)</td>
<td>(17)</td>
</tr>
<tr>
<td>Decreases as a result of putting for operation</td>
<td>-</td>
<td>-</td>
<td>(111 380)</td>
<td>(111 380)</td>
</tr>
<tr>
<td>Decreases as a result of creation of revaluation write-offs</td>
<td>(311)</td>
<td>(412)</td>
<td>(1 049)</td>
<td>(1 751)</td>
</tr>
<tr>
<td>Decreases as a result of reassessment</td>
<td>-</td>
<td>-</td>
<td>(37)</td>
<td>(37)</td>
</tr>
<tr>
<td>Net carrying amount as at 31.12.2008</td>
<td>6 266</td>
<td>242 266</td>
<td>924 533</td>
<td>924 533</td>
</tr>
<tr>
<td>Net carrying amount as at 01.01.2009</td>
<td>6 266</td>
<td>242 266</td>
<td>924 533</td>
<td>924 533</td>
</tr>
<tr>
<td>Increases, including:</td>
<td>-</td>
<td>-</td>
<td>136 504</td>
<td>136 504</td>
</tr>
<tr>
<td>Increases as a result of acquisition, manufacture</td>
<td>-</td>
<td>39 540</td>
<td>52 538</td>
<td>62 538</td>
</tr>
<tr>
<td>Increases as a result of lease contracts</td>
<td>-</td>
<td>-</td>
<td>1 303</td>
<td>-</td>
</tr>
<tr>
<td>Increases as a result of reversal of revaluation write-offs</td>
<td>-</td>
<td>60</td>
<td>1 303</td>
<td>-</td>
</tr>
<tr>
<td>Other increases</td>
<td>-</td>
<td>55</td>
<td>1 670</td>
<td>2 379</td>
</tr>
<tr>
<td>Decreases, including:</td>
<td>(549)</td>
<td>(1 248)</td>
<td>(32 308)</td>
<td>(150 319)</td>
</tr>
<tr>
<td>Amortization and depreciation</td>
<td>-</td>
<td>(10 595)</td>
<td>(22 705)</td>
<td>(980)</td>
</tr>
<tr>
<td>Decreases as a result of disposal</td>
<td>-</td>
<td>(1 814)</td>
<td>(111)</td>
<td>(30)</td>
</tr>
<tr>
<td>Decreases as a result of liquidization</td>
<td>-</td>
<td>(433)</td>
<td>(6 799)</td>
<td>(75)</td>
</tr>
<tr>
<td>Decreases as a result of putting for operation</td>
<td>-</td>
<td>-</td>
<td>(100 809)</td>
<td>(100 809)</td>
</tr>
<tr>
<td>Decreases as a result of creation of revaluation write-offs</td>
<td>-</td>
<td>(563)</td>
<td>(1 049)</td>
<td>(84)</td>
</tr>
<tr>
<td>Other decreases</td>
<td>(549)</td>
<td>(817)</td>
<td>59</td>
<td>(1 857)</td>
</tr>
<tr>
<td>Net carrying amount as at 30.06.2009</td>
<td>5 717</td>
<td>269 513</td>
<td>471 229</td>
<td>911 021</td>
</tr>
</tbody>
</table>
2. **Creation of revaluation write-offs relative to assets and reversal thereof**

**Tangible assets**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01. to 31.12.2008</th>
<th>Period from 01.01. to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at the beginning of period</strong></td>
<td>92 940</td>
<td>92 586</td>
<td>92 586</td>
</tr>
<tr>
<td>Creation</td>
<td>1 696</td>
<td>698</td>
<td>-</td>
</tr>
<tr>
<td>Release (-)</td>
<td>(6 273)</td>
<td>(344)</td>
<td>-</td>
</tr>
<tr>
<td>Use (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at the end of period</strong></td>
<td>88 363</td>
<td>92 940</td>
<td>92 586</td>
</tr>
</tbody>
</table>

The Group created a revaluation write-off relative to tangible assets which as at 30 June 2009 are not used and which are intended for liquidation. The reversal of revaluation write-offs relates to the liquidated tangible assets for which a revaluation write-off has been created.

**Stock**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01. to 31.12.2008</th>
<th>Period from 01.01. to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at the beginning of period</strong></td>
<td>7 227</td>
<td>6 879</td>
<td>6 879</td>
</tr>
<tr>
<td>Creation</td>
<td>2 589</td>
<td>8 346</td>
<td>2 737</td>
</tr>
<tr>
<td>Release (-)</td>
<td>(6 919)</td>
<td>(7 874)</td>
<td>(4 936)</td>
</tr>
<tr>
<td>Use (-)</td>
<td>-</td>
<td>(124)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Balance as at the end of period</strong></td>
<td>2 897</td>
<td>7 227</td>
<td>4 680</td>
</tr>
</tbody>
</table>

The Group created revaluation write-offs relative to stock, whose cost of manufacture was higher than the net selling price. Changes in the value of revaluation write-offs are a result of the sale, use or liquidation of particular stock items and recognized in the profit and loss account under cost of goods sold.

**receivables**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01. to 31.12.2008</th>
<th>Period from 01.01. to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance as at the beginning of period</strong></td>
<td>25 242</td>
<td>30 117</td>
<td>30 117</td>
</tr>
<tr>
<td>Creation</td>
<td>838</td>
<td>2 467</td>
<td>485</td>
</tr>
<tr>
<td>Release (-)</td>
<td>(1 418)</td>
<td>(5 096)</td>
<td>(2 543)</td>
</tr>
<tr>
<td>Use (-)</td>
<td>(1 025)</td>
<td>(2 246)</td>
<td>(1 884)</td>
</tr>
<tr>
<td><strong>Balance as at the end of period</strong></td>
<td>23 637</td>
<td>25 242</td>
<td>26 175</td>
</tr>
</tbody>
</table>
The Group creates revaluation write-offs relative to receivables as a result of a high probability of them being unrecoverable. The reversal of revaluation write-offs was performed in connection with the payment of receivables. Changes in the value of revaluation write-offs relative to receivables are recognized in the profit and loss account.

3. **Reserves for employee benefits**

<table>
<thead>
<tr>
<th>Liabilities relative to pension benefits</th>
<th>30.06.2009</th>
<th>31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities relative to anniversary awards</td>
<td>11 179</td>
<td>7 653</td>
</tr>
<tr>
<td>Other reserves</td>
<td>36 176</td>
<td>39 601</td>
</tr>
<tr>
<td></td>
<td>4 907</td>
<td>7 352</td>
</tr>
<tr>
<td></td>
<td><strong>52 262</strong></td>
<td><strong>54 606</strong></td>
</tr>
</tbody>
</table>

**Maturity:**

<table>
<thead>
<tr>
<th></th>
<th>Long-term</th>
<th>Short-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities relative to pension benefits</td>
<td>46 114</td>
<td>46 601</td>
</tr>
<tr>
<td>Other reserves</td>
<td>6 148</td>
<td>8 005</td>
</tr>
<tr>
<td></td>
<td><strong>52 262</strong></td>
<td><strong>54 606</strong></td>
</tr>
</tbody>
</table>

**Movements in liabilities relative to employee benefits**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance as at the beginning of period</td>
<td>54 606</td>
<td>47 936</td>
</tr>
<tr>
<td>Increases, including:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increases as a result establishment</td>
<td>4 578</td>
<td>11 795</td>
</tr>
<tr>
<td>Other increases</td>
<td>4 571</td>
<td>11 795</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Decreases, including: (-)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decreases as a result of use, release</td>
<td>(6 922)</td>
<td>(5 125)</td>
</tr>
<tr>
<td></td>
<td>(6 922)</td>
<td>(5 125)</td>
</tr>
<tr>
<td>Balance as at the end of period</td>
<td>52 262</td>
<td>54 606</td>
</tr>
</tbody>
</table>

Basic actuarial calculations concerning reserves for anniversary awards and pension and retirement benefits are as follows:

- discount rate – 5.5%;
- average salary increase – 3.0%.

Additionally, under a voluntary redundancy scheme the Group has a reserve for “incentives” amounting to PLN 1,546,000. This amount is sufficient for the payment of bonuses to be made by the end of 2009. The reserve established in 2008 amounting to PLN 4,145,000 was used in the 1st six months of 2009 in an amount of PLN 3,609,000.

On 22 June 2009 an agreement on voluntary redundancy scheme – 2nd stage was signed.
4. **Reserves for liabilities**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>protection of environment</td>
<td>12 223</td>
<td>14 723</td>
</tr>
<tr>
<td>demolition of Mercury Electrolysis</td>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>guarantees and warranties</td>
<td>1 446</td>
<td>-</td>
</tr>
<tr>
<td>bonuses</td>
<td>4 850</td>
<td>-</td>
</tr>
<tr>
<td>Other reserves</td>
<td>2 631</td>
<td>5 262</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>27 482</td>
<td>26 317</td>
</tr>
</tbody>
</table>

**Maturity:**
- Long-term: 19 386 21 520
- Short-term: 8 096 4 797

**Movements in reserves**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>2008</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>protection of environment</td>
<td>12 223</td>
<td>14 723</td>
</tr>
<tr>
<td>Mercury Electrolysis</td>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>guarantees and warranties</td>
<td>1 446</td>
<td>-</td>
</tr>
<tr>
<td>bonuses</td>
<td>4 850</td>
<td>-</td>
</tr>
<tr>
<td>Other reserves</td>
<td>2 631</td>
<td>5 262</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>27 482</td>
<td>26 317</td>
</tr>
</tbody>
</table>

**Balance as at 01.01.2008**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>Reserve -</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>protection of environment</td>
</tr>
<tr>
<td>17</td>
<td>17 523</td>
</tr>
<tr>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>28 547</td>
</tr>
</tbody>
</table>

**Increases, including:**

- establishment: 17 611 803 775 2 206
- Other increases: - - - - 520

**Decreases, including:**

- as a result of use: - (186) - - - (809) (995)
- as a result of release: - (3 225) - - - (736) (3 961)

**Balance as at 31.12.2008**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>Reserve -</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>protection of environment</td>
</tr>
<tr>
<td>17</td>
<td>14 723</td>
</tr>
<tr>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>803</td>
<td>803</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26 317</td>
</tr>
</tbody>
</table>

**Balance as at 01.01.2009**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>Reserve -</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>protection of environment</td>
</tr>
<tr>
<td>17</td>
<td>14 723</td>
</tr>
<tr>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>803</td>
<td>803</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>26 317</td>
</tr>
</tbody>
</table>

**Increases, including:**

- establishment: - - - - 4 850 1 446 33 6 329
- Other increases: - - - - - - 1 333 2 1 335

**Decreases, including:**

- as a result of use: - (2 500) - (803) - (1 861) (5 164)
- Other decreases: - - (2 500) - - (297) 2 (2 797)

**Balance as at 30.06.2009**

<table>
<thead>
<tr>
<th>Reserves -</th>
<th>Reserve -</th>
</tr>
</thead>
<tbody>
<tr>
<td>legal actions</td>
<td>protection of environment</td>
</tr>
<tr>
<td>17</td>
<td>12 223</td>
</tr>
<tr>
<td>6 315</td>
<td>6 315</td>
</tr>
<tr>
<td>4 850</td>
<td>4 850</td>
</tr>
<tr>
<td>1 446</td>
<td>1 446</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>27 482</td>
</tr>
</tbody>
</table>

Principles and estimates regarding the reserves for protection of the environment and reserves for demolition of the Mercury Electrolysis did not change in relation to the data for 2008. Those reserves are described in detail on pages 66 and 67 of the consolidated financial statement for 2008.

Reserves for bonuses, discounts amounting to PLN 4,850,000 is a significant item of the movements in reserves. Other reserves concern mainly third parties’ claims against the Group.
5. **Credits and loans**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credits</strong></td>
<td>82 895</td>
<td>63 462</td>
</tr>
<tr>
<td>Overdraft credits</td>
<td>12 318</td>
<td>-</td>
</tr>
<tr>
<td><strong>Loans</strong></td>
<td>7 015</td>
<td>6 601</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102 228</strong></td>
<td><strong>70 063</strong></td>
</tr>
</tbody>
</table>

**Maturity:**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term</td>
<td>40 232</td>
<td>48 889</td>
</tr>
<tr>
<td>Short-term</td>
<td>61 996</td>
<td>21 174</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102 228</strong></td>
<td><strong>70 063</strong></td>
</tr>
</tbody>
</table>

**Maturity of credits and loans**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term credits and loans:</td>
<td>61 996</td>
<td>21 174</td>
</tr>
<tr>
<td>Long-term credits and loans, with a maturity of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>from 1 up to 2 years</td>
<td>40 232</td>
<td>48 889</td>
</tr>
<tr>
<td>from 2 up to 5 years</td>
<td>14 179</td>
<td>17 224</td>
</tr>
<tr>
<td>over 5 years</td>
<td>-</td>
<td>303</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102 228</strong></td>
<td><strong>70 063</strong></td>
</tr>
</tbody>
</table>

**Currency breakdown**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLN</td>
<td>68 800</td>
<td>33 100</td>
</tr>
<tr>
<td>EUR converted to PLN</td>
<td>33 428</td>
<td>36 963</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>102 228</strong></td>
<td><strong>70 063</strong></td>
</tr>
</tbody>
</table>

An increase in the credits and loans as at 30 June 2009 was due to the Parent Company’s overdraft credit and open-ended revolving credit.

6. **Financial instruments**

**Capital risk management**

The basic assumption of the policy of the Group as regards the capital management is maintaining a strong capital base which investors, creditors and the market may trust and which will ensure the future growth of the Group. The Group is monitoring any changes in the shareholding, return on equity indices and debt to equity indices.

The Group manages its capital to ensure that it is able to continue as a going concern and maximize returns for shareholders through the optimization of debt to equity index.

The Parent Company, as a joint-stock company, is subject to Art. 396. § 1 of the Commercial Companies Code, which requires at least 8% of the profits for a given financial year be transferred to the supplementary capital of the joint-stock company until such capital reaches at least a third of the share capital.

**Significant accounting policy**
A detailed description of the accounting policy and valuation methods applied, including the basis for valuation and showing income and costs in relation to individual categories of financial assets, financial liabilities and capital instruments is presented in point 21 of the consolidated financial statements for 2008.

### Categories of financial instruments

#### Financial assets

<table>
<thead>
<tr>
<th>Category</th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valued at fair value through profit or loss</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>held for trading</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>held-to-maturity investments</td>
<td>203 132</td>
<td>252 442</td>
</tr>
<tr>
<td>Derivatives under a hedging relationship</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans and receivables</td>
<td>188 694</td>
<td>167 255</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>77 470</td>
<td>45 333</td>
</tr>
<tr>
<td>Financial assets available for sale</td>
<td>12 374</td>
<td>12 592</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>291</td>
<td>280</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>481 961</strong></td>
<td><strong>477 926</strong></td>
</tr>
</tbody>
</table>

Recognized in the statement of financial position as:

<table>
<thead>
<tr>
<th>Category</th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments in subsidiary undertakings</td>
<td>291</td>
<td>280</td>
</tr>
<tr>
<td>Investments available for sale</td>
<td>12 374</td>
<td>12 592</td>
</tr>
<tr>
<td>Trade receivables and other</td>
<td>188 694</td>
<td>167 255</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>77 470</td>
<td>45 333</td>
</tr>
<tr>
<td>Other assets</td>
<td>203 132</td>
<td>252 466</td>
</tr>
<tr>
<td><strong>Total financial assets</strong></td>
<td><strong>481 961</strong></td>
<td><strong>477 926</strong></td>
</tr>
</tbody>
</table>

#### Financial liabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term liabilities relative to credits and loans</td>
<td>40 232</td>
<td>48 889</td>
</tr>
<tr>
<td>Short-term liabilities relative to credits and loans</td>
<td>61 996</td>
<td>21 174</td>
</tr>
<tr>
<td>Trade liabilities and other</td>
<td>168 064</td>
<td>147 916</td>
</tr>
<tr>
<td>Other financial liabilities</td>
<td>8 598</td>
<td>27 400</td>
</tr>
<tr>
<td><strong>Total financial liabilities</strong></td>
<td><strong>278 890</strong></td>
<td><strong>245 379</strong></td>
</tr>
</tbody>
</table>
To supplement the financial data, we hereby disclose as follows:

- The Group holds no financial assets presented in the balance sheet as at 30.06.2009, the terms and conditions of which were renegotiated;
- Except for the revaluation write-offs relative to the liabilities, the Group did not create any other write-offs;
- There was no reclassification of financial assets in the Group in the 1st six months of 2009;
- There are no differences in the values of data presented in the balance sheet of the Group, and there were no related derecognitions in the balance sheet statement;
- In the 1st six months of 2009 the Group did not issue an instrument with a liability and an equity component including also multiple embedded derivatives whose values are interdependent;
- In the 1st six months of 2009 the Group did not take possession of collateral it holds as security.

**Financial risk management**

**Credit risk**

The risk the Group is exposed to includes credit risk, liquidity risk and market risk (comprising in particular currency risk and interest rate risk) which arise during the ordinary course of activity of the Group. The objective of the financial risk management of the Group is to minimize the effect of such market factors as exchange rates and interest rates on the basic financial parameters authorized in the Group’s budget for a given year (financial result, amount of cash flows) through natural hedging and derivatives.

A credit risk is a risk of the Group incurring financial loss as a result of a customer’s or contractor’s default, the customer or contractor being a party to a financial instrument. Such risk is mainly connected with the Group’s receivables due from its customers and with financial investments.

The below table shows the Group’s maximum exposure to a credit risk:
As at | As at
-----|-----
30.06.2009 | 31.12.2008

| Assets valued at fair value through profit or loss | - | 24 |
| Assets held for trading | - | - |
| Held-to-maturity investments | 203 132 | 252 442 |
| Derivatives under a hedging relationship | - | - |
| Loans and receivables | 188 694 | 167 255 |
| Cash and cash equivalents | 77 470 | 45 333 |
| Financial assets available for sale | - | - |
| Other financial assets | - | - |
| **Total** | **469 296** | **465 054** |

**Trade receivables**

Credit risk breakdown relative to trade liabilities by Company product groups is presented in the table below:

<table>
<thead>
<tr>
<th>As at</th>
<th>As at</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.06.2009</td>
<td>31.12.2008</td>
</tr>
<tr>
<td>Plastics segment</td>
<td>81 097</td>
</tr>
<tr>
<td>Fertilizers segment</td>
<td>33 955</td>
</tr>
<tr>
<td>Power engineering</td>
<td>2 176</td>
</tr>
<tr>
<td>Other</td>
<td>17 926</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>135 154</strong></td>
</tr>
</tbody>
</table>

The Group’s credit risk concerns mainly trade receivables and term deposits with banks. Except for deposits held with banks of high financial credibility and considering the procedures applicable in the Group and a diversified account portfolio, the concentration of credit risk is not significant.

The Group examines the current creditworthiness of customers using reports of commercial inquiry offices and on-going monitoring, and in duly justified cases, the Group requires appropriate collaterals to be provided. Additionally, the Group’s trade receivables, constituting 71% of total trade receivables of the Company, are insured under a merchant credit insurance policy contract concluded with Towarzystwo Ubezpieczeń Euler Hermes S.A., and supplementary insurance policy contract concluded with Korporacja Ubezpieczeń Kredytów Eksportowych S.A., which limit credit risk down to the co-insurance amount (5% up to 15% of the value of the assets insured). Thanks to such policies, the on-going monitoring of the financial position of contractors and recovery of debts is possible, in duly justified cases, and in the case of factual or legal insolvency of the contractor, damages amounting to 85-95% of the receivables insured will be paid out. Moreover, 20% of the Group’s trade receivables is secured by banker’s letters of credit and guarantees which are automatically excluded from the insurance policy.

Those contractors whose history of co-operation recorded by the Group is not positive, or to whom sale transactions are occasional, and it is not possible to obtain an insured credit facility, make their purchases upon prepayments. Whereas, a merchant credit facility is extended to customers in the first place on the basis of a decision of an insurance company and additionally on the basis of a positive history of co-operation and creditworthiness determined through reports of commercial inquiry offices, financial statements and payment record of a given customer. Credit risk exposure is defined as a total of unsettled receivables monitored on an on-going basis by the accounts office of the Group (individually with relation to each customer), and in the case of insured receivables, simultaneously by credit risk specialists of insurance companies.

Approximately 68% of the balance of the Group’s trade receivables pertains to the customers with registered offices outside Poland, whereas the remaining 32% are receivables due from domestic customers.

The turnover of the Group is focused within two main segments connected with the business profile.
Customers of the plastics segment constitute the biggest group. The receivables due from them amount to almost 67% of total trade receivables. The majority of the customers within the group are foreign customers to whom sale transactions are executed on deferred payment terms under insured credit facilities.

Another significant group includes the customers of the fertilizers segment. The receivables due from them amount to almost 28% of total trade receivables of the Group. The majority of the customers within the group are domestic customers to whom sale transactions are mainly executed on prepayment, whereas as regards customers with proved creditworthiness, sale transactions are executed on deferred payment terms under insured credit facilities.

### Overdue net trade receivables

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overdue up to do 60 days</td>
<td>16 484</td>
<td>17 758</td>
</tr>
<tr>
<td>Overdue from 60-180 days</td>
<td>3 989</td>
<td>9 447</td>
</tr>
<tr>
<td>Overdue from 180-360 days</td>
<td>7 005</td>
<td>1 406</td>
</tr>
<tr>
<td>Overdue over 360 days</td>
<td>816</td>
<td>951</td>
</tr>
<tr>
<td></td>
<td>28 294</td>
<td>29 562</td>
</tr>
</tbody>
</table>

### Cash and deposits

Cash and cash equivalents are deposited with financial institutions with high financial credibility whose solvency ratios are maintained at a safe level.

### Liquidity risk

Financial liquidity risk concerns the case in which the Group is unable to satisfy its financial obligations upon maturity. Activities intended to limit the risk under consideration include the proper financial liquidity management carried out through a correct assessment of the level of funds on the basis of the contemplated cash flows at different time horizons. As a result of the issuance of shares executed in the previous reporting period, the Group reports significant financial surpluses, therefore the liquidity risk is very low. In the 1st six months of 2009 the Group did not record any violation of payment terms or other conditions which could result in a demand of early satisfaction of related obligations.

### 30 June 2009

#### Financial liabilities

<table>
<thead>
<tr>
<th></th>
<th>Present value</th>
<th>up to 1 year</th>
<th>1 up to 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valued at fair value through profit or loss</td>
<td>5 929</td>
<td>5 929</td>
<td>-</td>
</tr>
<tr>
<td>Held for trading</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivatives under a hedge relationship</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Valued at amortized cost method</td>
<td>272 961</td>
<td>235 491</td>
<td>37 470</td>
</tr>
<tr>
<td></td>
<td>278 890</td>
<td>241 420</td>
<td>37 470</td>
</tr>
</tbody>
</table>

### 31 December 2008

#### Financial liabilities

<table>
<thead>
<tr>
<th></th>
<th>Present value</th>
<th>up to 1 year</th>
<th>1 up to 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valued at fair value through profit or loss</td>
<td>22 414</td>
<td>22 414</td>
<td>-</td>
</tr>
<tr>
<td>Held for trading</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Derivatives under a hedge relationship</td>
<td>2 955</td>
<td>2 955</td>
<td>-</td>
</tr>
<tr>
<td>Valued at amortized cost method</td>
<td>220 010</td>
<td>175 300</td>
<td>44 710</td>
</tr>
<tr>
<td></td>
<td>245 379</td>
<td>200 669</td>
<td>44 710</td>
</tr>
</tbody>
</table>
Market risk

Interest rate risk

The Group’s exposure to interest rate changes pertains mainly to cash and cash equivalents, financial assets, bank loans and credits, and lease contracts based on a floating rate connected with WIBOR + margin and, respectively, EURIBOR or LIBOR + margin for credits and loans extended in EUR. The Group does not apply any hedging against interest rate risk.

The below table shows the Group’s vulnerability profile (maximum exposure) regarding interest rate risk and presents financial instruments broken down by floating rates and fixed interest rates:

<table>
<thead>
<tr>
<th>Present value 30 June 2009</th>
<th>Present value 31 December 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed-interest-rate instruments</strong></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>190,608</td>
</tr>
<tr>
<td>Financial liabilities (-)</td>
<td>(4,876)</td>
</tr>
<tr>
<td></td>
<td>185,732</td>
</tr>
<tr>
<td><strong>Float-rate instruments</strong></td>
<td></td>
</tr>
<tr>
<td>Financial assets</td>
<td>77,470</td>
</tr>
<tr>
<td>Financial liabilities (-)</td>
<td>(99,135)</td>
</tr>
<tr>
<td></td>
<td>(21,665)</td>
</tr>
</tbody>
</table>

Activities intended to limit the interest rate risk include the monitoring of the money market situation on an ongoing basis. A significant part of the financial surplus of the Group were term deposited with banks according to market rates, on the basis of market quotations as at the date of the transactions. Despite the decrease in WIBID during the reporting period, the rates of the bank deposits offered to the Group as at the balance sheet date did not change materially in relation to the date on which the deposits had been made.

The fixed-interest rate financial liabilities are with rates higher than the present market rates, and apply only to a foreign loan of insignificant value with a maturity in September of this year.

The Group analyzed the vulnerability of the float-interest financial instruments to changes in market interest rates. The below table shows the effect which would be exerted on the financial result and equity by increases and decreases in interest rates by 100 bp. The analysis was carried out with the assumption of all other variables, e.g. exchange rates, remaining unchanged.

*Vulnerability analysis: (+/-)*

<table>
<thead>
<tr>
<th>Profit and loss account</th>
<th>Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit and loss account</strong></td>
<td><strong>Increases</strong></td>
</tr>
<tr>
<td>increases</td>
<td>decreases</td>
</tr>
<tr>
<td>100bp</td>
<td>100bp</td>
</tr>
<tr>
<td>30 June 2009</td>
<td>(217)</td>
</tr>
<tr>
<td>31 December 2008</td>
<td>(392)</td>
</tr>
</tbody>
</table>

Exchange rate risk

The Group’s exchange rate risk pertains to the transactions which the Group settles in foreign currencies. They include about 2/3 of the Group’s income and about 1/3 of its costs. Currency fluctuations affect the amount of income from sales and costs of purchase of raw materials. Strengthening of the domestic currency negatively affects the profitability of export and domestic sales denominated in foreign currencies, whereas weakening of the domestic currency positively affects the said profitability. Changes in income from export and domestic sales, valued against market quotations, caused by currency fluctuations are partially compensated by changes in the costs of import of raw materials, consequently lowering, to a great extent, the Group’s exposure to exchange rate risk.
The Group limits the existing risk arising from the net currency exposure by applying selected instruments and activities connected with hedging against currency risk on the basis of the present and contemplated net currency exposure. The Group used in the first place natural hedging to protect the net foreign-exchange position in the 1st six months of this year, and additionally forward transactions. Moreover, the Group made settlements through provisions of currency, hedging strategies using options, made in the previous reporting period.

The below table shows the Group’s vulnerability profile regarding exchange rate risk and presents financial instruments (except for derivatives) broken down by currencies in which the instruments are denominated:

<table>
<thead>
<tr>
<th>30 June 2009</th>
<th>EUR</th>
<th>USD</th>
<th>CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables and others</td>
<td>12,589</td>
<td>8,796</td>
<td>8</td>
</tr>
<tr>
<td>Trade liabilities and others (-)</td>
<td>(3,088)</td>
<td>(678)</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities relative to credits and loans (-)</td>
<td>(7,407)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities under lease contracts (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>20,944</strong></td>
<td><strong>8,118</strong></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>31 December 2008</th>
<th>EUR</th>
<th>USD</th>
<th>CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables and others</td>
<td>10,696</td>
<td>7,875</td>
<td>8</td>
</tr>
<tr>
<td>Trade liabilities and others (-)</td>
<td>(2,395)</td>
<td>(1,366)</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities relative to credits and loans (-)</td>
<td>(8,620)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities under lease contracts (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>319</strong></td>
<td><strong>6,509</strong></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

The Group analyzed the vulnerability of the financial instruments denominated in foreign currencies (including derivatives) to exchange rate fluctuations relative to the said currencies. The below table shows the effect which would be exerted by PLN strengthening or weakening by 5% in relation to all currencies on the financial result and equity connected with the valuation of the instruments. The analysis was carried out with the assumption of all other variables, e.g. exchange rates, remaining unchanged.

<table>
<thead>
<tr>
<th>Profit and loss account (+/-)</th>
<th>Equity (+/-)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase in foreign currency exchange rates 5%</strong></td>
<td><strong>Decrease in foreign currency exchange rates 5%</strong></td>
</tr>
<tr>
<td><strong>Increase in foreign currency exchange rates 5%</strong></td>
<td><strong>Decrease in foreign currency exchange rates 5%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>30 June 2009</th>
<th>EUR</th>
<th>USD</th>
<th>CHF</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,594</td>
<td>(2,594)</td>
<td>908</td>
<td>(908)</td>
</tr>
<tr>
<td>31 December 2008</td>
<td>(1,744)</td>
<td>1,744</td>
<td>(4,338)</td>
</tr>
</tbody>
</table>

**Risk relative to prices of raw materials, goods and services**

In order to limit such risk, there are actions undertaken with a view to include in sales contracts “symetric” provisions (e.g. provisions referring to ICIS-LOR quotations).

**Fair value of financial instruments**

Below are presented details concerning the fair values of financial instruments for which they are are possible to estimate:

- Cash and cash equivalents, short-term bank deposits and short-term bank credits. The carrying amount of the aforementioned instruments approximates their fair value due to a short maturity for those instruments;
• Trade receivables, other receivables, trade liabilities. The carrying amount of the aforementioned instruments approximates their fair value due to a short maturity for those instruments;

• Long-term bank loans and credits. The carrying amount of the aforementioned instruments approximates their fair value due to the floating rate of those instruments. However, considering changes in the market conditions regarding market interest rate developments, the Group estimated the fair value of long-term bank credits on the basis of their adjusted purchase price applying an effective interest rate.

• FX derivatives. The carrying amount of the aforementioned instruments equals their fair value being a quoted market price.

In the 1st six months of 2009, the Group did not record any instruments for which the initial value under transaction was different than its fair value as at a given date with a use of an appropriate valuation technique.

**Derivatives**

**FX derivatives**

As at 30 June 2009 the nominal value of unrealized FX derivatives (option structures) of the Group was EUR 3.8 million in total, with a maturity in July and August 2009.

The Group measures derivatives at fair value using information obtained from banks with which it co-operates and date from digital news services. Transactions are concluded under master agreements with credible banks only. All transactions concluded are reflected in physical transactions resulting from foreign currency cash flows. Foreign currency forward transactions and derivatives are concluded according to the Group’s net foreign currency exposure and are to limit the effect on the financial result, exchange rate fluctuations.

From 1 October 2008 the Group was applying hedge accounting on the basis of IAS 39 in order to secure future cash flows from which foreign currency risk arises.

In the 1st six months of 2009, the Group applied the aforementioned hedge accounting principles relative to a selection of FX derivative transactions concluded in USD, for which it had ended settlements of hedge relationships and foreign currency credit and loans contracted which satisfy the criteria laid down in IAS 39, through the calculation of the hedge effectiveness value and charging it to revaluation reserve.

As a result of settling hedge relationships relative to foreign exchange derivative transactions in USD, in the 1st six months of 2009 income from sales was decreased by PLN 4,610,000 through revaluation reserve, whereas as regards settling hedge relationships relative to foreign exchange credits and loans income from sales was decreased by PLN PLN 1,694,000.

**Fair value of hedging instruments**

As at 30 June 2009, the Group recognized the so-called effective portion of hedging resulting from foreign exchange credits and loans in EUR amounting to PLN (7,772,000) in revaluation reserve, the portion being determined on the basis of hedge accounting criteria as per IAS 39.

The unrealized hedging transactions measured as at 30 June 2009 amounted to PLN (4,690,000) which was the total fair value of derivative recognized in financial liabilities. No hedge relationships were designated for those transaction.

The below table shows the Group's vulnerability profile, as at 30.06.2009, regarding exchange rate risk and presents the exposure resulting from unrealized derivatives in EUR in which they are denominated.
7. **Income from sales**

Breakdown of sales in the 1st six months of 2009 is as follows:

<table>
<thead>
<tr>
<th>Period</th>
<th>Income from sale of products</th>
<th>Income from sale of other services</th>
<th>Income from sale of construction service contracts</th>
<th>Income from sale of goods and materials</th>
<th>Income from sale of ERUs</th>
<th>Income from sale of licences</th>
<th>Other income from sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>from 01.01 to 30.06.2009</td>
<td>545 422</td>
<td>26 213</td>
<td>625</td>
<td>11 839</td>
<td>16 607</td>
<td>8 808</td>
<td>16</td>
</tr>
<tr>
<td>from 01.01 to 30.06.2008</td>
<td>637 614</td>
<td>26 521</td>
<td>3 404</td>
<td>12 688</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

The highest item of income from sales is income from sale of products which amounted to PLN 545,422,000.

8. **Cost by category**
<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01. to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and amortization</td>
<td>38,518</td>
<td>35,927</td>
</tr>
<tr>
<td>Consumption of materials and energy</td>
<td>347,278</td>
<td>415,724</td>
</tr>
<tr>
<td>Outsourcing</td>
<td>29,802</td>
<td>45,649</td>
</tr>
<tr>
<td>Taxes and other charges</td>
<td>21,138</td>
<td>22,543</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>84,557</td>
<td>76,320</td>
</tr>
<tr>
<td>Social insurance and other benefits</td>
<td>21,008</td>
<td>19,899</td>
</tr>
<tr>
<td>Other costs</td>
<td>7,326</td>
<td>4,985</td>
</tr>
<tr>
<td><strong>Cost by category</strong></td>
<td><strong>549,627</strong></td>
<td><strong>621,047</strong></td>
</tr>
<tr>
<td>Change in stocks of products (+/-)</td>
<td>29,782</td>
<td>3,874</td>
</tr>
<tr>
<td>Costs of work performed by the undertaking for its own purposes (-)</td>
<td>(1,720)</td>
<td>(4,198)</td>
</tr>
<tr>
<td>Selling costs (-)</td>
<td>(28,806)</td>
<td>(30,488)</td>
</tr>
<tr>
<td>Overheads (-)</td>
<td>(48,403)</td>
<td>(44,975)</td>
</tr>
<tr>
<td>Value of goods and materials sold</td>
<td>11,514</td>
<td>8,940</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>511,994</strong></td>
<td><strong>554,200</strong></td>
</tr>
</tbody>
</table>
9. **Financial income and costs**

*Financial income*

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01. to 30.06.2009</th>
<th>Period from 01.01. to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank deposits</td>
<td>8,928</td>
<td>1,486</td>
</tr>
<tr>
<td>Other loans and receivables</td>
<td>101</td>
<td>155</td>
</tr>
<tr>
<td>Other</td>
<td>34</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>9,063</td>
<td>1,661</td>
</tr>
</tbody>
</table>

| **Profits on sale of financial investments:** | | |
| Profit on sale of financial investments | - | - |
| Other                                     | - | - |
| **Total**                                 | - | - |

| **Profits on valuation of financial assets and liabilities:** | | |
| Profits on valuation of financial assets measured at fair value through profit and loss as per fair value | 21,227 | 1,044 |
| **Total**                                              | 21,227 | 1,044 |

| **Other financial income:**                          | | |
| Profit on FX differences                             | 12  | - |
| Dividends received                                  | 80  | 224 |
| Discount of reserves, credits                        | 3,422 | - |
| Other financial income:                              | 239  | - |
| **Total**                                             | 3,753 | 224 |

| **Total financial income**                           | 34,043 | 2,929 |

The highest item of financial income amounts to PLN 21,227,000 and pertains to profits on valuation and settlement of derivatives (FX options).
Financial costs

<table>
<thead>
<tr>
<th>Interest costs:</th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on credits and overdraft credits</td>
<td>636</td>
<td>204</td>
</tr>
<tr>
<td>Interest on liabilities under financial lease</td>
<td></td>
<td></td>
</tr>
<tr>
<td>contracts</td>
<td>127</td>
<td>7</td>
</tr>
<tr>
<td>Interest on trade liabilities</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Interest on obligations towards budget</td>
<td>60</td>
<td>25</td>
</tr>
<tr>
<td>Other interest costs</td>
<td>31</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td><strong>865</strong></td>
<td><strong>245</strong></td>
</tr>
</tbody>
</table>

| Other financial costs:                              |                                 |                                 |
| Loss on FX differences                              | 25,414                          | 2,244                           |
| Other financial costs                               | 52                              | 111                             |
|                                                    | **25,466**                      | **2,355**                       |

The highest of financial costs is loss on FX differences which comprises:

- negative balance of FX differences as at the balance sheet date amounting to PLN (5,493,000);
- positive balance of FX differences realized in an amount of PLN 8,239,000;
- negative balance of realized hedging transactions in an amount of PLN (27,895,000);
- other negative balance amounting to PLN (265,000).
10. **Income tax**

Settlement of income tax for the 1st six months 2009 is as follows:

**Income tax recognized in profit and loss account**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current income tax:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current income tax burden</td>
<td>1 177</td>
<td>10 141</td>
</tr>
<tr>
<td>Adjustments of current tax brought forward</td>
<td>(308)</td>
<td>(7)</td>
</tr>
<tr>
<td></td>
<td><strong>869</strong></td>
<td><strong>10 134</strong></td>
</tr>
<tr>
<td><strong>Deferred income tax:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred income tax relative to creation and reversal of temporary differences</td>
<td>3 003</td>
<td>153</td>
</tr>
<tr>
<td></td>
<td><strong>3 003</strong></td>
<td><strong>153</strong></td>
</tr>
<tr>
<td><strong>Income tax recognized in profit and loss account</strong></td>
<td><strong>3 872</strong></td>
<td><strong>10 287</strong></td>
</tr>
</tbody>
</table>

**Effective tax rate**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross financial result</td>
<td>25 420</td>
<td>52 143</td>
</tr>
<tr>
<td>Tax as per applicable tax rate</td>
<td>4 830</td>
<td>9 907</td>
</tr>
<tr>
<td>Tax result of income being no income as per tax regulations (+/-)</td>
<td>(927)</td>
<td>-</td>
</tr>
<tr>
<td>Tax result of costs being no tax deductible business costs as per tax regulations (+/-)</td>
<td>2 109</td>
<td>380</td>
</tr>
<tr>
<td>Tax result of tax losses (+/-)</td>
<td>(2 140)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Income tax recognized in profit and loss account</strong></td>
<td><strong>3 872</strong></td>
<td><strong>10 287</strong></td>
</tr>
</tbody>
</table>

**Income tax recognized in equity**

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax effect of share issue costs (+/-)</td>
<td>-</td>
<td>(2 158)</td>
</tr>
<tr>
<td>Valuation of hedging instruments through hedge accounting (+/-)</td>
<td>(371)</td>
<td>-</td>
</tr>
<tr>
<td>Other (+/-)</td>
<td>70</td>
<td>34</td>
</tr>
<tr>
<td><strong>Income tax recognized in equity</strong></td>
<td><strong>(301)</strong></td>
<td><strong>(2 124)</strong></td>
</tr>
</tbody>
</table>

11. **Profit per share**

The basic profit per share was measured on the basis of the Group’s net profit and an average number of shares as at the day of preparing the financial statements. The amounts were determined in the manner presented below:
### Condensed Interim Consolidated Financial Statements for the 6-month period ended 30 June 2009

**Net profit**

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>21 318</td>
<td>41 617</td>
</tr>
</tbody>
</table>

- **Number of shares at the beginning of period**: 39 116 421
- **Split of shares 1:10 in 2008**: -
- **Result of issue of shares in June 2008**: -
- **Weighted average number of shares at the end of period**: 39 116 421

**Profit per share:**

On continued and discontinued operations:

<table>
<thead>
<tr>
<th></th>
<th>Basic (PLN)</th>
<th>Diluted (PLN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
<tr>
<td>Diluted (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
</tbody>
</table>

On continued operations:

<table>
<thead>
<tr>
<th></th>
<th>Basic (PLN)</th>
<th>Diluted (PLN)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
<tr>
<td>Diluted (PLN)</td>
<td>0,54</td>
<td>1,66</td>
</tr>
</tbody>
</table>
IV. Segment data

Changes in the principles of presenting information concerning operating and geographic segments.

Since 1 January 2009 the Group has applied IFRS 8 “Operating Segments.” According to the requirements of IFRS 8, operating segments must be identified on the basis of internal reports regarding those components of the Group which are regularly verified by persons deciding whether a given segment is to obtain resources and assessing the financial results thereof. In comparison, according to the provisions of the previous, applicable IAS 14, the undertaking was obliged to identify two sets of segments (industry and geographic segments) applying the criteria of risk and benefits, but the internal financial reporting system was only used by the key management as a starting point in identifying such segments.

Operating segments

The Group has not made any changes in the categorizing of industry segments. The Group, similarly to the previous reporting periods, presents the following industry segments:

- plastics;
- fertilizers;
- power engineering;
- other covering the remaining activities, including mainly laboratory services, letting of premises and other activities impossible to classify under particular segments.

However, the presentation of overheads, other income and operating costs was changed. They were classified under particular segments.

Financial income and costs and income tax are presented as before.

The segments’ results are assessed on the basis of income from sales, EBIT, EBITDA.

Geographic segments

Thus far the Group has been identifying the following geographic segments:

- domestic sales;
- sales under intra-community delivery of goods;
- export sales.

As of 1 January 2009 the Group applied a new division of geographic segments laid down in IFRS 8. It is as follows:

- Poland
- Germany
- Other European Union states
- Asia
- Other.
### Operating segments

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations(+-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from external sales</td>
<td>239 331</td>
<td>319 490</td>
<td>9 867</td>
<td>116 433</td>
<td>(75 591)</td>
<td>609 530</td>
</tr>
<tr>
<td>Income from sales between segments</td>
<td>55 016</td>
<td>53 505</td>
<td>201 904</td>
<td>-</td>
<td>(310 425)</td>
<td>-</td>
</tr>
<tr>
<td>Total income from sales</td>
<td>294 347</td>
<td>372 995</td>
<td>211 771</td>
<td>116 433</td>
<td>(386 016)</td>
<td>609 530</td>
</tr>
<tr>
<td>Operating costs, of which: (-)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>selling costs (-)</td>
<td>(10 791)</td>
<td>(17 957)</td>
<td>(10)</td>
<td>(48)</td>
<td>-</td>
<td>(28 806)</td>
</tr>
<tr>
<td>overheads (-)</td>
<td>(13 972)</td>
<td>(19 920)</td>
<td>(812)</td>
<td>(13 699)</td>
<td>-</td>
<td>(48 403)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6 565</td>
<td>(158)</td>
<td>6 407</td>
</tr>
<tr>
<td>Other operating costs (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(9 213)</td>
<td>158</td>
<td>(9 055)</td>
</tr>
<tr>
<td><strong>Segment operations result EBIT</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>34 043</td>
</tr>
<tr>
<td>Financial costs (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(26 331)</td>
</tr>
<tr>
<td>Profit/loss on interest in associated undertakings evaluated through equity method</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>29</td>
</tr>
<tr>
<td><strong>Profit before tax (continued operations)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>25 420</td>
</tr>
<tr>
<td><strong>Profit before tax (discontinued operations)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Income tax (continued and discontinued operations)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(3 872)</td>
</tr>
<tr>
<td><strong>Net profit (continued and discontinued operations)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>21 548</td>
</tr>
<tr>
<td>Amortization and depreciation</td>
<td>13 103</td>
<td>6 872</td>
<td>7 902</td>
<td>10 693</td>
<td>(52)</td>
<td>38 518</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>10 056</td>
<td>33 196</td>
<td>7 555</td>
<td>5 390</td>
<td>-</td>
<td>56 197</td>
</tr>
</tbody>
</table>
### Financial income, costs and result broken down by operating segments for six-month period ended 30 June 2008

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations (+/-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from external sales</td>
<td>357 122</td>
<td>267 534</td>
<td>7 845</td>
<td>47 726</td>
<td></td>
<td>680 227</td>
</tr>
<tr>
<td>Income from sales between segments</td>
<td>1 096</td>
<td>80 441</td>
<td>189 464</td>
<td>76 387</td>
<td>(347 388)</td>
<td>-</td>
</tr>
<tr>
<td>Total income from sales</td>
<td>358 218</td>
<td>347 975</td>
<td>197 309</td>
<td>124 113</td>
<td>(347 388)</td>
<td>680 227</td>
</tr>
<tr>
<td>Operating costs, of which: (-)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>selling costs (-)</td>
<td>(9 151)</td>
<td>(21 286)</td>
<td>(22)</td>
<td>(29)</td>
<td></td>
<td>(30 488)</td>
</tr>
<tr>
<td>overheads (-)</td>
<td>(19 061)</td>
<td>(13 434)</td>
<td>1 398</td>
<td>(11 092)</td>
<td></td>
<td>(44 985)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8 570</td>
<td></td>
<td>8 570</td>
</tr>
<tr>
<td>Other operating costs (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(7 377)</td>
<td></td>
<td>(7 377 )</td>
</tr>
<tr>
<td>Segment operations result EBIT</td>
<td>15 892</td>
<td>30 641</td>
<td>(1 130)</td>
<td>6 354</td>
<td></td>
<td>51 757</td>
</tr>
<tr>
<td>Financial income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>2 929</td>
</tr>
<tr>
<td>Financial costs (-)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(2 600 )</td>
</tr>
<tr>
<td>Profit/loss on interest in associated undertakings evaluated through equity method</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>57</td>
</tr>
<tr>
<td>Profit before tax (continued operations)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>52 143</td>
</tr>
<tr>
<td>Profit before tax (discontinued operations)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Income tax (continued and discontinued operations)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>(10 287)</td>
</tr>
<tr>
<td>Net profit (continued and discontinued operations)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>41 856</td>
</tr>
<tr>
<td>Amortization and depreciation</td>
<td>11 241</td>
<td>6 587</td>
<td>7 006</td>
<td>11 093</td>
<td></td>
<td>35 927</td>
</tr>
<tr>
<td>EBITDA</td>
<td>27 133</td>
<td>37 228</td>
<td>5 876</td>
<td>17 447</td>
<td></td>
<td>87 684</td>
</tr>
</tbody>
</table>

**Note:** The table above shows the financial income, costs, and result broken down by operating segments for the six-month period ended 30 June 2008. The data includes income from external sales, income from sales between segments, total income from sales, operating costs, and other operating income and costs. It also details segment operations result EBIT, financial income, financial costs, profit before tax, income tax, and net profit. Additionally, it includes amortization and depreciation, leading to the calculation of EBITDA.
Other data concerning segments for the period ended 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations (+/-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outlays on tangible assets</td>
<td>16,218</td>
<td>10,813</td>
<td>2,442</td>
<td>3,914</td>
<td></td>
<td>33,387</td>
</tr>
<tr>
<td>Outlays on investment immovable property</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Outlays on intangible assets</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>836</td>
<td></td>
<td>839</td>
</tr>
<tr>
<td><strong>Total outlays</strong></td>
<td>16,218</td>
<td>10,813</td>
<td>2,445</td>
<td>4,750</td>
<td></td>
<td>34,226</td>
</tr>
<tr>
<td>Segment depreciation</td>
<td>13,103</td>
<td>6,872</td>
<td>7,902</td>
<td>6,624</td>
<td>(52)</td>
<td>34,449</td>
</tr>
<tr>
<td>Unassigned depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,069</td>
<td></td>
<td>4,069</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>13,103</td>
<td>6,872</td>
<td>7,902</td>
<td>10,693</td>
<td>(52)</td>
<td>38,518</td>
</tr>
</tbody>
</table>

Other data concerning segments for the period ended 30 June 2008

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations (+/-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outlays on tangible assets</td>
<td>52,653</td>
<td>37,433</td>
<td>1,524</td>
<td>3,542</td>
<td></td>
<td>95,152</td>
</tr>
<tr>
<td>Outlays on investment immovable property</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Outlays on intangible assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,169</td>
<td></td>
<td>2,169</td>
</tr>
<tr>
<td><strong>Total outlays</strong></td>
<td>52,653</td>
<td>37,433</td>
<td>1,524</td>
<td>5,711</td>
<td></td>
<td>97,321</td>
</tr>
<tr>
<td>Segment depreciation</td>
<td>11,241</td>
<td>6,587</td>
<td>7,006</td>
<td>6,394</td>
<td></td>
<td>31,228</td>
</tr>
<tr>
<td>Unassigned depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,699</td>
<td></td>
<td>4,699</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>11,241</td>
<td>6,587</td>
<td>7,006</td>
<td>11,093</td>
<td></td>
<td>35,927</td>
</tr>
</tbody>
</table>
### Assets and liabilities of segments as at 30 June 2009

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations (+/-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment's assets</td>
<td>419 344</td>
<td>392 053</td>
<td>138 338</td>
<td>234 636</td>
<td>(92 192)</td>
<td>1 092 179</td>
</tr>
<tr>
<td>Unallocated assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>521 585</td>
<td>-</td>
<td>521 585</td>
</tr>
<tr>
<td>Investments in associated undertakings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>419 344</td>
<td>392 053</td>
<td>138 338</td>
<td>756 221</td>
<td>(92 192)</td>
<td>1 613 764</td>
</tr>
<tr>
<td>Segment's liabilities</td>
<td>31 706</td>
<td>26 467</td>
<td>4 868</td>
<td>128 138</td>
<td>(30 041)</td>
<td>161 138</td>
</tr>
<tr>
<td>Unallocated liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>312 751</td>
<td>-</td>
<td>312 751</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>31 706</td>
<td>26 467</td>
<td>4 868</td>
<td>440 889</td>
<td>(30 041)</td>
<td>473 889</td>
</tr>
</tbody>
</table>

### Assets and liabilities of segments as at 31 December 2008

<table>
<thead>
<tr>
<th></th>
<th>Plastics</th>
<th>Fertilizers</th>
<th>Power engineering</th>
<th>Other operations</th>
<th>Consolidation eliminations (+/-)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Segment's assets</td>
<td>392 385</td>
<td>367 275</td>
<td>141 960</td>
<td>247 035</td>
<td>(88 370)</td>
<td>1 060 285</td>
</tr>
<tr>
<td>Unallocated assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>543 795</td>
<td>-</td>
<td>543 795</td>
</tr>
<tr>
<td>Investments in affiliated undertakings</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>166</td>
<td>-</td>
<td>166</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>392 385</td>
<td>367 275</td>
<td>141 960</td>
<td>790 996</td>
<td>(88 370)</td>
<td>1 604 246</td>
</tr>
<tr>
<td>Segment's liabilities</td>
<td>34 495</td>
<td>45 298</td>
<td>9 319</td>
<td>149 579</td>
<td>(26 908)</td>
<td>211 783</td>
</tr>
<tr>
<td>Unallocated liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>235 132</td>
<td>-</td>
<td>235 132</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>34 495</td>
<td>45 298</td>
<td>9 319</td>
<td>384 711</td>
<td>(26 908)</td>
<td>446 915</td>
</tr>
</tbody>
</table>
Geographic segments for the 6-month period ended 30 June 2009

<table>
<thead>
<tr>
<th>Income</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>318 251</td>
</tr>
<tr>
<td>Germany</td>
<td>67 280</td>
</tr>
<tr>
<td>Other EU states</td>
<td>81 903</td>
</tr>
<tr>
<td>Asia</td>
<td>121 399</td>
</tr>
<tr>
<td>Other</td>
<td>20 697</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>609 530</strong></td>
</tr>
</tbody>
</table>

Geographic segments for the 6-month period ended 30 June 2008

<table>
<thead>
<tr>
<th>Income</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poland</td>
<td>282 795</td>
</tr>
<tr>
<td>Germany</td>
<td>132 862</td>
</tr>
<tr>
<td>Other EU states</td>
<td>160 945</td>
</tr>
<tr>
<td>Asia</td>
<td>47 170</td>
</tr>
<tr>
<td>Other</td>
<td>56 455</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>680 227</strong></td>
</tr>
</tbody>
</table>

V. Contingent assets and contingent liabilities

The Group does not regard blank bills of exchange as a contingent liability issued by the Group as collateral for liabilities recognized in the balance sheet, nor guarantees issued by banks upon request of the Group as collateral for liabilities also recognized in the balance sheet.

The Group does not recognize in contingent liabilities claims of the Bank Pekao S.A. in Warsaw in an amount of 7,095,000 with statutory interest accrued since 29 March 2007 resulting from the litigation for damages, because in the opinion of the Group the claim is groundless. The Group filed a motion to dismiss the claim altogether. The court of first instance dismissed the claim of the Bank on 20 May 2008. On 10 July 2008 Bank Pekao S.A. appealed against that decision. On 19 September 2008 the Court of Appeal in Cracow overruled the decision of the court of first instance and ordered its review. After Azoty Tarnów had paid another three arrangement instalments, the Bank withdrew the action partially. In the course of the proceedings the plaintiff maintained the action a regards an amount of PLN 7,095,000. Having reviewed the case on 6 April 2009, the District Court dismissed the Bank’s action altogether. On 13 May 2009 the Bank appealed against that decision. The appealing trial was scheduled for August 2009.
Contingent liabilities

<table>
<thead>
<tr>
<th>Type</th>
<th>As at 30 June 2009</th>
<th>As at 31 December 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank guarantee as collateral for claims during the term of the guarantee for works performed (Prochem S.A.)</td>
<td>47</td>
<td>-</td>
</tr>
<tr>
<td>Bank guarantee as collateral for claims during the term of the guarantee for works performed (Emerson Process Management Power and Water Solutions sp. z o.o.)</td>
<td>-</td>
<td>68</td>
</tr>
<tr>
<td>Performance guarantee (Zakład Budowy Aparatury APAKOR – ROKITA Sp. z o.o. Brzeg Dolny)</td>
<td>178</td>
<td>178</td>
</tr>
<tr>
<td>Performance guarantee (POLIMEX – MOSTOSTAL S.A. Warsaw)</td>
<td>-</td>
<td>248</td>
</tr>
</tbody>
</table>

VI. Information on related undertakings

Information concerning significant transactions with related undertakings.

a) Information concerning significant transactions concluded by the Group with related undertakings on other than market terms;

In the 6-month period ended 30 June 2009 the Group did not record any transactions concluded with related undertakings on other than market terms.

b) Transactions with members of the Management Board and the Supervisory Board, their spouses, siblings, ascendants, successors or their relatives or close friends.

In the 6-month period ended 30 June 2009 the Group did not extend any advances, loans, credits, guarantees and securities to managers and supervisors and their relatives or close friends and no contracts for providing services to the Group were concluded with such persons.

c) Transactions with related undertakings in the period from 1 January till 30 June 2009 and the balance of settlements as at 30 June 2009.

<table>
<thead>
<tr>
<th>Income from sales</th>
<th>Purchase of goods, products, services, fixed assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subsidiaries of ZAT Group</td>
<td>1 342</td>
<td>654</td>
</tr>
<tr>
<td>Related companies of Nafta Polska</td>
<td>376</td>
<td>7 798</td>
</tr>
<tr>
<td>Other related companies</td>
<td>107</td>
<td>61</td>
</tr>
<tr>
<td>Total</td>
<td>1 825</td>
<td>8 513</td>
</tr>
</tbody>
</table>
VII. Post-balance sheet events that may have a material effect on the future financial results

After the announcement of the Ministry of Treasury on 27 July 2009 concerning the auction to sell 590 shares in the Regionalne Laboratorium Oceny Mleka sp. z o.o. in Tarnów, JRCH sp. z o. o. bought the shareholding under auction. On 29 July 2009 the Company signed a purchase-sale contract with the Ministry of Treasury No. MSP/SPA/00416/00/2009. The purchase price of the 590 shares of RLOM sp. z o.o. in Tarnów amounts to PLN 312,228,000 (PLN 529.20 per share). The purchase of the shares resulted in JRCH sp. z o. o. becoming the principal shareholder of RLOM sp. z o.o. The shares held constitute 91.33% of the share capital of RLOM sp. z o.o. which amounts to PLN 646,000,000 and comprises 646 shares, PLN 1,000 each. For 2 years JRCH sp. z o. o. has been conducting a business activity connected with assessment of milk and leases a facility and laboratory equipment from RLOM sp. z o.o. The purchase of the shares will result in an increase in the financial assets of the Company.

VIII. Dividends

In the 1st six-months of 2009, the Issuer did not pay out dividends.

On 26 June 2009 the Ordinary General Meeting of Shareholders adopted a resolution on paying a dividend from the profit for 2008 in an amount of PLN 1.02 zł per share. The dividend applies to all the Company’s shares, and the date of establishing the right to the dividend was 26 June 2009. Additionally, the dividend was decided to be paid out in two instalments:
- 31 August 2009 PLN 0.34 per share;
- 6 November 2009 PLN 0.68 per share.

IX. Seasonality

Seasonality of sales pertaining to the Group concerns mainly artificial fertilizers, and especially saltpetre fertilizers such as nitro-chalk and ammonium sulphate. Demand for them results from agro-technical works and vegetation of plants. The highest domestic sale is recorded in the first quarter (depending on the weather conditions, the peak of sales occurs in February and March). At the end of a calendar year – turn of 3rd and 4th quarter – an increase in demand is again observed, but it is weaker than that of spring and result also from stocking fertilizers by farmers and distributors before spring. In summer, when demand for fertilizers of the final customers (farmers) decreases, technical inspections, maintenance and upgrading of systems are carried out.

As regards ZAT’s production of fertilizers, such a strict dependency is not present, because in order to minimize seasonality, sales transaction are concluded on the basis of contracts which oblige dealers to collect fertilizers throughout the whole year so as to encourage them - through advantageous prices - to stock fertilizers before another season.

Market of fertilizers in the 1st six months of 2009

In the period under analysis, the market situation concerning sales of saltpetre fertilizers must be divided into stages. In the first part of January, the market recorded trade stagnation (long holiday period affected the effective working time of distributors, adverse weather conditions extended the period in which final customers showed no interest in buying fertilizers), subsequent periods are characteristic of smooth sale of nitrogen fertilizers, which allows to complete and even go beyond contemplated tasks. As regards sales in individual months of the 2nd quarter, April is characteristic of smooth sale of fertilizers, from the beginning of May onwards the interest in buying fertilizers is limited, in June demand is significantly low or there is a total lack of it. What is also important for the result of domestic sales of saltpetre fertilizers is direct payments to agricultural production the making of which is planned by the Agency for Restructuring and Modernization of Agriculture and significant exchange rate changes resulting in lowering the attractiveness of import to the Polish customs area.

In the 1st six months of 2009, the commercial activity on the domestic market of nitrogen fertilizers recorded high dynamics of changes. Signs of crisis which appeared in the 4th quarter of 2008 spread great uncertainty among distributors of fertilizers and final customers. An uncertain situation on the market of purchases of agricultural products limited the purchase decisions of farmers, which resulted in distributors’ postponing, at the beginning of this year, stockpiling before spring. The spring itself was a season of smooth distribution of nitrogen fertilizers, which
made it possible for stocks accumulated for months to be sold on the market. With the vegetation period going on (May, June) limiting the application of nitrogen fertilizers, and still low purchase prices of basic agricultural products, the market of distributors showed signs of stagnation due to high prices. Additionally, very competitive offers coming from external markets (Germany, Lithuania, Ukraine) resulted in a reduction of prices of nitrogen fertilizers of all domestic producers in June. In order to maintain continuity in production in the period before the reduction of prices of fertilizers on the market, the Centre of Fertilizers made a selling offer with a longer maturity of up to 45 days (from 15 till 31 May) with a guarantee for the customers to adjust invoices down to the lowest prices in the case of a reduction of prices of the products purchased in the set period. Due to commercial difficulties, sector competitors started warehousing products at distributors’ sites, carrying out mainly production activities from the end of April. The Centre of Fertilizers maintained sales level with high seasonal prices till middle May with no adjustments to the sales realized. The off-season reduction of nitrogen fertilizers, typical of that market, aiming at a later increase in the price on a monthly basis until the very spring season of this year, may be disturbed due to the uncertainty connected with the crisis in the world economy and external suppliers’ intention to use the attractive agricultural market as a place for selling their own products. Attractive offers from abroad appearing before the harvest period may result in a further decrease in prices of fertilizers of domestic producers. Those farmers who remember the significant decrease in purchase prices of grain after the harvest period will mostly postpone their decisions concerning purchases, which may result in a price war among producers and importers. Such a situation is a threat to the production continuity and the maintenance of positive financial results from business operations.

X. Comparable data

As a result of adjustments for errors in the previous years, which were recognized in the financial statements for 2008, we have shown below how those adjustments relate to the previously published financial statements for the 1st six months of 2008.

<table>
<thead>
<tr>
<th>Consolidated statement of comprehensive income</th>
<th>Period from 01.01. to 30.06.2008</th>
<th>Difference</th>
<th>Period from 01.01. to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Continued operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>680 227</td>
<td>-</td>
<td>680 227</td>
</tr>
<tr>
<td>Cost of sale (-)</td>
<td>(554 000)</td>
<td>(200)</td>
<td>(554 200)</td>
</tr>
<tr>
<td><strong>Gross profit on sales</strong></td>
<td>126 227</td>
<td>(200)</td>
<td>126 027</td>
</tr>
<tr>
<td>Selling costs (-)</td>
<td>(30 488)</td>
<td>-</td>
<td>(30 488)</td>
</tr>
<tr>
<td>Overheads (-)</td>
<td>(44 975)</td>
<td>-</td>
<td>(44 975)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>8 570</td>
<td>-</td>
<td>8 570</td>
</tr>
<tr>
<td>Other operating costs (-)</td>
<td>(7 377)</td>
<td>-</td>
<td>(7 377)</td>
</tr>
<tr>
<td><strong>Profit on operating activities</strong></td>
<td>51 957</td>
<td>(200)</td>
<td>51 757</td>
</tr>
<tr>
<td>Financial income</td>
<td>2 929</td>
<td>-</td>
<td>2 929</td>
</tr>
<tr>
<td>Financial costs (-)</td>
<td>(2 600)</td>
<td>-</td>
<td>(2 600)</td>
</tr>
<tr>
<td><strong>Net financial income / costs</strong></td>
<td>329</td>
<td>-</td>
<td>329</td>
</tr>
<tr>
<td>Profit on interest in subordinated undertakings evaluated through equity method</td>
<td>57</td>
<td>-</td>
<td>57</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>52 343</td>
<td>(200)</td>
<td>52 143</td>
</tr>
<tr>
<td>Income tax</td>
<td>1,3</td>
<td>(10 325)</td>
<td>38</td>
</tr>
</tbody>
</table>

Page 42
Net profit/loss on continued operations

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2008</th>
<th>Difference</th>
<th>As at 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net profit/loss on continued operations</strong></td>
<td>42 018</td>
<td></td>
<td>41 856</td>
</tr>
<tr>
<td><strong>Discontinued operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net profit/loss on discontinued operations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net profit (loss)</strong></td>
<td>42 018</td>
<td>(162)</td>
<td>41 856</td>
</tr>
</tbody>
</table>

Consolidated statement of financial position

<table>
<thead>
<tr>
<th></th>
<th>Adjustment</th>
<th>As at 30.06.2008</th>
<th>Difference</th>
<th>As at 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets 1,3,5</td>
<td>887 064</td>
<td>(11 428)</td>
<td>875 636</td>
<td></td>
</tr>
<tr>
<td>Investment properties 5</td>
<td>-</td>
<td>6 272</td>
<td>6 272</td>
<td></td>
</tr>
<tr>
<td>Intangible assets</td>
<td>17 962</td>
<td>-</td>
<td>17 962</td>
<td></td>
</tr>
<tr>
<td>Investments in subordinate undertakings</td>
<td>-</td>
<td>145-</td>
<td>145</td>
<td></td>
</tr>
<tr>
<td>Investments available for sale 6</td>
<td>-</td>
<td>10 682</td>
<td>10 682</td>
<td></td>
</tr>
<tr>
<td>Other financial assets 6</td>
<td>10 827</td>
<td>(10 827)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>2</td>
<td>-</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Deferred income tax assets 1,4</td>
<td>27 226</td>
<td>2 279</td>
<td>29 505</td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>14</td>
<td>-</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td></td>
<td>943 095</td>
<td>(2 877)</td>
<td>940 218</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stocks</td>
<td>122 207</td>
<td>-</td>
<td>122 207</td>
<td></td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1 218</td>
<td>-</td>
<td>1 218</td>
<td></td>
</tr>
<tr>
<td>Receivables relative to income tax</td>
<td>20</td>
<td>-</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Trade receivables and other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called up share capital</td>
<td>294 770</td>
<td>-</td>
<td>294 770</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>32 158</td>
<td>-</td>
<td>32 158</td>
<td></td>
</tr>
<tr>
<td>Other assets</td>
<td>7 702</td>
<td>-</td>
<td>7 702</td>
<td></td>
</tr>
<tr>
<td>Fixed assets available for sale</td>
<td>7</td>
<td>-</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td></td>
<td>628 778</td>
<td>-</td>
<td>628 778</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>1 571 873</td>
<td>(2 877)</td>
<td>1 568 996</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Adjustment</th>
<th>As at 30.06.2008</th>
<th>Difference</th>
<th>As at 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>195 582</td>
<td>-</td>
<td>195 582</td>
<td></td>
</tr>
<tr>
<td>Description of adjustments</td>
<td>No.</td>
<td>Value</td>
<td>Value</td>
<td>Value</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------------------------</td>
<td>-----</td>
<td>-------------</td>
<td>-------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Creation of write-offs of tangible fixed assets impairment:</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- decrease in net value of fixed assets by PLN 4,956,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- creation of deferred income tax asset of PLN 1,080,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- decrease in profits retained by PLN 3,582,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- decrease in depreciation and amortization by PLN 363,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- increase in income tax charged to profit and loss account / increase in deferred income tax</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>reserves by PLN 69,000.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Release of income tax relative to derecognition of perpetual usufruct in the balance sheet</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- decrease in deferred tax reserve / increase in retained profits of PLN 8,334,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separation of components:</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- increase in depreciation and amortization/ decrease in tangible fixed assets by PLN 563,000;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 4 | Establishment of reserves for demolition of the Chlorine Factory:  
- decrease in income tax recognized in the profit and loss account / decrease in deferred tax reserves by PLN 107,000;  
- increase in other long-term reserves by PLN 6,315,000;  
- decrease in retained profits by PLN 5,116,000;  
- increase in deferred tax assets by PLN 1,199,000; |
| 5 | Investment properties:  
- decrease in tangible fixed assets by PLN 6,272,000;  
- increase in investment properties by 6,272,000;  |
| 6 | Assets available for sale:  
- decrease in long-term investments by PLN 10,827,000;  
- increase in assets available for sale by PLN 10,682,000; |
| 7 | Accruals, change of name into other assets  
- increase in assets in subordinated undertakings by PLN 145,000; |
| 8 | Combination of short-term prepayments and accruals with trade liabilities and other |

In addition to the above adjustments, the following adjustments were made in relation to the separate financial statements:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
</table>
| 1 | Release of reserves for landfill remediation:  
- decrease in other long-term reserves by PLN 3,157,000;  
- increase in retained profit by PLN 2,557,000;  
- decrease in deferred tax assets by PLN 600,000;  |
| 2 | Investments in subordinated undertakings:  
- decrease in long-term investments by PLN 57,872,000;  
- increase in investments in subordinated undertakings by PLN 57,872,000 |

C. CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS
SEPARATE HIGHLIGHTS

<table>
<thead>
<tr>
<th></th>
<th>PLN ('000)</th>
<th>EUR ('000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from sale</td>
<td>578 146</td>
<td>649 115</td>
</tr>
<tr>
<td>Operating profit</td>
<td>12 373</td>
<td>45 476</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>22 495</td>
<td>46 889</td>
</tr>
<tr>
<td>Net profit</td>
<td>19 896</td>
<td>37 470</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>21 470</td>
<td>37 470</td>
</tr>
<tr>
<td>Number of shares (pcs.)</td>
<td>39 116 421</td>
<td>39 116 421</td>
</tr>
<tr>
<td>Net profit per ordinary share</td>
<td>0,51</td>
<td>1,49</td>
</tr>
<tr>
<td>Net operating cash flows</td>
<td>(43 851)</td>
<td>11 769</td>
</tr>
<tr>
<td>Net investment cash flows</td>
<td>45 126</td>
<td>(46 284)</td>
</tr>
<tr>
<td>Net financial cash flows</td>
<td>31 306</td>
<td>12 718</td>
</tr>
<tr>
<td>Total net cash flows</td>
<td>32 581</td>
<td>(21 797)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the beginning of period</td>
<td>23 893</td>
<td>35 063</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of period</td>
<td>56 474</td>
<td>13 266</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>As at 30-06-2009</th>
<th>As at 31-12-2008</th>
<th>As at 30-06-2009</th>
<th>As at 31-12-2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>916 538</td>
<td>974 677</td>
<td>205 060</td>
<td>233 601</td>
</tr>
<tr>
<td>Current assets</td>
<td>582 788</td>
<td>510 280</td>
<td>130 389</td>
<td>122 299</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>169 160</td>
<td>181 232</td>
<td>37 847</td>
<td>43 436</td>
</tr>
<tr>
<td>Short-term liabilities</td>
<td>242 570</td>
<td>197 701</td>
<td>54 271</td>
<td>47 383</td>
</tr>
<tr>
<td>Equity</td>
<td>1 087 596</td>
<td>1 106 024</td>
<td>243 332</td>
<td>265 081</td>
</tr>
<tr>
<td>Share capital</td>
<td>195 582</td>
<td>195 582</td>
<td>43 758</td>
<td>46 875</td>
</tr>
</tbody>
</table>

The highlights of the balance sheet, the profit and loss account, and the cash flow statement were converted to EUR according to the indicated, applicable conversion method:

e) individual items of assets and liabilities of the balance sheet were converted according to the exchange rate applicable on the last day of the balance sheet period:
   exchange rate as at 31.12.2008: EUR 1 = PLN 4.1724 (Table No. 254/A/NBP/2008);
   exchange rate as at 30.06.2009: EUR 1 = PLN 4.4696 (Table No. 125/A/NBP/2009);

f) individual items of the profit and loss account and the cash flow statement were converted according to the exchange rates being an arithmetic mean of the exchange rates of EUR quoted by the National Bank of Poland applicable on the last day of each month in a given reporting period:
   average exchange rate in the period from 01.01.2008 to 30.06.2008 was EUR 1 = PLN 3.4776;
   average exchange rate in the period from 01.01.2009 to 30.06.2009 was EUR 1 = PLN 4.5184.

The conversion was made according to the exchange rates as indicated before through dividing the values expressed in thousands of PLN by an exchange rate.
### SEPARATE STATEMENT OF COMPREHENSIVE INCOME

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>unaudited</td>
<td>unaudited</td>
</tr>
<tr>
<td><strong>Continued operations</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income</td>
<td>578 146</td>
<td>649 115</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(497 811)</td>
<td>(536 682)</td>
</tr>
<tr>
<td>Gross profit on sales</td>
<td>80 335</td>
<td>112 433</td>
</tr>
<tr>
<td>Selling costs</td>
<td>(28 805)</td>
<td>(30 475)</td>
</tr>
<tr>
<td>Overheads</td>
<td>(35 486)</td>
<td>(33 893)</td>
</tr>
<tr>
<td>Other operating income</td>
<td>4 644</td>
<td>6 053</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>(8 315)</td>
<td>(8 642)</td>
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<tr>
<td><strong>Operating profit</strong></td>
<td>12 373</td>
<td>45 476</td>
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<td>36 026</td>
<td>3 655</td>
</tr>
<tr>
<td>Financial costs</td>
<td>(25 904)</td>
<td>(2 242)</td>
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<tr>
<td><strong>Net financial income / costs</strong></td>
<td>10 122</td>
<td>1 413</td>
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<tr>
<td><strong>Profit before tax</strong></td>
<td>22 495</td>
<td>46 889</td>
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<tr>
<td>Income tax</td>
<td>(2 599)</td>
<td>(9 419)</td>
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<tr>
<td><strong>Net profit/loss on continued operations</strong></td>
<td>19 896</td>
<td>37 470</td>
</tr>
<tr>
<td><strong>Discontinued operations</strong></td>
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<td></td>
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<tr>
<td>Net profit/loss on discontinued operations</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net profit (loss)</strong></td>
<td>19 896</td>
<td>37 470</td>
</tr>
<tr>
<td><strong>Items of other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Valuation of hedging instruments</td>
<td>(4 210)</td>
<td>-</td>
</tr>
<tr>
<td>Settlement of hedging instruments</td>
<td>6 155</td>
<td>-</td>
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<tr>
<td>Deferred tax on items of other comprehensive income</td>
<td>(371)</td>
<td>-</td>
</tr>
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<td><strong>Total items of other comprehensive income</strong></td>
<td>1 574</td>
<td>-</td>
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<tr>
<td><strong>Total comprehensive income</strong></td>
<td>21 470</td>
<td>37 470</td>
</tr>
</tbody>
</table>

**Profit per share:**
- on continued and discontinued operations:
  - Basic (PLN): 0,51, 1,49
  - Diluted (PLN): 0,51, 1,49
- on continued and operations:
  - Basic (PLN): 0,51, 1,49
  - Diluted (PLN): 0,51, 1,49
### SEPARATE STATEMENT OF FINANCIAL POSITION

<table>
<thead>
<tr>
<th></th>
<th>As at 30.06.2009</th>
<th>As at 31.12.2008</th>
<th>As at 30.06.2008</th>
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<tbody>
<tr>
<td><strong>Assets</strong></td>
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<td><strong>Fixed assets</strong></td>
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<td>799 969</td>
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<td>6 272</td>
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<td>13 488</td>
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<td>Investments in subordinate undertakings</td>
<td>51 685</td>
<td>49 827</td>
<td>57 872</td>
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<td>Investments available for sale</td>
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<td>Long-term receivables</td>
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<td>55</td>
<td>88</td>
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<td>26 788</td>
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<td>Other assets</td>
<td>-</td>
<td>-</td>
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<td>974 677</td>
<td>874 375</td>
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<td>Receivables relative to income tax</td>
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<td>Trade receivables and other</td>
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<td>155 100</td>
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<td>Cash and cash equivalents</td>
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<td>Fixed assets available for sale</td>
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<td>577 110</td>
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<td>1 484 957</td>
<td>1 451 485</td>
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## SEPARATE STATEMENT OF FINANCIAL POSITION

<table>
<thead>
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<th>As at 30.06.2009</th>
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<th>As at 30.06.2008</th>
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<tr>
<td>Share capital</td>
<td>195 582</td>
<td>195 582</td>
<td>195 582</td>
</tr>
<tr>
<td>Share premium</td>
<td>209 990</td>
<td>209 990</td>
<td>209 990</td>
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<tr>
<td>Hedge valuation reserve</td>
<td>(6 296)</td>
<td>(7 870)</td>
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<td>Retained profits, including:</td>
<td>688 320</td>
<td>708 322</td>
<td>684 771</td>
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<td>19 896</td>
<td>61 935</td>
<td>37 470</td>
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<td>Equity of shareholders of the parent company</td>
<td>1 087 596</td>
<td>1 106 024</td>
<td>1 090 343</td>
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<td>Minority interest</td>
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<td>-</td>
<td>-</td>
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<td>1 106 024</td>
<td>1 090 343</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Credits and loans</td>
<td>36 458</td>
<td>44 329</td>
<td>34 086</td>
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<tr>
<td>Reserves for employee benefits</td>
<td>26 112</td>
<td>27 424</td>
<td>24 712</td>
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<td>Other long-term liabilities</td>
<td>-</td>
<td>-</td>
<td>15 096</td>
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<tr>
<td>Other reserves</td>
<td>14 601</td>
<td>17 103</td>
<td>16 353</td>
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<tr>
<td>Government subsidies</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred income</td>
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<td>Reserves for deferred income tax</td>
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<td>93 541</td>
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<td><strong>Total long-term liabilities</strong></td>
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<td>181 232</td>
<td>183 788</td>
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<td>Credits and loans</td>
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<td>19 634</td>
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<td>Liabilities relative to current income tax</td>
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<td>2 613</td>
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<td>3 681</td>
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<tr>
<td>Government subsidies</td>
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<td>Income for future periods</td>
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<td><strong>Total short-term liabilities</strong></td>
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<td>177 354</td>
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<td>411 730</td>
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<td>1 451 485</td>
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## SEPARATE FUNDS FLOW STATEMENT

<table>
<thead>
<tr>
<th>Balance as at 1 January 2008</th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>120 000</td>
<td>698 848</td>
<td>818 848</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments for errors</td>
<td>-</td>
<td>(51 550)</td>
<td>(51 550)</td>
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<tr>
<td>Balance as at 1 January 2008 after adjustments</td>
<td>120 000</td>
<td>647 298</td>
<td>767 298</td>
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<tr>
<td>Issue of shares</td>
<td>75 582</td>
<td>209 990</td>
<td>-</td>
<td>-</td>
<td>285 572</td>
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<tr>
<td>Comprehensive income for 6 months ended 30 June 2008</td>
<td>-</td>
<td>-</td>
<td>37 470</td>
<td>37 470</td>
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<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 30 June 2008 (unaudited)</td>
<td>195 582</td>
<td>209 990</td>
<td>-</td>
<td>684 768</td>
<td>1 090 340</td>
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<table>
<thead>
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<th>Balance as at 1 January 2009</th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>195 582</td>
<td>698 848</td>
<td>818 848</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments for errors</td>
<td></td>
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<td>(52 461)</td>
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<tr>
<td>Balance as at 1 January 2009 after adjustments</td>
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<td>646 387</td>
<td>766 387</td>
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<td>209 990</td>
<td>-</td>
<td>-</td>
<td>285 572</td>
</tr>
<tr>
<td>Comprehensive income for 12 months ended 31 December 2008</td>
<td>-</td>
<td>-</td>
<td>(7 870)</td>
<td>61 935</td>
<td>54 065</td>
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<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 31 December 2008 (audited)</td>
<td>195 582</td>
<td>209 990</td>
<td>(7 870)</td>
<td>708 322</td>
<td>1 106 024</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance as at 1 January 2009</th>
<th>Share capital</th>
<th>Share premium</th>
<th>Capital from hedge accounting</th>
<th>Retained profit</th>
<th>Total equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>195 582</td>
<td>209 990</td>
<td>(7 870)</td>
<td>708 322</td>
<td>1 106 024</td>
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</tr>
<tr>
<td>Adjustments for errors</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as at 1 January 2009 after adjustments</td>
<td>195 582</td>
<td>708 322</td>
<td>1 106 024</td>
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<td></td>
</tr>
<tr>
<td>Issue of shares</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
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<tr>
<td>Comprehensive income for 6 months ended 30 June 2009</td>
<td>-</td>
<td>-</td>
<td>1 574</td>
<td>19 896</td>
<td>21 470</td>
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<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>(39 898)</td>
<td>(39 898)</td>
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<tr>
<td>Balance as at 30 June 2009 (unaudited)</td>
<td>195 582</td>
<td>209 990</td>
<td>(6 296)</td>
<td>688 320</td>
<td>1 087 596</td>
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</table>
### SEPARATE CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
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<tbody>
<tr>
<td></td>
<td>unaudited</td>
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</tr>
<tr>
<td><strong>Operating cash flows</strong></td>
<td></td>
<td></td>
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<tr>
<td><strong>Gross profit</strong></td>
<td>22 495</td>
<td>46 889</td>
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<tr>
<td><strong>Adjustments</strong></td>
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<tr>
<td>Depreciation and amortization</td>
<td>19 488</td>
<td>30 929</td>
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<tr>
<td>Creation / reversal of revaluation write-offs</td>
<td>(4 577)</td>
<td>-</td>
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<td>Profit/loss on investment</td>
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<td>Profit/loss on disposal of financial assets</td>
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<tr>
<td>Profit/loss on interest in affiliated undertakings evaluated through equity method</td>
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<td>Interest, FX differences</td>
<td>(7 481)</td>
<td>(813)</td>
</tr>
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<td>Dividends received</td>
<td>(2 548)</td>
<td>(1 173)</td>
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<tr>
<td>Profit/loss on change in fair value of financial assets recognized at fair value</td>
<td>2 254</td>
<td>(1 044)</td>
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<tr>
<td><strong>Operating profit before working capital changes</strong></td>
<td>41 983</td>
<td>77 818</td>
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<tr>
<td><strong>Movements in trade receivables and other</strong></td>
<td>(25 609)</td>
<td>(20 691)</td>
</tr>
<tr>
<td><strong>Movements in stock</strong></td>
<td>(17 329)</td>
<td>5 838</td>
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<tr>
<td>** Movements in trade liabilities and other**</td>
<td>(32 607)</td>
<td>(41 242)</td>
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<tr>
<td><strong>Movements in reserves, prepayments and accruals and subsidies</strong></td>
<td>(6 974)</td>
<td>(4 982)</td>
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<td><strong>Other adjustments</strong></td>
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<tr>
<td><strong>Cash generated from operating activities</strong></td>
<td>(40 425)</td>
<td>17 189</td>
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<td>Interest paid</td>
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<td>Tax paid</td>
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<td><strong>Net cash from operating activities</strong></td>
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# SEPARATE CASH FLOW STATEMENT

<table>
<thead>
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<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unaudited</strong></td>
<td><strong>Unaudited</strong></td>
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## Investment cash flows

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale of intangible assets and tangible fixed assets, investments in immovable property</td>
<td>21 906</td>
<td>387</td>
</tr>
<tr>
<td>Purchase of intangible assets and tangible fixed assets, investments in immovable property</td>
<td>(34 638)</td>
<td>(43 563)</td>
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<tr>
<td>Dividends received</td>
<td>2 546</td>
<td>60</td>
</tr>
<tr>
<td>Outflows for purchase of financial assets</td>
<td>(12 025)</td>
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<tr>
<td>Inflows from sale of financial assets</td>
<td>67 265</td>
<td>-</td>
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<tr>
<td>Interest received</td>
<td>2 586</td>
<td>-</td>
</tr>
<tr>
<td>Subsidies</td>
<td>57</td>
<td>-</td>
</tr>
<tr>
<td>Other outflows</td>
<td>(2 571)</td>
<td>(3 168)</td>
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<tr>
<td>Repayment of loans</td>
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<td>-</td>
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<tr>
<td><strong>Net cash from investing activities</strong></td>
<td>45 126</td>
<td>(46 284)</td>
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## Financial cash flows

<table>
<thead>
<tr>
<th>Description</th>
<th>2009</th>
<th>2008</th>
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<tbody>
<tr>
<td>Net inflows from issue of shares</td>
<td>-</td>
<td>(2 330)</td>
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<tr>
<td>Dividends paid</td>
<td>(1)</td>
<td>(13)</td>
</tr>
<tr>
<td>Inflows from credits and loans</td>
<td>45 583</td>
<td>19 648</td>
</tr>
<tr>
<td>Outflows for repayment of credits and loans</td>
<td>(12 570)</td>
<td>(3 487)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(1 534)</td>
<td>(1 076)</td>
</tr>
<tr>
<td>Payments under financial lease contracts</td>
<td>(172)</td>
<td>(24)</td>
</tr>
<tr>
<td><strong>Net cash from financial activities</strong></td>
<td>31 306</td>
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## Total net cash flows

<table>
<thead>
<tr>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
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</thead>
<tbody>
<tr>
<td><strong>Total net cash flows</strong></td>
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</table>

## Cash and cash equivalents at the beginning of period

<table>
<thead>
<tr>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
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<tbody>
<tr>
<td><strong>Cash and cash equivalents at the beginning of period</strong></td>
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## Effect of foreign currency translation

<table>
<thead>
<tr>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
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</thead>
<tbody>
<tr>
<td><strong>Effect of foreign currency translation</strong></td>
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## Cash and cash equivalents at the end of period

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<thead>
<tr>
<th>Period from 01.01 to 30.06.2009</th>
<th>Period from 01.01 to 30.06.2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents at the end of period</strong></td>
<td>56 474</td>
</tr>
</tbody>
</table>

### D. NOTE NO. 1

All data concerning the separate financial statement is included in the consolidated financial statements.