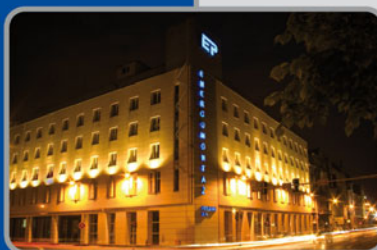


ENERGMONTAŻ POŁUDNIE INDIVIDUAL  
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR  
ENDED 31ST DECEMBER 2008

PREPARED PURSUANT TO INTERNATIONAL FINANCIAL  
REPORTING STANDARDS



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## INTRODUCTION TO THE FINANCIAL STATEMENTS FOR THE YEAR 2008

### 1. BUSINESS NAME AND SEAT OF THE COMPANY, INDICATION OF THE COMPETENT REGISTER COURT AND REGISTER NUMBER AND FUNDAMENTAL OBJECT OF ISSUER'S ACTIVITY ACCORDING TO THE POLISH CLASSIFICATION OF ACTIVITY "PKD" AND IF ISSUER'S SECURITIES ARE ON THE REGULATED MARKET - ALSO INDICATION OF THE BRANCH ACCORDING TO THE CLASSIFICATION ADOPTED BY THE MARKET

The main object of the activity of Energomontaż-Południe S.A. in Katowice is conducting activity in the scope of assembly of industrial machines and devices (PKD 4534) registered in the District Court in Katowice - KRS No. 80906. The Company is classified on the exchange market in the construction branch.

#### 1.1 INDICATION OF ISSUER'S ACTIVITY DURATION, IF IT IS DESIGNATED

The Company's activity duration is undesignated.

#### 1.2 INDICATION OF PERIODS THAT ARE PRESENTED IN THE FINANCIAL STATEMENTS

The presented financial statements cover:

- current period from 1st January to 31st December 2008
- comparative period from 1st January to 31st December 2007

Data shown in the statements are expressed in PLN and rounded to full thousands.

#### 1.3 INFORMATION REGARDING THE COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

##### The composition of the Management Board in 2008

President	Wojciech Nazarek
Andrzej Hołda	Vice President of the Management Board /from 01.03.2008/
Member of the Management Board	Tadeusz Torbus

##### The composition of the Supervisory Board in 2008

Sławomir Masiuk	Chair
Marek Wesołowski	Vice Chair
Andrzej Kowalski	Member
Krzysztof Radojewski	Member /from 06.06.2008/
Waldemar Tevnell	Member /from 06.06.2008/

## 2. DECLARATION THAT THE FINANCIAL STATEMENTS WERE TRANSFORMED TO ASSURE THAT DATA ARE COMPARABLE AND AN ACCOUNT AND EXPLANATION OF DIFFERENCES RESULTING FROM ADJUSTMENTS DUE TO CHANGES OF ACCOUNTING PRINCIPLES (POLICY) OR

## ADJUSTMENTS OF FUNDAMENTAL ERRORS WAS PLACED IN AN ADDITIONAL EXPLANATORY NOTE

There were no differences between data revealed in the financial statements and comparative financial data and financial statements prepared and published previously for 2007.

### 3. INDICATION WHETHER THE FINANCIAL STATEMENTS AND COMPARATIVE FINANCIAL DATA INCLUDE SUMMARY DATA - IF THE ISSUER'S COMPANY IS COMPOSED OF INTERNAL ORGANIZATIONAL ENTITIES THAT INDEPENDENTLY DRAW UP FINANCIAL STATEMENTS

The Company is not composed of internal organizational entities that independently draw up financial statements.

## 4. DESCRIPTION OF SIGNIFICANT ACCOUNTING PRINCIPLES ASSUMED

### 4.1 DECLARATION OF CONFORMITY WITH THE REGULATIONS

The Company applied in the present financial statements accounting principles specified in International Accounting Standards and International Financial Reporting Standards (IAS/IFRS) effective as of 31st December 2008. The presented financial statements show in a true, diligent and clear way the property and financial situation for the year 2007 and 2008 and financial results for the year 2007 and 2008. The statements include a true picture of development and achievements and Issuer's situation, including the described risks and threats.

### 4.2 TANGIBLE FIXED ASSETS (IAS 16)

**Tangible assets** are recorded pursuant to the GUS, (KST, KRST) classification of tangible assets.

The original value of tangible fixed assets except for lands and buildings is determined as a purchase price and in case of manufacturing the tangible assets in own scope in the amount of technical cost of manufacturing.

Lands and buildings are shown in a fair value on the basis of valuations made periodically, but at least once every three years, by independent property experts diminished by further buildings depreciation.

Increase of the carrying value due to lands and buildings revaluation increases the reserve capital from revaluation within the framework of equity. Decrease that compensates previous increases regarding the same tangible assets decrease equity that arouse from the valuation of fair value. All other decreases are acknowledged in the profit and loss statement.

If the closing value of a component of tangible fixed assets exceeds or equals its carrying value then this component is no longer depreciated until its closing value decreases below the carrying value.

The value of tangible fixed assets is subject to amortization taking into account the estimated operating period and the retrieval value in case of liquidation. Tangible assets of original value less than 3,500.00 PLN for the purposes of balance sheet and taxes are depreciated only once at the moment of commissioning.

Amortization rates resulting from the law of 15th February 1992 on the tax from legal persons that specifies the amount of amortization constituting tax deductible costs are assumed for fiscal purposes.

Tangible assets are depreciated according to the straight line method beginning from the month after the month when they are ready to be used in the period corresponding to the estimated period of their economic utility:

- own lands are not depreciated
- buildings and structures 10-50 years
- technical equipment and machines 2.5-20 years
- means of transport 3-10 years
- other fixed assets in use 2.5-14 years

The Company made the valuation of buildings according to the fair value and acknowledged it as the assumed cost as of 1st January 2004, which is the day of transition to using IFRS.

Lands in perpetual usufruct resulting from decisions of particular Town Councils are shown off-balance in a fair value.

**Tangible assets under construction** are valued in the amount of general costs that are directly related to their purchase or manufacturing diminished by write-offs due to permanent impairment. Investment materials are also shown within the framework of tangible assets under construction.

Tangible assets under construction are not depreciated until the end of their construction and commissioning.

#### 4.3 NON-TANGIBLE ASSETS (IAS 38)

A component of intangible assets is shown in the purchase price or manufacturing cost diminished by depreciation and total amount of allowances due to impairment. Allowances should be evenly apportioned in its usage period estimated as properly as possible. Amortization begins at the moment when the component of intangible assets is ready to use.

Intangible assets are depreciated using the straight line method according to the following rules:

- licences and patents 2 years
- software 2 years

Intangible assets of individual purchase price equal to or less than **3,500.00 PLN** are written-off only once in the costs. Other intangible assets are depreciated using the straight line method in its usage period estimated properly. Amortization periods of intangible assets of significant original value are verified at least at the end of every financial year.

#### 4.4 INVESTMENT REAL ESTATE (IAS 40)

Investment real estate is a real estate (land, building, structure or part of a building) that the Company considers as a source of revenues from rent or maintains due to increase of its value. Lands and buildings are valued according to the fair value. The fair value for buildings is assumed to be their net book value. Investment real estates are not subject to amortization. Profit and loss resulting from the changes of fair value are presented in the profit and loss statement of the period when they arouse.

#### 4.5 LEASING (IAS 17)

Leasing of tangible fixed assets when the Company takes over virtually all benefits and all risks resulting from the ownership title is classified as financial leasing. Assets used on the basis of financial leasing contract are considered as the Company's assets and valued in their fair value at the moment of their purchase, which however does not exceed the minimal leasing payments. Payables that arise due to this title to the lessor are presented in the balance sheet in the item due to financial leasing as payables.

Leasing payments are divided into interest and capital so that the interest rate from the remaining payables was fixed value.

Interest is referred to the profit and loss statement and encumbers the financial costs during the leasing. The components of tangible fixed assets purchased within the framework of financial leasing contracts are depreciated throughout the usage period of the given assets component or throughout the period of leasing. Leasing where the lessor maintains basically all types of risk and benefits due to ownership is classified as operating leasing. Leasing payments within the framework of operating leasing encumber the profit and loss statement in a linear way throughout the period of the leasing contract duration.

#### 4.6 INVENTORIES (IAS 2)

Inventories are valued in the purchase price, in the manufacturing cost or in net value that may be attained according to the lowest one. As of the balance sheet day one makes allowances for inventories if there are justifying grounds for them. Allowances are classified in the operating costs. As of the balance sheet day inventories are shown in the purchase price diminished by allowances made. The Company makes inventories spending according to the following methods:

- materials - according to the purchase price for materials purchased for a particular order,
- goods - according to FIFO method (spending is valued consecutively at prices of the components that the Company purchased at the earliest).

Work in progress is valued according to the manufacturing cost including direct costs and the justified part of indirect costs except for the costs of external financing.

#### 4.7. LONG- AND SHORT-TERM RECEIVABLES

Trade receivables are shown in the amount of the required payment diminished by allowances. Receivables are revaluated depending on the degree of probability of their payment by making the allowance.

Allowances for receivables are classified in the operating costs or financial costs respectively - depending on the type of receivables that the allowance refers to.

Depreciated, prescribed or uncollectible receivables diminish previous allowances for receivables.

In case when the time of money payment is significant, receivables are determined through discounting the expected future cash flows to the current amount using the gross discount rate that reflects current market estimations of time value of money. If the discounting method was applied, increase of receivables in connection with the lapse of time is presented as financial revenues.

#### 4.8 TRANSACTIONS IN FOREIGN CURRENCY (IAS 21)

The functional currency of the Company is Polish zloty. Transactions expressed in currencies other than the Polish zloty are converted to Polish zlotys using the exchange rate effective as of the day of the transaction. As of the balance sheet day cash, bank credits and other pecuniary assets and liabilities expressed in currencies other than the Polish zloty are converted to Polish zloty using the average NBP exchange rate. The exchange rate differences that occur due to conversion are presented respectively in the financial revenues or costs.

Non-pecuniary assets and liabilities presented according to the historical cost expressed in the foreign currency are shown at a historical exchange rate as of the day of transaction. Non-pecuniary assets and liabilities presented according to the fair value expressed in the foreign currency are converted at the exchange rate as of the day of valuation to the fair value. The EURO exchange rate for the purpose of valuation was assumed as of 31.12.2007 - 3.5820 and as of 31.12.2008 - 4.1724.

#### 4.9 CASH AND ITS EQUIVALENTS (IAS 39)

Cash in hand and in bank as well as short-term deposits maintained until the maturity date are valued according to the nominal value.

Cash and cash equivalents balance shown in the cash flow statement consists of the above mentioned cash and cash equivalents diminished by the unpaid credits in the current account.

The Company considers cash on the ZFŚS (the Company's Social Fund) account and cash on cash deposits provided as contract performance guarantees as cash of limited disposal ability.

#### 4.20 FIXED ASSETS INTENDED FOR SALE AND DISCONTINUED ACTIVITIES (IFRS 5)

Fixed assets that are very likely to be sold as there is an active program of searching a purchaser for them and the sale is expected to be closed within one year are classified as fixed assets intended for sale and they are no longer depreciated.

#### 4.11. PREPAYMENTS

Prepayments are made if the incurred costs regard future reporting periods.

For example the following are subject to settlement in time:

- property insurances,
- annuities for lands accepted for perpetual usufruct,
- annual write-off for the Company's Social Fund,
- magazines subscription paid for the next year,
- other costs regarding a series of reporting periods, if the title to their activation results from their documentary proof,
- surplus of the revenues valued cumulatively over the net booked advances is booked in the short-term prepayments and presented in assets.

The titles of prepayments that do not regard the Company's regular operating activity cycle and their settlement period will be longer than 12 months from the balance sheet date are shown in the long-term prepayments.

Accruals are made in the amount of probable payables falling upon the current reporting period.



Accruals include:

- provision due to guarantee or warranty repairs or long life goods sold,
- planned costs of financial statements audit,
- costs of unused leaves including ZUS (Social Insurance Institute) premiums,
- provisions for unpaid bonuses for employers, proxies and members of the management board,
- value of services performed for the benefit of the Company that have not been invoiced and by virtue of the contract the contractor has not been obliged to invoice it,
- costs of current period shown in an invoice of next period,
- provisions for future financial costs,
- surplus of net booked advances over cumulative valuation revenues, which is booked in other short-term accruals and presented in liabilities, item payables.

#### **4.12 SHARE CAPITAL AND RESERVE CAPITAL**

Share capital is shown in the nominal value of shares issued pursuant to the articles of association and the status registered in the National Court Register (NCR).

Pursuant to the IAS 29 requirements, the Company recounted the basic capital as it arose in hyperinflation conditions.

Additional costs directly related to the issue of new shares or options are shown in equity as a reduction of proceeds from the issue. In case of shares cancellation the payment for shares encumbers equity and is shown in the balance sheet in the item own shares. Reserve capital is created pursuant to the Company's articles of association from the retained profit and as a result of movement of other reserve capitals. Reserve capital from revaluation includes the profit and loss from the changes of fair value of financial instruments and tangible assets.

#### **4.13 PROVISIONS (IAS 37)**

Provisions are created when the Company has an existing duty (legal or customary) resulting from the past events and when it is certain or very probable that the fulfillment of such duty will result in the payment of means reflecting economic benefits and when it is possible to make a reliable valuation of the amount of such liability.

#### **4.14 RETIREMENT AND OTHER BENEFITS AFTER THE EMPLOYEMENT PERIOD (IAS 19)**

In accordance with the Company's remuneration system, the employees are entitled to jubilee rewards after having worked a specified amount of years and to gratuities and annuities at the moment of retiring. The Company acknowledges the costs for such titles on the memorial basis.

The amount of the jubilee award depends on the seniority and on the average quarterly remuneration.

The employees also obtain single payments due to retiring. The amount of payments depends on the employee's remuneration.

The valuation of long- and short-term benefits is made at the end of every financial year on the basis of actuarial valuation.

#### 4.15 FINANCIAL INSTRUMENTS (IAS 32,39)

Financial instruments are divided into the following categories:

- financial assets maintained to the maturity date,
- financial instruments valued in fair value by the financial result,
- loans and receivables and
- financial assets available for sale.

Financial assets maintained to the maturity date are investments of specified or possible to specify payment terms and determined maturity date that the Company intends or has the possibility to maintain until that time. Financial assets maintained to the maturity date are valued according to the depreciated cost using the effective interest rate method.

Financial instruments purchased to generate profit from short-term price fluctuations are classified as financial instruments valued in fair value by financial result.

Financial instruments valued in fair value by the financial result are valued in the fair value without deducting the costs of transactions and considering their market value as of the balance sheet date. The changes of the financial instruments are presented in the financial revenues or costs.

Loans and receivables are presented according to the depreciated cost.

All other financial assets are financial assets available for sale. Financial assets available for sale are presented according to the fair value without deducting the costs of transactions and considering their market value as of the balance sheet date. In case there are no stock exchange listings on the active market and it is impossible to reliably estimate their fair value using alternative methods, financial assets available for sale are valued in the purchase price adjusted by the allowance due to impairment.

Positive and negative difference between the fair value and the purchase price - after deduction of the deferred tax - of assets available for sale (if there is a market price determined on the active regulated market or where the fair value may be determined in another reliable way) applies to the reserve capital from revaluation. The decrease of assets available for sale due to impairment refers to the profit and loss statement as a financial cost.

Financial assets maintained to the maturity date are qualified as long-term assets if their maturity date exceeds 12 months from the balance sheet date.

Financial assets valued in the fair value by the financial result are qualified to current assets if the Management Board intends to use them within 12 months from the balance sheet date.

Purchase and sales of financial assets are identified as of the day of transaction. At the moment they are initially presented, they are valued at the price of purchase, i.e. in the fair value, including the transaction costs.

Financial payables that are not financial instruments valued in the fair value by the financial result are valued according to the depreciated cost using the effective interest rate method.

A financial instrument is removed from the balance sheet when the Company no longer controls the contractual rights that the financial instrument consists of: it usually takes place when the instrument is sold or when all cash flows attributed to the instrument are passed on to an independent third party.

#### **4.16 PAYABLES**

Long-term payables include payables or a part of payables with maturity date after the lapse of at least one year beginning from the balance sheet date.

This item also shows the long-term part of bank credits and loans as well as credits due to deliveries and services above 12 months that exceed the regular operating cycle. Long-term payables that exceed the regular production cycle are valued as of the balance sheet date according to the depreciated cost using the effective interest rate method. Bank credits are presented according to the purchase price corresponding to the fair value of cash obtained diminished by credit costs. As of the balance sheet date they are valued according to the depreciated cost using the effective interest rate method.

Short-term payables are all payables due to deliveries and services in the regular production cycle as well as all or a part of remaining payables that mature within 12 months from the balance sheet date. Payables are valued in the amount of the required payment.

#### **4.17 PERMANENT IMPAIRMENT OF ASSETS (IAS 36)**

As of every balance sheet day the Company evaluates whether there are objective backgrounds that indicate assets component or group impairment. If there are such backgrounds the Company determines the estimated value of the assets component that may be regained. If the carrying value of the given assets component or cash earning means exceeds its regaining value, its loss is acknowledged and an allowance to the level of regaining value is made. The regaining value is one of the two values, whichever is higher: the fair value diminished by selling costs or use value of the given assets component or cash earning means. The write-off is applied to the profit and loss statement of the current period. If the assets have already been revaluated, the loss diminishes the revaluation capitals and then is applied to the profit and loss statement of the current period.

#### **4.18 DEFERRED INCOME TAX (IAS 12)**

In connection with temporary differences between assets and liabilities shown in the accounting books and their tax value and tax loss that can be deducted in the future, the Company makes a provision and determines assets due to deferred income tax that it is obliged to pay.

The gross financial result determined on the basis of book-keeping records is subject to transformation to the tax income through:

- adding the expenses that do not constitute tax deductible costs to the gross profit, pursuant to the law on income tax from the legal persons,
- deduction from the gross revenues that are not acknowledged as tax revenue, pursuant to the law,
- adding the so-called statistical revenues to the gross profit.

The above mentioned adjustments of the gross profit are:

- permanent - the amounts added and deductions that are not considered when estimating the income, for example representation and advertising expenses above the limit, amortization of passenger cars and their insurances above the limit amounts,
- temporary - amounts that can be recognized as tax deductible costs or as revenues within the meaning of the law on the income tax, but in a period other than the accounting law provides for.

The provision due to the deferred income tax equals the income tax that is to be paid in the future as there are positive temporary differences, i.e. differences that will increase the basis for calculating the income tax in the future.

The provision due to the deferred tax is valued in accordance with the application of tax rates that as anticipated will be applied when the provision will be released assuming for the basis the tax rates (and tax regulations) that were legally valid or practically valid as of the balance sheet day. The current and deferred tax is recognized as a revenue or a cost that influences the net profit or loss of the given period, excluding taxes resulting from:

- transactions or events that are recognized directly in the capital in the same or another period or
- merger of economic entities.

The provisions for the deferred tax as well as the activated income tax must be analyzed and settled in monthly periods on the basis of the titles that were the basis for their formation. The deferred tax ought to be shown in the profit and loss statement in the item "Income tax".

The provision for the income tax and the activated income tax is made only with reference to the adjustments of temporary nature. Provision and assets due to the deferred income tax regarding operations settled with own capitals applies also to equity.

#### **4.19 RECOGNITION OF REVENUES**

##### **4.19.1 REVENUES FROM THE SALE OF GOODS AND PRODUCTS (IAS 18)**

The revenues are presented if a significant risk or benefits resulting from the ownership right to goods and products were given to the purchaser and when the revenues may be valued in a reliable way.

##### **4.19.2 REVENUES DUE TO CONTRACTS FOR CONSTRUCTION SERVICES (IAS 11)**

Contracts for construction services as of the balance sheet day are valued on the basis of the services progress method. The progress degree is determined on the basis of relation of the incurred costs and the planned updated costs of contract performance, i.e. the degree of performance of the budget of the entire contract.

##### **4.19.3 INTEREST RATE REVENUES (IAS 18)**

Revenues due to interest are acknowledged at the moment they are charged taking into consideration the effective return rate from the assets. Allowance is made for all revenues except for the valued interest from loans.

#### **4.19.4 DIVIDEND REVENUES (IAS 18)**

Revenues due to dividends are acknowledged at the moment the Company obtains the rights to the dividends.

#### **4.19.5 REVENUES DUE TO HIRE (IAS 18)**

Revenues due to hire of investment real estates are presented using the straight line method throughout the hire period in relation to the open contracts.

#### **4.20 NET PROFIT PER SHARE (IAS 33)**

Net profit per share for every period is calculated dividing the net profit assigned to the Company's shareholders by the average weighted number of ordinary shares in the given period.

#### **4.21 CONTINGENT PAYABLES AND RECEIVABLES (IAS 37)**

Contingent payables mean the duty to perform benefits that will arise depending on the existence of specified events.

Contingent payables are not shown in the balance sheet, however information on a contingent payable is disclosed unless the probability to provide means reflecting economic benefits is insignificant.

Contingent receivables are not shown in the balance sheet, however information on a contingent receivable is disclosed if the receipt of means reflecting economic benefits is probable.

#### **4.22 DERIVATIVE FINANCIAL INSTRUMENTS (IAS 39)**

The Company applies derivative financial instruments mainly to limit the risk of negative fluctuations of interest rates, foreign currency exchange rates, goods prices and other types of market risk. Derivative financial instruments are shown in the fair value.

##### **4.22.1 SECURING THE PRESENTED ASSETS AND LIABILITIES (IAS 39)**

If a derivative financial instrument secures against the changeability of the fair value of the presented receivables or payables, all profits or losses from the securing instrument arising as a result are recognized in the profit and loss statement.

The securing item is also shown in the fair value in relation to the risk secured, whereas all profits and losses are included in the profit and loss statement.

#### 4.23 REPORTING REGARDING THE ACTIVITY SEGMENTS (IFRS 8)

The activity is grouped mainly according to the branch criterion. A segment of activity is a group of assets and areas of actions that are engaged to deliver products or services that are subject to particular types of risk and benefits that differ from the types of risks and benefits of other segments of activity. The basis for defining the costs of segments are costs that contain costs of selling the products to the clients and costs of transactions made with other segments that result from the operating activity of the given segment and that may be directly assigned to the segment.

A complementary classification is a geographical classification, where the delivery of products and services takes place in a particular economic environment and is subject to particular types of risks and benefits that differ from the types of risks and benefits of segments of activity in other economic environments.

#### 5. EXCHANGE RATES APPLIED TO CONVERSIONS

The Company applied the below mentioned average PLN exchange rates, in the periods presented in the financial statements and comparative data, in relation to EURO, fixed by the National Bank of Poland.

	01.01.2008- 31.12.2008	01.01.2007- 31.12.2007
The exchange rate as of the last day of the period	4.1724	3.5820
The average exchange rate	3.5321	3.7768

#### 6. SELECTED FINANCIAL DATA

Period SELECTED FINANCIAL DATA	2008		2007	
	'000 PLN	'000 EUR	'000 PLN	'000 EUR
<b>PROFIT AND LOSS STATEMENT</b>				
<b>I. Net revenues from the sale of products, goods and materials</b>	212 100	60 049	231 557	61 310
<b>II. Costs of sold products, goods and materials</b>	183 299	51 895	213 884	56 631
<b>III. Gross profit (loss) on sales</b>	28 801	8 154	17 673	4 679
<b>IV. Other revenues</b>	22 075	6 250	14 452	3 827
<b>V. Costs of sales</b>	1 187	336	94	25
<b>VI. General management costs</b>	12 654	3 583	9 214	2 440
<b>VII. Other costs</b>	16 817	4 761	11 696	3 097
<b>VIII. Profit (loss) from operating activity</b>	20 218	5 724	11 121	2 944
<b>IX. Financial revenues</b>	8 434	2 388	9 762	2 585
<b>X. Financial costs</b>	12 883	3 647	4 060	1 075
<b>XI. Gross profit</b>	15 769	4 465	16 823	4 454
<b>XIV. Income tax</b>	3 392	960	4 139	1 096
<b>XV. Net profit from continued activities</b>	12 377	3 505	12 684	3 358

Period SELECTED FINANCIAL DATA	2008		2007	
	'000 PLN	'000 EUR	'000 PLN	'000 EUR
<b>BALANCE SHEET</b>				
<b>I. Long-term fixed assets</b>	106 540	25 534	50 044	13 971
<b>II. Short-term current assets</b>	181 114	43 408	143 635	40 099
<b>III. Total assets</b>	287 654	68 942	193 679	54 070
<b>IV. Equity</b>	109 324	26 202	91 690	25 597
<b>V. Long-term payables</b>	36 408	8 726	16 785	4 686
<b>VI. Short-term payables</b>	141 922	34 014	85 204	23 787
<b>VIII. Total liabilities</b>	287 654	68 942	193 679	54 070
<b>CASH FLOW STATEMENT</b>				
<b>I. Net cash flows from operating activities</b>	20 105	5 692	-26 255	-6 952
<b>II. Net cash flows from investment activity</b>	-91 226	-25 828	3 973	1 052
<b>III. Net cash flows from financial activity</b>	43 222	12 237	47 201	12 498
<b>IV. Net cash flows</b>	-27 899	-7 899	24 919	6 598

The average exchange rate from the four quarters was applied to the conversion of the selected data from the profit and loss statement and the cash flow statement as of 31.12.2008, whereas the average NBP exchange rate effective as of the last day of the period was applied to the conversion of the selected balance sheet data.

## 7. THE EFFECT OF APPLICATION OF NEW ACCOUNTING STANDARDS AND CHANGES OF THE ACCOUNTING POLICY

Transformations for the comparative periods were not necessary for the purpose of preparation of financial statements and for the effect of comparability for the previous periods.

## FINANCIAL DATA

### BALANCE SHEET

	Note	2008	2007
<b>Assets</b>			
<b>I. Long-term fixed assets</b>		<b>106 540</b>	<b>50 044</b>
1. Tangible fixed assets	8	38 541	34 589
2. Non-tangible assets	9	277	114
3. Goodwill		0	1 104
4. Investment real estate	10	15 328	10 936
5. Financial assets	11	49 020	2 245
5a. Investment in subsidiaries		33 622	599
5b. Investments in associated entities		0	0
5c. Investments available for sale		179	1 550
5d. Other financial assets		219	96

	Note	2008	2007
5e. Loans given		15 000	0
6. Long-term receivables		63	63
7. Deferred income tax assets	12	3 044	830
8. Prepayments	13	267	163
<b>II. Short-term current assets</b>		<b>181 114</b>	<b>143 635</b>
1. Inventories	14	28 162	42 270
2. Short-term receivables	15	143 386	61 376
2a. Trade receivables		53 976	49 674
2b. Other receivables		72 754	8 050
2c. Income tax receivables		0	0
2c. Prepayments		16 656	3 652
3. Current financial assets	16	2 860	5 718
3a. Loans given		2 860	4 297
3b. Financial assets intended for sale		0	0
3c. Foreign currency forward contracts		0	1 421
4. Cash and equivalents	17	6 706	34 271
<b>Total assets</b>		<b>287 654</b>	<b>193 679</b>
<b>Liabilities</b>			
<b>I. Equity</b>			
1. Share capital including:	18	69 725	65 335
- share capital		48 390	44 000
- revaluation due to hyperinflation		21 335	21 335
2. Own shares		-2 254	
3. Supplementary capital	19	20 511	11 522
4. Reserve capital from assets revaluation	20	10 792	11 245
5. Other reserve capital	21	7 269	0
6. Profit (loss) from previous years		-9 096	-9 096
7. Profit (loss) from current year		12 377	12 684
<b>II. Long-term payables</b>		<b>36 408</b>	<b>16 785</b>
1. Provisions	22	10 037	9 457
1a. Provisions for employee benefits		5 533	5 381
1b. Deferred income tax provision		4 504	4 076
2. Financial payables	23	26 371	7 328
2a. Bank loans and credits		23 475	4 675
2b. Leasing payables		2 896	2 653
<b>III. Short-term payables</b>		<b>141 922</b>	<b>85 204</b>
1. Provisions	24	649	1 636
1a. Provisions for employee benefits		649	644
1b. Other provisions		0	992
2. Financial payables	25	46 933	17 017
2a. Bank loans and credits		37 293	15 015
2b. Leasing payables		2 279	2 002
2c. Foreign currency forward contracts		7 361	0
3. Short-term payables	26	94 340	66 551
3a. Trade payables		43 210	30 756
3b. Other payables		23 834	9 721
3c. Income tax payables		4 933	2 278
3d. Accruals		22 363	23 796
<b>Total liabilities</b>		<b>287 654</b>	<b>193 679</b>



	Note	2008	2007
Book value		109 324	91 690
Weighted average number of ordinary shares ('000 number of units)		45 203	44 000
Book value of each share (PLN)		2.42	2.08

#### OFF-BALANCE SHEET ITEMS

		2008	2007
1. Contingent receivables		43 855	10 290
1.1 From related entities (due to)		30 426	4 780
- bills of exchange		30 426	4 780
1.2 From other entities (due to)		13 429	5 510
- bills of exchange		6 571	2 876
- guarantees given		6 858	2 634
2. Contingent payables		49 639	48 276
2.1 To related entities (due to)			
- guarantees and warranties given			
2.2 To other entities (due to)		49 639	48 276
- guarantees and warranties given		42 418	20 659
- bill of exchange as security for contract		7 221	27 617
3. Other (due to)		-	2 390
- disputed payables		-	2 390
<b>Off-balance sheet items, total</b>		<b>93 494</b>	<b>60 956</b>

#### PROFIT AND LOSS STATEMENT

	Note	2008	2007
<b>I. Net revenues from the sale of products, goods and materials</b>	<b>27</b>	<b>212 100</b>	<b>231 557</b>
II. Costs of sold products, goods and materials	28	183 299	213 884
<b>III. Gross profit (loss) on sales</b>		<b>28 801</b>	<b>17 673</b>
IV. Other revenues	29	22 075	14 452
V. Costs of sales		1 187	94
VI. General management costs		12 654	9 214
VII. Other costs	30	16 817	11 696
<b>VIII. Profit (loss) from operating activity</b>		<b>20 218</b>	<b>11 121</b>
IX. Financial revenues	31	8 434	9 762
X. Financial costs	32	12 883	4 060
<b>XI. Gross profit (loss) (before tax)</b>		<b>15 769</b>	<b>16 823</b>
XII. Income tax	33	3 392	4 139
<b>XIII. Net profit (loss) from continued activity</b>		<b>12 377</b>	<b>12 684</b>
<b>XIV. Profit (loss) from discontinued activity</b>		<b>0</b>	<b>0</b>
<b>XV. Net profit (loss) from continued and discontinued activity</b>		<b>12 377</b>	<b>12 684</b>
Net profit (loss) (annuled)		12 377	12 684
Weighted average number of ordinary shares ('000)		45 203	44 000

	Note	2008	2007
number of units)			
Profit (loss) per ordinary share (PLN)		0.27	0.29

## STATEMENT OF CHANGES IN EQUITY

	2008	2007
<b>I. Opening balance of shareholders' equity (BO)</b>	<b>91 690</b>	<b>41 568</b>
a) changes in the assumed accounting principles (policy)	0	0
b) adjustments of fundamental errors		
<b>I.a. Opening balance of shareholders' equity (BO), after adjusting to the comparative data</b>	<b>91 690</b>	<b>41 568</b>
<b>1. Opening balance of share capital</b>	<b>65 335</b>	<b>32 335</b>
1.1 Changes in share capital	4 390	
a) increase (due to)	4 390	33 000
- issue of shares	4 390	33 000
b) decrease (due to)		
<b>1.2. Closing balance of share capital</b>	<b>69 725</b>	<b>65 335</b>
<b>2. Opening balance of called up share capital</b>		
<b>2.1 Changes in called up share capital</b>		
a) increase (due to)		
b) decrease (due to)		
<b>2.2. Closing balance of called up share capital</b>		
<b>3. Opening balance of own shares (interests)</b>	<b>0</b>	
<b>3.1 Changes in own shares (interests)</b>	<b>2 254</b>	
a) increase (due to)	2 254	
- redemption of own shares	2 254	
b) decrease (due to)		
<b>3.2. Closing balance of own shares (interests)</b>	<b>-2 254</b>	
<b>4. Opening balance of supplementary capital</b>	<b>11 522</b>	<b>7 755</b>
<b>4.1 Changes in supplementary capital</b>	<b>8 989</b>	<b>3 767</b>
a) increase (due to)	8 989	3 767
- movement from the Share Purchase Support Fund	0	1 000
- from profit distribution (above the statutory minimum value)	1 015	0
- issue of shares	7 974	2 767
b) decrease (due to)	0	0
- previous years' loss coverage	0	0
<b>4.2. Closing balance of supplementary capital</b>	<b>20 511</b>	<b>11 522</b>
<b>5. Opening balance of revaluation reserve</b>	<b>11 245</b>	<b>10 109</b>
<b>5.1. Changes in revaluation reserve</b>	<b>-453</b>	<b>1 136</b>
a) increase (due to)	0	2 939
- revaluation of financial assets	0	244
- revaluation of tangible fixed assets	0	1 487
- deferred tax from revaluation of tangible fixed assets	0	1 208
b) decrease (due to)	453	1 803
- allowance for tangible fixed assets	0	0
- reversing entry revaluation of financial assets	453	0
- sales of fixed assets	0	1 533
- deferred income tax from revaluation of fixed assets	0	270
<b>5.2. Closing balance of revaluation reserve</b>	<b>10 792</b>	<b>11 245</b>

	2008	2007
<b>6. Opening balance of other reserve capital</b>	<b>0</b>	<b>1 000</b>
<b>6.1 Changes in other reserve capital</b>	<b>7 269</b>	<b>0</b>
a) increase (due to)	7 269	
- establishing capital for purchase of own shares to be redeemed	7 269	
b) decrease (due to)	0	1 000
- release of reserve capital for disposal of own shares	0	1 000
<b>6.2. Closing balance of other reserve capital</b>	<b>7 269</b>	<b>0</b>
<b>7. Opening balance of previous years' profit (loss)</b>	<b>3 588</b>	<b>-9 631</b>
<b>7.1 Opening balance of previous years' profit</b>	<b>12 684</b>	<b>0</b>
a) changes in the assumed accounting principles (policy)		
b) adjustments of fundamental errors		
<b>7.2. Opening balance of previous years' profit, after adjusting to the comparative data</b>	<b>12 684</b>	<b>0</b>
a) increase (due to)	0	535
- movement from the reserve capital as a result of sales of tangible fixed assets	0	535
b) decrease (due to)	12 684	0
- previous years' profit distribution	12 684	0
- deferred tax from sales of fixed assets	0	0
<b>7.3 Closing balance of previous years' profit</b>	<b>0</b>	<b>535</b>
<b>7.4 Opening balance of previous years' loss</b>	<b>9 096</b>	<b>0</b>
a) changes in the assumed accounting principles (policy)		
b) adjustments of fundamental errors		
<b>7.5. Opening balance of previous years' loss, after adjusting to the comparative data</b>	<b>9 096</b>	<b>9 631</b>
a) increase (due to)		
b) decrease (due to)	0	0
- previous years' loss coverage	0	0
<b>7.6 Closing balance of previous years' loss</b>	<b>9 096</b>	<b>9 631</b>
<b>7.7. Closing balance of previous years' profit (loss)</b>	<b>-9 096</b>	<b>-9 096</b>
<b>3. Net result</b>	<b>12 377</b>	<b>12 684</b>
a) net profit	12 377	12 684
b) net loss	0	0
c) write-offs on profit		
<b>II. Closing balance of shareholders' equity (BZ)</b>	<b>109 324</b>	<b>91 690</b>
<b>III. Shareholders' equity, after adjustments of the proposed profit distribution (loss coverage)</b>	<b>109 324</b>	<b>91 690</b>

## CASH FLOW STATEMENT

	2008	2007
<b>A. Cash flows from operating activity (indirect method)</b>		
<b>I. Net profit (loss)</b>	<b>12 377</b>	<b>12 684</b>
<b>II. Total adjustments</b>	<b>7 728</b>	<b>-38 939</b>
1. Share in net profit (loss) of subordinate entities valued using the equity method	0	0
2. Amortization	4 019	4 065

	2008	2007
3. (Profit) loss on foreign exchange differences	-334	534
4. Interest and profit sharing (dividends)	-90	-1 160
5. (Profit) loss from investment activity	-178	-1 973
6. Movements in provisions	-407	1 659
7. Movements in inventories	14 108	-37 157
8. Movements in receivables	-17 907	-19 139
9. Movements in short-term payables, except loans and credits	33 786	121
10. Movements in prepayments and accruals	-16 755	15 205
11. Other adjustments	-8 514	-1 094
<b>III. Net cash flows from operating activity (I-II) – indirect method</b>	<b>20 105</b>	<b>-26 255</b>
<b>B. Cash flows from investment activity</b>		
<b>I. Proceeds</b>	<b>3 612</b>	<b>14 387</b>
1. Disposal of intangible and tangible fixed assets	0	2 586
2. Disposal of investments in real estate and in intangible assets	1 348	
3. From financial assets, including:	2 264	11 801
a) in related entities	600	10 831
- disposal of financial assets	0	0
- dividends and profit sharing		
- repayment of loans	600	136
- interest		
- other proceeds from financial assets	0	10 695
b) in other entities	1 664	970
- disposal of financial assets	1 095	0
- dividends and profit sharing	24	0
- repayment of loans	0	22
- interest	545	948
- other proceeds from financial assets	0	0
4. Other investment proceeds		
<b>II. Disbursements</b>	<b>94 838</b>	<b>10 414</b>
1. Acquisition of intangible and tangible fixed assets	3 503	6 017
2. Investments in real estate and in intangible assets	44 148	
3. For financial assets, including:	47 187	4 397
a) in related entities	47 187	4 397
- acquisition of financial assets	33 023	50
- loans given	14 164	4 347
b) in other entities	0	0
- acquisition of financial assets	0	0
4. Other investment expenses	0	0
<b>III. Net cash flows from investment activities (I-II)</b>	<b>-91 226</b>	<b>3 973</b>
<b>C. Cash flows from financial activity</b>		
<b>I. Proceeds</b>	<b>88 190</b>	<b>91 742</b>
1. Net proceeds from the issue of shares or other capital instruments and contributions to capital	12 364	35 767
2. Credits and loans	75 826	55 975
3. Issue of debt securities		
4. Other investment proceeds	0	0
<b>II. Expenses</b>	<b>44 968</b>	<b>44 541</b>
1. Purchase of own shares (interests)	2 254	
2. Dividends and other payments to shareholders	4 349	

	2008	2007
3. Other expenses due to profit sharing except payments to shareholders		
4. Repayment of credits and loans	34 748	44 079
5. Redemption of debt securities	0	0
6. Due to other financial payables		
7. Payments due to financial leasing	2 486	
8. Interest	1 131	462
9. Other financial expenses		
<b>III. Net cash flows from financial activity (I-II)</b>	<b>43 222</b>	<b>47 201</b>
D. Net cash flows, total (A.III+/-B.III+/-C.III)	-27 899	24 919
E. Balance sheet movements in cash, including:	-27 565	24 385
- movements in cash due to foreign exchange differences	334	-534
F. Opening balance of cash	34 271	9 886
<b>G. Closing balance of cash (F+/- D)</b>	<b>6 372</b>	<b>34 805</b>

## EXPLANATORY NOTES TO BALANCE SHEET

### NOTE 8

TANGIBLE FIXED ASSETS	2008	2007
a) tangible assets, including:	35 135	34 578
- land (including right to perpetual usufruct)	412	415
- buildings, premises, civil and water engineering structures	23 706	23 675
- technical equipment and machines	6 186	5 707
- vehicles	3 511	3 115
- other tangible assets	1 320	1 666
b) tangible assets under construction	3 406	11
c) advances for tangible assets under construction	-	-
<b>Tangible fixed assets, total</b>	<b>38 541</b>	<b>34 589</b>

## NOTE 8.1

**CHANGES IN TANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2008**

	- land (including right to perpetual usufruct)	- buildings, premises, civil and water engineering structures	- technical equipment and machines	- vehicles	- other tangible assets	Tangible assets, total
<b>a) opening balance of gross tangible assets</b>	421	27 733	19 506	11 739	10 382	69 781
<b>b) increase (due to)</b>	-	<b>930</b>	<b>2 135</b>	<b>1 241</b>	<b>1 005</b>	<b>5 311</b>
- purchase	-	37	682	49	977	1 745
- leasing	-	-	1 326	1 192	22	2 540
- modernization	-	893	127	-	6	1 026
<b>c) decrease (due to)</b>	-	<b>56</b>	<b>1 934</b>	<b>581</b>	<b>1 388</b>	<b>3 959</b>
- liquidation	-	56	1 147	2	624	1 829
- theft	-	-	145	-	-	145
- sale	-	-	642	579	764	1 985
<b>d) closing balance of gross tangible assets</b>	<b>421</b>	<b>28 607</b>	<b>19 707</b>	<b>12 399</b>	<b>9 999</b>	<b>71 133</b>
<b>e) opening balance of accumulated amortization (depreciation)</b>	<b>7</b>	<b>4 051</b>	<b>13 799</b>	<b>8 624</b>	<b>8 712</b>	<b>35 193</b>
<b>f) amortization for the period (due to)</b>	<b>2</b>	<b>850</b>	<b>-278</b>	<b>264</b>	<b>-33</b>	<b>805</b>
- depreciation	2	876	1 275	842	887	3 882
- sale	-	-	-419	-576	-297	-1 292
- liquidation	-	26	-1 100	-2	-623	-1 751
- theft	-	-	-34	-	-	-34
<b>g) closing balance of accumulated amortization (depreciation)</b>	<b>9</b>	<b>4 901</b>	<b>13 521</b>	<b>8 888</b>	<b>8 679</b>	<b>35 998</b>
<b>h) opening balance of write-off due to permanent impairment</b>	-	-	-	-	-	-
- increase	-	-	-	-	-	-
- decrease	-	-	-	-	-	-
<b>i) closing balance of write-off due to permanent</b>	-	-	-	-	-	-

**CHANGES IN TANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2008**

<b>impairment</b>						
<b>j) closing balance of net tangible assets</b>	<b>412</b>	<b>23 706</b>	<b>6 186</b>	<b>3 511</b>	<b>1 320</b>	<b>35 135</b>
<b>k) tangible assets under construction</b>	<b>-</b>	<b>3 367</b>	<b>39</b>			<b>3 406</b>
<b>Total tangible assets as in the balance sheet</b>	<b>412</b>	<b>27 073</b>	<b>6 225</b>	<b>3 511</b>	<b>1 320</b>	<b>38 541</b>

**NOTE 8.2**

**CHANGES IN TANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2007**

	<b>- land (including right to perpetual usufruct)</b>	<b>- buildings, premises, civil and water engineering structures</b>	<b>- technical equipment and machines</b>	<b>- vehicles</b>	<b>- other tangible assets</b>	<b>Tangible assets, total</b>
<b>a) opening balance of gross tangible assets</b>	478	32 235	18 587	11 132	8 859	71 291
<b>b) increase (due to)</b>	<b>-</b>	<b>22 574</b>	<b>2 960</b>	<b>1 303</b>	<b>1 827</b>	<b>28 653</b>
- purchase	-	-	612	423	1 151	2 186
- leasing			2 335	804	630	3 769
- modernization		44	4	1	27	76
- acquisition from a subsidiary		24	9	75	19	127
- valuation		22 495				22 495
- tangible assets under construction		11				11
<b>c) decrease (due to)</b>	<b>57</b>	<b>27 076</b>	<b>2 041</b>	<b>696</b>	<b>304</b>	<b>30 174</b>
- liquidation		-	347	13	293	653
- transfer by contribution	57	3 946	986		11	5 000
- writing-off the value for capital from revaluation		21 779				21 779
- sale		1 351	708	683	-	2 742
<b>d) closing balance of gross tangible assets</b>	<b>421</b>	<b>27 733</b>	<b>19 506</b>	<b>11 739</b>	<b>10 382</b>	<b>69 770</b>
<b>e) opening balance of accumulated amortization (depreciation)</b>	<b>4</b>	<b>8 526</b>	<b>14 628</b>	<b>8 638</b>	<b>7 702</b>	<b>39 498</b>

**CHANGES IN TANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2007**

<b>f) amortization for the period (due to)</b>	<b>2</b>	<b>-4 479</b>	<b>-829</b>	<b>-14</b>	<b>1 014</b>	<b>-4 306</b>
- depreciation	2	1 047	1 012	603	1 292	3 956
- sale		-796	-707	-631	-	-2 134
- liquidation		-	-289	-3	- 291	-583
- allowance		-1 935				-1 935
- writing-off the value for capital from revaluation		- 676	1		19	-656
- acquisition from a subsidiary		-	8	17	4	29
- transfer by contribution		-1 895	-796		-10	-2 701
- other		-224	-58		-	-282
<b>g) closing balance of accumulated amortization (depreciation)</b>	<b>6</b>	<b>4 047</b>	<b>13 799</b>	<b>8 624</b>	<b>8 716</b>	<b>35 192</b>
<b>h) opening balance of write-off due to permanent impairment</b>		-				-
- increase		-				-
- decrease		-				-
<b>i) closing balance of write-off due to permanent impairment</b>		-				-
<b>j) closing balance of net tangible assets</b>	<b>415</b>	<b>23 686</b>	<b>5 707</b>	<b>3 115</b>	<b>1 666</b>	<b>34 589</b>

Pursuant to the Regulation of the Cabinet of 07.07.1998 on the real estate valuation and on the rules of preparing the valuation statement, comparative or profitable approach is applied to estimate market value of real estate.

In case of this document, the real estate valuation was made using profitable approach, investment method, simple capitalization technique.

Profitable approach means estimation of real estate value assuming that a buyer pays a price for the real estate that depends on the anticipated profit that is to be obtained from the real estate and that no more is paid than for another real estate of the same profitability and risk degree.

Profitable approach is applied when estimating the value of real estate that is profitable or might be profitable if the amount of such profit is known or can be estimated.



Investment method is applied when estimating the market value of real estate that brings profit from rent that can be estimated on the basis of analysis of market hire or lease rates.

Estimation of the real estate market value using the profit approach means estimation of the right to obtain profit from the real estate by the owner. Profit from the real estate means profit that can be obtained from land and its components. In case of the discussed real estate it is the value of the right to perpetual usufruct and the ownership of the buildings on the land used related to the aforesaid right.

In profitable approach one estimates the real estate market value. It means that the approach can be applied for valuation of real estate, where it is considered as necessary or purposeful by the legal regulations, professional standards or the nature of rights to estimate the real estate market

Net value of the buildings before revaluation amounts to: 26,518 thousand PLN

Value of the buildings after revaluation amounts to: 23,992 thousand PLN

The company owns tangible assets due to financial leasing that are shown in the balance sheet and amount to 8 175 thousand PLN.

In 2008 the company incurred expenditures for tangible fixed assets in the amount of 8 717 thousand PLN.

<b>ENCUMBRANCES ON TANGIBLE FIXED ASSETS AND INVESTMENT REAL ESTATE DUE TO:</b>	<b>2008</b>	<b>2007</b>
Liabilities due to loans and credits	67 956	99 661
Contracts for leasing receivables redemption	222	223
<b>Total</b>	<b>68 178</b>	<b>99 884</b>

**NOTE 8.3**

<b>TANGIBLE FIXED ASSETS SHOWN OFF-BALANCE</b>	<b>2008</b>	<b>2007</b>
Used on the basis of hire, lease or other contracts, including leasing contract, including:	<b>6 419</b>	<b>6 419</b>
a) value of tangible assets on the basis of leasing contracts	0	0
b) value of land with the right to perpetual usufruct	6 419	6 419
- Katowice Town Council	2 496	2 496
- Gryfice Town Council	1 163	1 163
- Będzin Town Council	2 760	2 760
- Jaworzno Town Council	0	0
- Tychy Town Council	0	0
<b>Off-balance tangible assets, total</b>	<b>6 419</b>	<b>6 419</b>

The payment for land perpetual usufruct amounts to 162 thousand PLN annually.

**NOTE 9**

<b>INTANGIBLE ASSETS</b>	<b>2008</b>	<b>2007</b>
a) costs of finished development works		
b) goodwill	-	1 104
c) acquired concessions, patents, licences, including:	277	114
-software	277	114
d) other intangible assets		
e) advances for intangible assets		
<b>Intangible assets, total</b>	<b>277</b>	<b>1 218</b>

## NOTE 9.1

**CHANGES IN INTANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2008**

	a	b	c	d	e	f	Intangible
	costs of finished development works	goodwill		acquired concessions, patents and similar, including: -software	other intangible assets	advances for intangible assets	assets, total
<b>a) opening balance of gross intangible assets</b>		2 010	1 026	585			3 036
<b>b) increase (due to)</b>		0	152	152			152
- purchase			152	152			152
- take-over of a subsidiary		0					0
<b>c) decrease (due to)</b>							
-							
<b>d) closing balance of gross intangible assets</b>		2 010	1 178	737			3 188
<b>e) opening balance of accumulated amortization (depreciation)</b>			912	476			912
<b>f) amortization for the period (due to)</b>			137	137			137
- depreciation			137	137			137
<b>g) closing balance of accumulated amortization (depreciation)</b>			1 049	613			1 049
<b>h) opening balance of write-off due to permanent impairment</b>		906					906
- increase		1 104					1 104
- decrease							0
<b>i) closing balance of write-off due to permanent impairment</b>		2 010					2 010
<b>j) intangible assets under construction</b>			148	148			148

**CHANGES IN INTANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2008**

<b>k) closing balance of net intangible assets</b>	<b>0</b>	<b>277</b>	<b>272</b>	<b>277</b>
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There are no intangible assets created in own scope and of indefinite usufruct time limit.

**NOTE 9.2**

**CHANGES IN INTANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2007**

	<b>a</b>	<b>b</b>	<b>c</b>	<b>d</b>	<b>e</b>	<b>f</b>	<b>Intangible assets, total</b>
	<b>costs of finished development works</b>	<b>goodwill</b>		<b>acquired concessions, patents and similar, including: -software</b>	<b>other intangible assets</b>	<b>advances for intangible assets</b>	
<b>a) opening balance of gross intangible assets</b>		<b>0</b>	<b>887</b>	<b>446</b>			<b>887</b>
<b>b) increase (due to)</b>		<b>2 010</b>	<b>139</b>	<b>139</b>			<b>2149</b>
- purchase			139	139			139
- take-over of a subsidiary		2 010					2010
<b>c) decrease (due to)</b>							
-							
<b>d) closing balance of gross intangible assets</b>		<b>2 010</b>	<b>1 026</b>	<b>585</b>			<b>3036</b>
<b>e) opening balance of accumulated amortization (depreciation)</b>			<b>799</b>	<b>363</b>			<b>799</b>
<b>f) amortization for the period (due to)</b>			<b>113</b>	<b>113</b>			<b>113</b>
- depreciation			109	109			109
- take-over from Wica Invest			4	4			4

**CHANGES IN INTANGIBLE ASSETS (ACCORDING TO GENERIC GROUPS) as of 31.12.2007**

<b>g) closing balance of accumulated amortization (depreciation)</b>	<b>912</b>		<b>476</b>	<b>912</b>
<b>h) opening balance of write-off due to permanent impairment</b>	<b>0</b>			<b>0</b>
- increase	906			906
- decrease				0
<b>i) closing balance of write-off due to permanent impairment</b>	<b>906</b>			<b>906</b>
<b>j) closing balance of net intangible assets</b>	<b>1 104</b>	<b>114</b>	<b>109</b>	<b>1 218</b>

There are no intangible assets created in own scope and of indefinite usufruct time limit.

**NOTE 10**

INVESTMENT REAL ESTATE	For the period from 01.01.2008 to 31.12.2008	For the period from 01.01.2007 to 31.12.2007
<b>Opening balance of gross investment real estate</b>	10 936	10 281
Increases	55 492	655
- <i>purchase</i>	492	180
- <i>movement from tangible fixed assets</i>		
- <i>valuation</i>	11 343	475
- <i>movement from inventories</i>	43 657	
Decreases	51 100	0
- <i>sale</i>	51 100	
- <i>value decrease due to valuation</i>		
Later activated expenditures		
Internal movements(+/-)*		
<b>Closing balance of gross investment real estate</b>	15 328	10 936
<b>Opening value of depreciation</b>	0	0
increase		
decrease		
<b>Closing value of depreciation</b>	0	0
<b>Opening balance of allowance due to impairment</b>		
Presentation of allowance due to impairment		
Reversal in the period of the allowance due to impairment		
<b>Closing balance of allowance due to impairment</b>	0	0
Net profit and loss due to adjustments of valuation to fair value		
Adjustment due to net exchange differences due to conversion		
<b>Closing balance of net investment real estate</b>	<b>15 328</b>	<b>10 936</b>

**NOTE 10.1**

REVENUES AND COSTS REGARDING INVESTMENT REAL ESTATE	For the period from 01.01.2008 to 31.12.2008	For the period from 01.01.2007 to 31.12.2007
Rent revenues	1 377	1 392
Other revenues	140	319
<b>Total revenues</b>	<b>1 517</b>	<b>1 711</b>
Direct operating costs regarding the rented investment real estate, including:		
- repairs and maintenance costs	140	250
Direct operating costs regarding unrented investment real estate, including		
- repairs and maintenance costs		
<b>Total costs</b>	<b>1 141</b>	<b>1 362</b>

In investment real estate buildings are shown in the reassessed value.

The valuation has been prepared by an independent real estate expert.

Pursuant to the Regulation of the Cabinet of 07.07.1998 on the real estate valuation and on the rules of preparing the valuation statement, comparative or profitable approach is applied to estimate market value of real estate.

In case of this document, the real estate valuation was made using profitable approach, investment method, simple capitalization technique.

Profitable approach means estimation of real estate value assuming that a buyer pays a price for the real estate that depends on the anticipated profit that is to be obtained from the real estate and that no more is paid than for another real estate of the same profitability and risk degree.

Profitable approach is applied when estimating the value of real estate that is profitable or might be profitable if the amount of such profit is known or can be estimated.

Investment method is applied when estimating the market value of real estate that brings profit from rent that can be estimated on the basis of analysis of market hire or lease rates.

Estimation of the real estate market value using the profit approach means estimation of the right to obtain profit from the real estate by the owner. Profit from the real estate means profit that can be obtained from land and its components. In case of the discussed real estate it is the value of the right to perpetual usufruct and the ownership of the buildings on the land used related to the aforesaid right.

In profitable approach one estimates the real estate market value. It means that the approach can be applied for valuation of real estate, where it is considered as necessary or purposeful by the legal regulations, professional standards or the nature of rights to estimate the real estate market

	3,227
Net value of the buildings before revaluation amounts to:	thousand PLN
	15,328
Value of the buildings after revaluation amounts to:	thousand PLN

#### NOTE 10.2

<b>CHANGE IN REAL ESTATE (ACCORDING TO GENERIC GROUPS)</b>	<b>2008</b>	<b>2007</b>
a) opening balance of the status	10 936	10 281
b) increase (due to)	55 492	655
- valuation	11 343	475
- movement from inventories	43 657	
- purchase	492	180
c) decrease	51 100	
- sale	51 100	
<b>d) closing balance of the status</b>	<b>15 328</b>	<b>10 936</b>

#### NOTE 11

<b>LONG-TERM FINANCIAL ASSETS</b>	<b>2008</b>	<b>2007</b>
a) in subsidiaries	33 622	599

<b>LONG-TERM FINANCIAL ASSETS</b>	<b>2008</b>	<b>2007</b>
- shares	33 622	599
b) in other entities	398	1 646
- interests or shares	398	1 646
c) long-term loans given	15 000	-
<b>Long-term financial assets, total</b>	<b>49 020</b>	<b>2 245</b>

Interests are valued according to purchase prices diminished by allowances, whereas shares are valued according to market prices except Huta Ostrowiec shares (100% allowance) and Autostrada Śląsk shares, which are valued according to purchase prices, while for PKE shares price from last sales transaction was applied and Famak S.A. (100% allowance).

Interests constitute a security for credit amounting to 148 thousand PLN.

**NOTE 11.1**

<b>CHANGE IN LONG-TERM FINANCIAL ASSETS (ACCORDING TO GENERIC GROUPS)</b>	<b>2008</b>	<b>2007</b>
a) opening balance of the status	2 245	2 440
- interests and shares	2 245	2 440
b) increase (due to)	48 760	17 190
- purchase of interests	33 023	50
- contribution	-	15 850
- shares revaluation	-	1 163
- conversion of receivables to shares, interests	124	77
- interests revaluation	-	50
- release of shares revaluation	613	-
- movement from short-term loan to long-term loan	15 000	-
c) decrease (due to)	1 985	17 385
- interests revaluation	2	15 422
- sale of shares	1 531	-
- merger with a subsidiary	-	1 800
- shares revaluation	452	77
- loan repayment	-	86
- loan granting	-	-
- change of interests to short-term financial assets	-	-
<b>d) closing balance of the status</b>	<b>49 020</b>	<b>2 245</b>



NOTE 11.2

INTERESTS OR SHARES IN SUBORDINATE ENTITIES as of 31.12.2008

Item	a	b	c	d	e	f	g	h	i	j	k	l
	Name and legal form of the entity	Seat	Object of the company	Nature of connection (subsidiary, co-subsidiary, associated, including direct and indirect connection)	The applied method of consolidation/valuation using the ownership rights method or indication that the entity is not subject to consolidation/valuation using the ownership rights method	Date of taking over the control / co-control / gaining significant influence	Value of interests / shares according to purchase price	Adjustments updating the value (total)	Interests/shares carrying value	Percentage of share capital owned	Share in general number of votes at the annual shareholders' meeting	Indication of basis of control / co-control / significant influence other than in item j) or k)
1	CK- Modus Sp. z o.o.	Katowice	purchase/sale of liabilities, counseling, construction works	subsidiary	full		15 900	15 422	478	100.00	100.00	
2	EP Centrum Rekreacji Sp. z o.o.	Katowice	recreational, accommodation services	subsidiary	full		71		71	100.00	100.00	
3	Energomontaż-Zachód Sp. z o.o. ** Open	Warszawa	engineering and installation works	subsidiary			470	470	0	90.30	90.30	
4	Wrocław Sp. z o.o.	Wrocław	engineering and installation works	subsidiary			105	105	0	70.00	70.00	
5	Modus II Sp. z o.o.	Katowice	construciton works	subsidiary	full		50	-	50	100.00	100.00	
6	Amontex PM Sp. z o.o.	Piotrków Trybunalski	construction works	subsidiary	full		33 023	-	33 023	100.00	100.00	

NOTE 11.3

INTERESTS OR SHARES IN SUBORDINATE ENTITIES - continuation

Item	a Name of the entity	m Equity of the entity, including:							n Payables and provisions for entity payables, including:		o Entity receivables, including:		p Total assets of the entity	r Sales revenue	s Interests/shares in the entity unpaid by the issuer	t Dividends obtained or due from the entity for the last financial year
		share capital	called up share capital (negative value)	supplementary capital	the remaining equity, including:		- long-term payables	- short-term payables	- long-term receivables	- short-term receivables						
					profit (loss) from previous years	net profit (loss)										
1	CK- Modus Sp. z o.o. EP Centrum	15 556	15 900	0	0	-357	13	30 463	15 481	14 982	2 250	0	2 250	23 597	879	
2	Rekreacji Sp. z o.o. Energomon	399	70	86	0	0	242	31	0	31	96	0	96	432	1 320	
3	taż-Zachód Sp. z o.o. * Open	in bankruptcy			0							0	0	0	0	
4	Wrocław Sp. z o.o. **	no data available														
5	Modus II Sp. z o.o. Amontex	-83	50	0	0	-39	-94	3 369	0	3 369	489	0	489	3 286	0	
6	PM Sp. z o.o.	11 505	148	5 399	431	-159	5 686	20 145	6 774	12 966	13 057	0	13 057	17 255	53 906	

\* With the Decision of 19th December 2008, the District Court for the capital city Warsaw, 10th Bankruptcy Division finished bankruptcy proceedings of Energomontaż Zachód Sp. z o.o. At the moment we are awaiting information on the taking out of the company from the National Court Register.

\*\* On 2nd September 2002, the Management Board of Open Wrocław Sp. z o.o. informed on the submission of bankruptcy petition. On 2nd September 2003, the Management Board of the Issuer obtained information that the petition was dismissed due to the fact that the debtor's property was not sufficient to cover the costs of bankruptcy proceedings.

#### NOTE 11.4

#### INTERESTS OR SHARES IN OTHER ENTITIES

Item	a	b	c	d	e	f	g	h	i
	Name and legal form of the entity	Seat	Object of the company	Interests/shares carrying value	Equity of the entity, including:	% of share capital owned	Share in general number of votes at the annual shareholders' meeting	Interests/shares in the entity unpaid by the issuer	Dividends obtained or due from the entity for the last financial year
1	Huta Ostrowiec S.A. in bankruptcy	Ostrowiec	production of steel, steel semi-finished products, bars	0	bankruptcy	no data available	0.008	0.008	
2	Konsorcjum Autostrada Śląsk S.A.	Katowice	construction and operation of highways	20	10 543	1 987	0.51	1.17	
3	Holdingspol Sp. z o.o.	Sosnowiec	complex realization of installation works and repairs	0	no data available	no data available	3.00	1.70	
4	POLNORD S.A.	Gdańsk	manufacturing, service and trade activity	118	952 740	36 230	0.11	0.11	
5	EP Centrum Finansowe Sp. z o.o.	Katowice	hiring means of transport, machines and devices	95	2 985	600	15.80	17.81	

**INTERESTS OR SHARES IN OTHER ENTITIES**

6	Południowy Koncern Energetyczny S.A. Kompleks Agro-	Katowice	production of heat and electric energy	41	3 295 858	1 559 232	0.05	0.05
7	Energetyczny Namysłów Sp. z o.o.	Namysłów	production of heat energy, production of oils	0	no data available	2 300	15.22	15.22
8	WLC INVEST Sp. z o.o.	Łódź	financial mediation, advertising, commercial activity	0	no data available	no data available	19.95	19.95
9	EXTEM Sp. z o.o.	Łaziska Górne	execution of investment projects	124	no data available	109 833	0.93	0.93

**NOTE 11.5**

<b>SECURITIES, INTERESTS AND OTHER LONG-TERM FINANCIAL ASSETS (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	49 020	2 245
b) in foreign currencies (according to currencies and after conversion to PLN)	-	-
b1. unit/currency	-	-
<b>Securities, interests and other long-term financial assets, total</b>	<b>49 020</b>	<b>2 245</b>

**NOTE 11.6**

<b>SECURITIES, INTERESTS AND OTHER LONG-TERM FINANCIAL ASSETS (ACCORDING TO NEGOTIABILITY)</b>	<b>2008</b>	<b>2007</b>
A. With unlimited negotiability, unquoted on the regulated market (carrying value)	49 020	2 245
a) shares (carrying value):	179	1 550
- adjustments updating the value (for the period)	161	1 163
- opening balance value	1 550	387
- value according to purchase prices	174	0
b) other – according to generic group (carrying value):	33 841	695
b1 interests (carrying value)	33 841	695
- adjustments updating the value (for the period)	-2	-1 272
- opening balance value	695	1 967
- value according to purchase prices	33 843	0
c) long-term loans (carrying value)	15 000	0
- adjustments updating the value (for the period)	0	0
- opening balance value	0	0
- value according to purchase prices	15 000	0
Value according to purchase prices, total	49 017	0
Opening balance value, total	2 245	2 354
Adjustments updating the value (for the period), total	159	-109
<b>Carrying value, total</b>	<b>49 020</b>	<b>2 245</b>

**NOTE 11.7**

<b>LONG-TERM LOANS GIVEN (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	15 000	-
b) in foreign currencies (according to currencies and after conversion to PLN)		
b1. unit/currency ... / ...		
'000 PLN		
-		
Other currencies in '000 PLN		
<b>Long-term loans given, total</b>	<b>15 000</b>	<b>-</b>

**NOTE 12**

<b>CHANGE IN ASSETS DUE TO DEFERRED INCOME TAX</b>	<b>2008</b>	<b>2007</b>
<b>1. Opening balance of assets due to deferred income tax, including:</b>	<b>830</b>	<b>834</b>
a) applied to the financial result	288	292
-		
b) applied to equity	542	542
<b>2. Increases</b>	<b>2 298</b>	<b>0</b>
a) applied to the financial result of the period in connection with negative temporary differences (due to)	2 298	0
- provisions for future costs	899	0
- forwards valuation	1 399	0
<b>3. Decreases</b>	<b>84</b>	<b>4</b>
a) applied to the financial result of the period in connection with negative temporary differences (due to)	<b>84</b>	<b>4</b>
- paid interests from payables	1	0
- release of provision for complaints	29	0
- release of receivables revaluation	52	2
- advance sales from future periods income	0	0
- legal costs	0	1
- long-term contracts sales settlement	0	0
- proceedings costs	0	1
- release of provision for jubilee awards	0	0
- release of provision for annuities	0	0
- release of provision for gratuities	0	0
- tangible assets liquidation costs	<b>2</b>	<b>0</b>
b) compensation of short-term items with the provision for deferred tax	0	0
- financial assets valuation	0	0
- balance sheet valuation	0	0
- sale of long-term financial assets	0	0
c) applied to equity in connection with negative temporary differences (due to)		
<b>4. Closing balance of the status of assets due to deferred income tax according to the 19% rate</b>	<b>3 044</b>	<b>830</b>
a) applied to the financial result	2 502	288
-	0	0
b) applied to equity	542	542

**NOTE 13**

<b>LONG-TERM ACCRUALS AND RECEIVABLES</b>	<b>2008</b>	<b>2007</b>
a) cost accruals, including:	267	163
- leasing	267	163
b) receivables	63	63
-deposits	63	63
<b>Other accruals, total</b>	<b>330</b>	<b>226</b>

**NOTE 14**

<b>INVENTORIES</b>	<b>2008</b>	<b>2007</b>
a) materials	4 406	2 620
b) semi-products and work in progress	1 920	31 479
c) finished products	7 976	
d) goods	14 060	8 371
Gross value	28 362	42 470
Allowance for materials	200	200
<b>Inventories, total</b>	<b>28 162</b>	<b>42 270</b>

Materials and goods inventories constitute a security for credit amounting to 13 400 thousand PLN.

In 2008 revaluation of inventories was neither made nor released.

**NOTE 15**

<b>SHORT-TERM RECEIVABLES AND PREPAYMENTS</b>	<b>2008</b>	<b>2007</b>
a) from subsidiaries	14 924	5 636
- due to trade to be paid:	14 924	315
- up to 12 months	14 924	315
- other	-	5 321
b) receivables from other entities	111 806	52 088
- due to trade to be paid:	39 052	49 359
- up to 12 months	36 199	47 381
- over 12 months	2 853	1 978
- other	72 754	2 729
- income tax receivables	-	-
c) prepayments	16 656	3 652
<b>Net short-term receivables, total</b>	<b>143 386</b>	<b>61 376</b>
d) allowances for receivables	6 531	17 841
<b>Gross short-term receivables, total</b>	<b>149 917</b>	<b>79 217</b>

Receivables are non-interest-bearing.

Encumbrances on current assets – Energetyka Dwory contract receivables constitute a security for credit amounting to 37 816 thousand PLN.

**NOTE 15.1**

<b>SHORT-TERM RECEIVABLES FROM RELATED ENTITIES</b>	<b>2008</b>	<b>2007</b>
a) due to trade, including:	14 924	315
- from subsidiaries	14 924	315
b) other receivables	-	5 321
- from subsidiaries	-	-
<b>Net short-term receivables from related entities,</b>	<b>14 924</b>	<b>5 636</b>

<b>total</b>		
c) allowance for receivables from related entities	301	907
<b>Gross short-term receivables from related entities, total</b>	<b>15 225</b>	<b>6 543</b>

**NOTE 15.2**

<b>CHANGE IN ALLOWANCES FOR SHORT-TERM RECEIVABLES</b>	<b>2008</b>	<b>2007</b>
<b>Opening balance of the status</b>	<b>17 841</b>	<b>20 998</b>
a) increase (due to)	12 637	3 785
- works and services deliveries	12 281	2 501
- interest	89	27
- court-related	22	500
- other	245	757
b) decrease (due to)	16 146	6 849
- works and services deliveries	15 795	4 338
- interest	33	67
- court receivables	257	1 123
- other	61	1 321
c) use	7 801	93
<b>Closing balance of allowances for short-term receivables</b>	<b>6 531</b>	<b>17 841</b>

**NOTE 15.3**

<b>GROSS SHORT-TERM RECEIVABLES AND PREPAYMENTS (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	129 312	52 699
b) in foreign currencies (according to currencies and after conversion to PLN)	20 605	26 518
b1. unit/currency 1 EUR '000 PLN	4 939	7 402
b2. unit/currency 1 USD '000 PLN	-	-
b3. unit/currency 1 CZK '000 PLN	-	28
<b>Short-term receivables, total</b>	<b>149 917</b>	<b>79 217</b>

**NOTE 15.4**

<b>SHORT-TERM PREPAYMENTS</b>	<b>2008</b>	<b>2007</b>
a) active costs prepayments, including:	16 656	3 652
- insurances	215	134
- subscription	5	3
- energy	52	-
- telecommunications services	3	5



<b>SHORT-TERM PREPAYMENTS</b>	<b>2008</b>	<b>2007</b>
- costs of following period	416	199
- accrued sales revenues on sales related to valuation of long-term contracts	8 575	2 936
- leasing	333	252
- interest from loans given	750	97
- costs regarding apartments sale	5 399	
- other	908	26
<b>Short-term prepayments, total</b>	<b>16 656</b>	<b>3 652</b>

**NOTE 16**

<b>CURRENT FINANCIAL ASSETS</b>	<b>2008</b>	<b>2007</b>
a) in subsidiaries	<b>2 860</b>	<b>4 297</b>
- loans given	2 860	4 297
b) in other entities	-	<b>1 421</b>
- other short-term financial assets (according to type)	-	-
- foreign currency forward contracts	-	1 421
- interests in investment funds	-	-
<b>Short-term financial assets, total</b>	<b>2 860</b>	<b>5 718</b>

**NOTE 16.1**

<b>SECURITIES, INTERESTS AND OTHER FINANCIAL ASSETS INTENDED FOR SALE (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	-	-
b) in foreign currencies (according to currencies and after conversion to PLN)	-	-
<b>Securities, interests and other short-term financial assets, total</b>	<b>-</b>	<b>-</b>

**NOTE 16.2**

<b>SECURITIES, INTERESTS AND OTHER FINANCIAL ASSETS INTENDED FOR SALE (ACCORDING TO NEGOTIABILITY)</b>	<b>2008</b>	<b>2007</b>
b) other – according to generic groups (carrying value):		
a1 shares in mutual funds		
- market value		
- value according to purchase prices		
Value according to purchase prices, total		
Opening balance value, total		
Adjustments updating the value (for the period), total		
<b>Carrying value, total</b>		

**NOTE 16.3**

<b>SHORT-TERM LOANS GIVEN (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	2 860	4 297
b) in foreign currencies (according to currencies and after conversion to PLN)		
<b>Long-term loans given, total</b>	<b>2 860</b>	<b>4 297</b>

**NOTE 17**

<b>CASH AND ITS EQUIVALENTS</b>	<b>2008</b>	<b>2007</b>
Cash in bank and in hand	3 398	9 614
Short-term deposits	3 308	24 657
<b>Total, including:</b>	<b>6 706</b>	<b>34 271</b>

Cash interest rate is variable pursuant to the individual bank contracts.

**NOTE 17.1**

<b>CASH AND ITS EQUIVALENTS SHOWN IN CASH FLOW STATEMENT</b>	<b>2008</b>	<b>2007</b>
Cash in bank and in hand	3 398	9 614
Short-term deposits	3 308	24 657
Credits on current accounts		
<b>Total</b>	<b>6 706</b>	<b>34 271</b>

**NOTE 17.2**

<b>CASH AND OTHER PECUNIARY ASSETS (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	1 835	30 655
b) in foreign currencies (according to currencies and after conversion to PLN)	4 871	3 616
b1. unit/currency 1 EUR '000 PLN	1 167	1 010
b2. unit/currency 1 USD '000 PLN	-	-
b3. unit/currency 1 DKK '000 PLN	-	-
<b>Cash and other pecuniary assets, total</b>	<b>6 706</b>	<b>34 271</b>

**NOTE 18**

**SHARE CAPITAL (STRUCTURE)**

Series / issue	Type of shares	Type of shares preference	Type of limitation of rights to shares	Number of shares	Series/issue value according to nominal value	Method of equity coverage	Registration date
A	common bearer share	no preference		7 430	7 430		01.04.1992
B		no preference		3 570	3 570		18.09.1997
C		no preference		33 000	33 000		31.08.2007
D		no preference		4 390	4 390		07.10.2008
Number of shares				48 390	48 390		
Share capital					48 390		
Registered share capital				48 390			
Equity revaluation due to hyperinflation				21 335			
Total share capital				69 725			

Pursuant to IAS 29 requirements, the Company recounted share capital as it arose in hyperinflation conditions. Recounting was made in the following way:

Period	Index	Before revaluation	After revaluation
April-December 1992	33.20%	7 430	9 897
1993	37.60%	9 897	13 618
1994	29.50%	13 618	17 635
1995	21.60%	17 635	21 444
1996	18.50%	21 444	25 411
1997	13.20%	25 411	28 765
	X	X	<b>21 335</b>

A resolution on change of share nominal value (split) was passed at the Ordinary Shareholders' Meeting on 29.06.2006. Share nominal value after changes amounts to 1 PLN.

In the reporting period series D shares were issued and therefore share capital increased by 4,390 thousand PLN. Below are shareholders with at least 5% of Company's share capital as of 31.12.2008.

Shareholder	Number of shares	% of share capital	Number of votes at the ASM	% of votes at the ASM
Renata Gasinowicz	8 701	17.98	8 701	17.98
Andrzej Mikucki and Piotr Mikucki	4 390	9.07	4 390	9.07
The others	35 299	72.95	35 299	72.95
	<b>48 390</b>	<b>100.00</b>	<b>48 390</b>	<b>100.00</b>

On 14th March 2008 Energomontaż-Południe S.A. Annual Shareholders' Meeting passed resolution no. 1 on authorizing the Management Board to purchase Company's own shares for the purpose of redemption. Shares purchase program ended on 14th March 2009. Energomontaż-Południe S.A. purchased within the

framework of shares purchase program 845,654 shares for an average price 2.67 PLN per share. The Company spent 2,254 thousand PLN for the program. The purchased shares constitute 1.75% of all issued shares. Information on finishing the program of purchasing own shares for the purpose of redemption was published by the Issuer in the current report no. 13/2009 on 16th March 2009.

**NOTE 19**

<b>SUPPLEMENTARY CAPITAL</b>	<b>2008</b>	<b>2007</b>
a) from sales of shares above their nominal value	19 496	11 522
b) created pursuant to the law	1 015	
c) created pursuant to the articles of association/deed, above the (minimal) statutory value	0	0
<b>Supplementary capital, total</b>	<b>20 511</b>	<b>11 522</b>

**NOTE 20**

<b>RESERVE CAPITAL FROM ASSETS REVALUATION</b>	<b>2008</b>	<b>2007</b>
a) due to revaluation of tangible assets	10 687	10 687
b) other (according to type)	105	558
- financial assets valuation	105	558
<b>Capital from revaluation, total</b>	<b>10 792</b>	<b>11 245</b>

**NOTE 21**

<b>OTHER RESERVE CAPITAL (ACCORDING TO DESTINATION TARGET)</b>	<b>2008</b>	<b>2007</b>
Creation of capital for purchase of own shares	7 269	-
<b>Other reserve capital, total</b>	<b>7 269</b>	<b>-</b>

**NOTE 22**

<b>CHANGE IN THE PROVISION DUE TO DEFERRED INCOME TAX</b>	<b>2008</b>	<b>2007</b>
<b>1. Opening balance of the provision due to deferred income tax, including:</b>	<b>4 076</b>	<b>3 729</b>
<b>2. Increases</b>	<b>699</b>	<b>630</b>
a) applied to period financial result due to positive temporary differences (due to)	699	360
- settlements valuation	281	
- valuation of interests from loans	124	-
- buildings valuation	-	-
- real estate valuation	294	90
- forward contracts valuation	-	270
b) applied to equity in connection with positive temporary differences (due to)	-	270
- valuation of tangible assets	-	270

<b>CHANGE IN THE PROVISION DUE TO DEFERRED INCOME TAX</b>	<b>2008</b>	<b>2007</b>
<b>3. Decreases</b>	<b>271</b>	<b>283</b>
a) applied to the financial result of the period in connection with positive temporary differences (due to)	271	5
- amortization from investment allowance	1	5
- forwards valuation	270	-
b) compensation of short-term items with assets due to deferred tax	-	-
- financial assets valuation		
- balance sheet valuation		
- sale of long-term financial assets		
c) applied to equity	-	278
- valuation of tangible assets	-	278
<b>4. Closing balance of the status of provision due to deferred income tax according to the 19% rate</b>	<b>4 504</b>	<b>4 076</b>

**NOTE 22.1**

<b>CHANGE OF THE LONG-TERM PROVISION FOR RETIREMENT AND SIMILAR BENEFITS (ACCORDING TO TITLES)</b>	<b>2008</b>	<b>2007</b>
<b>a) opening balance of the status</b>	<b>5 381</b>	<b>4 201</b>
<b>b) increase (due to)</b>	<b>152</b>	<b>1 180</b>
- gratuities	110	217
- jubilee awards	41	954
- annuities	1	9
<b>c) release (due to)</b>	<b>-</b>	<b>-</b>
- jubilee awards	-	-
- annuities	-	-
- gratuities	-	-
- movement of annuities to short-term	-	-
<b>e) closing balance of the status</b>	<b>5 533</b>	<b>5 381</b>

Employee benefits include long-term part of provisions for jubilee awards, gratuities and annuities. Provisions for the awards, gratuities and annuities were valued by an actuary on the basis of a contract of 27.11.2007 and represent the Company's current value towards the employees for the titles. The so-called predicted individual benefits method, also referred to as the method of benefits accrued in relation to the job seniority, was applied to determine payables. Long-term annual remuneration growth rate was assumed at the level of 2%. The assumed discount rate was 5.5%, i.e. on the expected profitability level of the most secure long-term securities listed on the Polish capital market (ten- and twenty-year treasury bonds).

**NOTE 23**

<b>LONG-TERM FINANCIAL PAYABLES</b>	<b>2008</b>	<b>2007</b>
a) to other entities	26 371	7 328
- credits and loans	23 475	4 675
- other financial payables, including:	2 896	2 653

<b>LONG-TERM FINANCIAL PAYABLES</b>	<b>2008</b>	<b>2007</b>
- financial leasing contracts	2 896	2 653
<b>Long-term payables, total</b>	<b>26 371</b>	<b>7 328</b>

**NOTE 23.1**

<b>LONG-TERM PAYABLES (CURRENCY STRUCTURE)</b>	<b>2008</b>	<b>2007</b>
a) in Polish currency	26 371	7 328
b) in foreign currencies (according to currencies and after conversion to PLN)		
<b>Long-term payables, total</b>	<b>26 371</b>	<b>7 328</b>

**NOTE 23.2**

**LONG-TERM PAYABLES DUE TO CREDITS AND LOANS status as of 31.12.2008**

Name of the entity	Seat	Amount of credit/loan according to contract '000 currency		Amount of credit/loan remaining to be paid '000 currency		Due date	Guarantees	Other
Voivodeship Environment and Water Balance Protection Fund	Katowice	2 616	PLN	875	PLN	20.12.2012	SEJ S.A. civil law suretyship, declaration in the form of a notarial deed of the Surety on the submission to execution, declaration in the form of a notarial deed of the Borrower on the submission to execution, cession of rights from the insurance policy	
BRE Bank S.A. Katowice Regional Division	Warszawa	15 000	PLN	0	PLN	31.07.2011	Maximum mortgage on the real estate in Katowice, Mickiewicz Street - 18 000 thousand PLN with cession of rights from insurance policy pursuant to the Credit Contract No. 11/172/06/Z/LX as amended	Cooperation Contract II No. 11/171/06/Z/PX of 31.07.2008 containing consolidated text to Contract No. 11/171/06/Z/PX of 02.08.2004 as amended. The following products were made available within the framework of the contract: guarantee limit up to 15 000 thousand PLN with the validity
DZ Bank S.A.	Warszawa	7 600	PLN	7 600	PLN	30.05.2011	Integrated ordinary mortgage in the amount of 7,600 thousand PLN set up on three real estate properties situated in Opole, total maximum mortgage up to 3,800 thousand PLN set up on three real estate properties situated in Opole	Mid-term Investment Credit Contract No. 2008/KI/0058 of 30.05.2008 to refinance the purchase of real estate properties situated in Opole
Kredyt Bank S.A.	Warszawa	15 000	PLN	15 000	PLN	30.06.2013	Registered pledge on interests in Amontex PM Sp. z o.o., ordinary mortgage in the amount of 7,000 thousand PLN on the real estate in Będzin-Łagisza, 10 Energetyczna Street, registered pledge on inventories in the amount of 2,000 thousand PLN, cession of rights from insurance policy	Investment Credit Contract No. 3054400KA12060800 of 12.06.2008 to finance/refinance the purchase of interests in Amontex PM Sp. z o.o.

**NOTE 23.3**

<b>PAYABLES DUE TO FINANCIAL LEASING CONTRACTS</b>	<b>2008</b>	<b>2007</b>
a) in the period up to 1 year	2 279	2 002
b) in the period from 1 to 5 years	2 896	2 653
c) in the period above 5 years	-	-
<b>Financial payables, total</b>	<b>5 175</b>	<b>4 655</b>

Payables due to interests resulting from leasing contracts at the end of 2008 amount to 589 thousand PLN; at the end of 2007 - 404 thousand PLN.

Current minimum payments as of 31.12.2008 amounts to 4,586 thousand PLN, whereas as of 31.12.2007 - 4,251 thousand PLN.

In the current reporting period an amount of 336 thousand PLN resulting from interests regarding leasing payments was shown in the profit and loss statement.

The undersigned leasing contracts contain inter alia the below terms and conditions:

The object of the contract is to pass the right to use the subject of leasing chosen by the User from the Financing Party to the User in exchange for the settled leasing payments.

The User takes over all payments, taxes and other amounts due that are directly related to the leasing contract or leasing subject.

Leasing payments are modified respectively in the following cases:

1. Change of the leasing subject price in the period between signing the contract and releasing the leasing subject to the User.
2. Introduction of new or change of the existing legal regulations regarding taxes or other public law receivables under the contract.
3. In case of change of interest rate in the Financing Bank, the Financing Party may adequately change the amount of leasing payments.

Upon termination of the leasing contract, within the time limit no longer than seven days, the User is obliged to assure that the leasing subject is sold at the price specified in the financial schedule. Selling means conclusion of a sale contract for the leasing subject by the Financing Party and a purchaser indicated by the User and price payment on the account of the Financing Party. In particular the User is entitled to purchase the leasing subject.

**NOTE 24**

<b>CHANGE IN THE SHORT-TERM PROVISION FOR RETIREMENT AND SIMILAR BENEFITS (ACCORDING TO TITLES)</b>	<b>2008</b>	<b>2007</b>
<b>a) opening balance of the status</b>	<b>644</b>	<b>504</b>
<b>b) increase (due to)</b>	<b>653</b>	<b>789</b>
- provision for jubilee awards	596	706
- provision for gratuities	15	49
- provision for annuities	42	34
<b>c) use (due to)</b>	<b>648</b>	<b>649</b>
- provision for jubilee awards	564	570
- provision for gratuities	43	47
- provision for annuities	41	32
<b>e) closing balance of the status</b>	<b>649</b>	<b>644</b>



**NOTE 24.1**

<b>CHANGE OF OTHER SHORT-TERM PROVISIONS (ACCORDING TO TITLES)</b>	<b>2008</b>	<b>2007</b>
<b>a) opening balance of the status</b>	<b>992</b>	<b>1 000</b>
<b>b) increase (due to)</b>	-	<b>596</b>
- provision for income tax of the Division in Germany	-	596
<b>b) decrease (due to)</b>	<b>992</b>	<b>604</b>
- release of provision for income tax of the Division in Germany	992	604
<b>e) closing balance of the status</b>	-	<b>992</b>

**NOTE 25**

<b>SHORT-TERM FINANCIAL PAYABLES</b>	<b>2008</b>	<b>2007</b>
- credits and loans	37 293	15 015
- due to leasing	2 279	2 002
- foreign currency forward contracts	7 361	
<b>Financial payables, total</b>	<b>46 933</b>	<b>17 017</b>

**NOTE 26**

<b>SHORT-TERM PAYABLES</b>	<b>2008</b>	<b>2007</b>
<b>a) to subsidiaries</b>	<b>1 219</b>	<b>5</b>
- due to supplies and services with maturity period:	1 219	-
- up to 12 months	-	-
- other	-	5
<b>b) to other entities</b>	<b>93 121</b>	<b>40 472</b>
- due to trading with maturity period:	41 991	30 756
- up to 12 months	38 894	28 389
- over 12 months	3 097	2 367
- other		
- <b>advances obtained for deliveries</b>	<b>3 784</b>	<b>2 234</b>
- <b>due to taxes, customs, insurances and other benefits</b>	<b>12 135</b>	<b>4 594</b>
- <b>due to remunerations</b>	<b>2 500</b>	<b>2 072</b>
- <b>other (according to titles)</b>	<b>5 415</b>	<b>816</b>
-deposits	162	26
- deductions in the payroll	113	100
- tangible assets under construction	3 292	432
- insurances	323	214
- cessions	1 169	-
- other	356	44
<b>c) income tax payables</b>	<b>4 933</b>	<b>2 278</b>
<b>d) special funds (according to titles)</b>	-	-
- social fund	-	-
<b>e) accruals</b>	<b>22 363</b>	<b>23 796</b>

SHORT-TERM PAYABLES	2008	2007
<b>Long-term payables, total</b>	<b>94 340</b>	<b>66 551</b>

Payables are non-interest-bearing.

**NOTE 26.1**

SHORT-TERM PAYABLES (CURRENCY STRUCTURE)	2008	2007
a) in Polish currency	<b>90 671</b>	<b>65 637</b>
b) in foreign currencies (according to currencies and after conversion to PLN)	3 669	914
b1. unit/currency 1/EUR '000 PLN	879	255
b2. unit/currency 1/CZK '000 PLN	3 669	914
b3. unit/currency 1/USD '000 PLN	56	
b4. Unit/currency 1/CAN '000 PLN	9	
b5. Unit/currency 1/NOK '000 PLN		
b6. Unit/currency 1/CHF '000 PLN		
<b>Long-term payables, total</b>	<b>94 340</b>	<b>66 551</b>

**NOTE 26.2**

**SHORT-TERM PAYABLES DUE TO CREDITS AND LOANS status as of 31.12.2008**

Name of the entity	Seat	Amount of credit/loan according to contract		Amount of credit/loan remaining to be paid		Due date	Guarantees	Other
		'000	currency	'000	currency			
BRE Bank S.A. Katowice Regional Division	Warszawa	3 500	PLN	3 500	PLN	31.01.2009	Ordinary mortgage on the real estate in Katowice, Mickiewicz Street - 3,500 thousand PLN; maximum mortgage 700 thousand PLN, on the right to perpetual usufruct, cession of rights from the insurance policy	Working-capital credit in PLN Contract No. 11/036/06/Z/08 of 14.03.2006 to finance permanent need for current capital and for recapitalization of Wica Invest Sp. z o.o.
BRE Bank S.A. Katowice Regional Division	Warszawa	15 000	PLN	5 657	PLN	31.07.2009	Maximum mortgage on the real estate in Katowice, Mickiewicz Street - 18 000 thousand PLN with cession of rights from insurance policy pursuant to the Credit Contract No. 11/172/06/Z/LX as amended	Cooperation Contract II No. 11/171/06/Z/PX of 31.07.2008 containing consolidated text to Contract No. 11/171/06/Z/PX of 02.08.2004 as amended. The following products were made available within the framework of the contract: guarantee limit up to 15 000 thousand PLN
Voivodeship Environment and Water Balance Protection Fund	Katowice	2 616	PLN	300	PLN	20.12.2012	SEJ S.A. civil law suretyship, declaration in the form of a notarial deed of the Surety on the submission to execution, declaration in the form of a notarial deed of the Borrower on the submission to execution, cession of rights from the insurance policy	Loan of 10.12.2003 to subsidize the task "Modernization of water economy in Zakład Produkcji Przemysłowej (Industrial Production Plant) in Będzin Łagisza", paid monthly in instalments - the amount of capital 25 thousand PLN plus variable interest rate

**SHORT-TERM PAYABLES DUE TO CREDITS AND LOANS status as of 31.12.2008**

Bank Pekao S.A. I Śląskie Centrum Korporacyjne (1st Silesian Corporational Center) in Katowice	Kraków	10 000	PLN	4 789	PLN	30.09.2009	Maximum mortgage on a real estate in the amount of 13,000 thousand PLN on the real estate in Będzin-Łagisza Land and Mortgage Register 8065 with a cession from insurance policy, power of attorney to dispose of cash on bank accounts run in Pekao S.A., BRE Bank S.A.	Credit in the form of multi-target multi-currency line dedicated to finance current activity. A limit of credit in the amount of 5,000 thousand PLN in current year and a limit for guarantees or letters of credit in the amount of 5,000 thousand PLN was made available within the framework of the Contract.
Bank Millennium S.A. Center of Cooperation with Clients in Katowice	Warszawa	650	EUR	2 254	PLN	08.11.2008	Maximum guarantee up to 845 thousand EUR on real estates in Mrzeżyna Land and Mortgage Register 3792 and Łaziska Górne Land and Mortgage Register 62783 with cession of rights from insurance policy	Credit on current account to finance current activity Contract No. 64373832 of 31.05.2005 as amended.
Bank PKO BP S.A. Division in Wrocław	Warszawa	17 100	PLN	15 882	PLN	01.12.2017	Integrated ordinary mortgage in the amount of 17,100 thousand PLN on the real estate in Wrocław, 55a Legnicka Street and 55 Legnicka Street; integrated maximum mortgage in the amount of 5,130 thousand PLN on the real estate in Wrocław, 55a Legnicka Street and 55 Legnicka Street	
Kredyt Bank S.A.	Warszawa	5 000	PLN	4 911	PLN	30.06.2009	Blank bill of exchange, debt payment up to the amount of 20,000 thousand PLN	Working-capital credit on current account to finance current activity Contract No. 3054400KA17060800 of 01.07.2008

**NOTE 26.3**

OTHER ACCRUALS	2008	2007
<b>Other accruals</b>	<b>22 363</b>	<b>10 927</b>
- long-term (according to titles)		
- short-term (according to titles)	22 363	10 927
<b>a) payables to recipients due to construction contracts</b>	<b>10 934</b>	<b>12 869</b>
<b>b) passive accruals</b>	<b>5 416</b>	<b>3 043</b>
- provision for complaints	-	185
- provision for vacations	390	574
- balance sheet audit	35	24
- costs regarding the accounting office in Germany	45	48
- interest from credit	101	109
- guarantees	21	34
- provision for deferred costs	4 732	436
- provision for fines	-	444
- valuation of interests from loans	92	-
- provision for deferred payables	-	1 189
<b>c) deferred revenues</b>	<b>6 013</b>	<b>7 884</b>
<b>Other accruals, total</b>	<b>22 363</b>	<b>23 796</b>

**EXPLANATORY NOTES TO PROFIT AND LOSS STATEMENT**

**NOTE 27**

NET REVENUES FROM THE SALE OF PRODUCTS (CATEGORY STRUCTURE - TYPES OF ACTIVITY)	2008	2007
- basic production	117 144	112 177
- developing activity	6 052	44 517
- industrial production	21 250	17 547
- general contracting	44 428	35 541
- services	6 379	6 264
<b>Net revenues from the sale of products, total</b>	<b>195 253</b>	<b>216 046</b>

**NOTE 27.1**

NET REVENUES FROM THE SALE OF PRODUCTS (GEOGRAPHICAL STRUCTURE)	2008	2007
a) country	165 039	161 148
b) export	30 214	54 898
<b>Net revenues from the sale of products, total</b>	<b>195 253</b>	<b>216 046</b>

**NOTE 27.2**

NET REVENUES FROM THE SALE OF GOODS AND MATERIALS (CATEGORY STRUCTURE - TYPES OF ACTIVITY)	2008	2007
- goods	16 507	15 311
- materials	340	200
<b>Net revenues from the sale of goods and materials, total</b>	<b>16 847</b>	<b>15 511</b>

**NOTE 27.3**

NET REVENUES FROM THE SALE OF GOODS AND MATERIALS (GEOGRAPHICAL STRUCTURE)	2008	2007
a) country	16 274	14 749
b) export	573	762
<b>Net revenues from the sale of goods and materials, total</b>	<b>16 847</b>	<b>15 511</b>

**NOTE 28**

COSTS BY TYPE	2008	2007
a) amortization	4 008	4 065
b) use of materials and energy	51 876	30 729
c) external services	88 304	88 530
d) taxes and charges	1 544	1 862
e) remunerations	40 964	41 745
f) social insurances and other benefits	11 829	14 227
g) other costs by type (due to)	3 993	2 313
Costs by type, total	202 518	183 471
Change in the status of inventories, products and accruals	20 349	25 303
Manufacturing costs of products for internal purposes (negative value)	-40 994	-119
Costs of sales (negative value)	-1 187	-94
General management costs (negative value)	-12 654	-9 214
Value of goods and materials sold	15 267	14 537
<b>Manufacture cost of products, goods and materials sold</b>	<b>183 299</b>	<b>213 884</b>

**NOTE 29**

OTHER REVENUES	2008	2007
<b>a) release of provision (due to)</b>	<b>6 789</b>	<b>7 992</b>
- amounts due	4 193	4 803
- jubilee awards	564	570
- gratuities	43	47
- annuities	41	32
- buildings demolition	-	260

OTHER REVENUES	2008	2007
- revaluation of tangible fixed assets	-	98
- deferred payables	1 189	1 745
- fines	390	322
- vacations	184	
- claims	185	115
<b>b) other, including:</b>	<b>15 286</b>	<b>6 460</b>
- prescribed paybles write-off	40	50
- legal costs repayment	71	24
- contractual fines	82	1 539
- real estate valuation	11 343	475
- post-accident compensations	52	19
- revenues from Lüdenscheid Division		
- payables write-offs	1 544	
- other compensations	160	483
- profit from sales of non-financial fixed assets	177	1 874
- payables depreciation	123	
- investment revenues	1 517	1 711
- commissions	12	
- use of company cars	37	
- other	128	285
<b>Other revenues, total</b>	<b>22 075</b>	<b>14 452</b>

#### NOTE 30

OTHER COSTS	2008	2007
<b>a) loss from sales of non-financial fixed assets</b>	<b>-</b>	<b>-</b>
<b>b) provisions made for</b>	<b>3 538</b>	<b>8 197</b>
- amounts due	439	3 540
- jubilee awards	637	1 660
- gratuities	126	266
- annuities	43	44
- deferred payables	-	1 189
- vacations	-	147
- goodwill	1 104	907
- contractual fines	1 189	444
- claims	-	-
- demolition of buildings for construction	-	-
<b>c) other, including:</b>	<b>13 279</b>	<b>3 499</b>
- compensatory pensions	76	52
- donations	24	5
- legal costs	59	176
- fees for organizations	42	47
- retainers	1	1
- post-accident repairs	41	21
- other damages	156	23
- depreciation of receivables	10 956	-
- materials shortages	1	34
- allowance for inventories	68	30
- contractual fines	405	1 514

OTHER COSTS	2008	2007
- uncollectible debt write-off	29	33
- costs regarding investment real estate	1 141	1 362
- claims	3	
- unused capital expenditure	12	
- other	265	201
<b>Other costs, total</b>	<b>16 817</b>	<b>11 696</b>

**NOTE 31**

FINANCIAL REVENUES DUE TO INTEREST	2008	2007
<b>a) due to loans given</b>	<b>653</b>	<b>659</b>
- from related entities, including:	653	659
- from subsidiaries	653	659
- from co-subsidiaries		
- from associated entities		
- from the significant investor		
- from the parent entity		
- from other entities		
<b>b) other interest</b>	<b>887</b>	<b>1 449</b>
- from related entities, including:	-	-
- from subsidiaries		
- from co-subsidiaries		
- from associated entities		
- from the significant investor		
- from parent entity		
- from other entities	887	1 449
<b>Financial revenues due to interest, total</b>	<b>1 540</b>	<b>2 108</b>

**NOTE 31.1**

OTHER FINANCIAL REVENUES	2008	2007
<b>a) revaluation of investments</b>	-	-
<b>b) release of provision (due to)</b>	<b>33</b>	<b>4 737</b>
- interest	33	54
- loans	-	3 714
- financial assets	-	969
<b>c) other, including:</b>	<b>6 861</b>	<b>2 917</b>
- dividend	24	22
- interest limitation	22	-
- depreciation of interest charged	2	16
- discounts, rebates	33	39
- profit from options	87	-
- profit from foreign currency futures	2 284	1 417
- valuation of foreign currency futures	-	1 421
- positive exchange differences	4 091	-
- compensations from debt recovery	123	
- profit from sales of securities	176	



OTHER FINANCIAL REVENUES	2008	2007
- other	19	2
<b>Other financial revenues, total</b>	<b>6 894</b>	<b>7 654</b>

**NOTE 32**

FINANCIAL COSTS DUE TO INTEREST	2008	2007
<b>a) from credits and loans</b>	<b>1 767</b>	<b>463</b>
- for other entities	1 767	463
- for other entities		
<b>b) other interest</b>	<b>576</b>	<b>834</b>
- for other entities	576	834
<b>Financial costs due to interest, total</b>	<b>2 343</b>	<b>1 297</b>

**NOTE 32.1**

OTHER FINANCIAL COSTS	2008	2007
<b>a) negative exchange differences</b>	-	<b>1 674</b>
<b>b) provisions made (due to)</b>	<b>289</b>	<b>36</b>
- interest from amounts due	89	36
- interest from payables	200	
<b>c) other, including:</b>	<b>10 249</b>	<b>976</b>
- insurance guarantees	-	-
- payments regarding guarantees	23	11
- debt recovery costs	9	138
- commissions from credits and loans	166	30
- debt sales costs	197	51
- loss on futures sales	1 055	743
- valuation of foreign currency futures	7 361	
- reverse entry valuation of foreign currency futures	1 421	
- other	17	3
<b>d) revaluation of financial fixed assets</b>	<b>2</b>	<b>77</b>
<b>Other financial costs, total</b>	<b>10 540</b>	<b>2 763</b>

**NOTE 32.2**

The Company prepares consolidated financial statements.

**NOTE 33**

INCOME TAX	2008	2007
<b>1. Gross profit (loss)</b>	<b>15 769</b>	<b>16 823</b>
<b>2. Differences between gross profit (loss) and taxation base for the income tax (according to titles)</b>	<b>10 620</b>	<b>280</b>

INCOME TAX	2008	2007
a) revenues not included in the tax revenues(decrease of the taxation base)	-41 663	-12 087
b) revenues not included in the book revenues(increase of the taxation base)	11 694	12 492
c) costs and losses not acknowledged by the tax regulations as tax deductible costs (increase of the taxation base)	94 393	54 329
d) costs and losses not included in the book costs (decrease of the taxation base)	-51 651	-53 264
e) other taxable income increases/decreases	-2 153	-1 190
<b>3. Taxation base for the income tax</b>	<b>26 389</b>	<b>17 103</b>
<b>4. Deduction of loss from previous years</b>	<b>0</b>	<b>0</b>
<b>5. Donations deductions</b>	<b>-4</b>	<b>0</b>
<b>6. Taxation base after loss deduction</b>	<b>26 385</b>	<b>17 103</b>
<b>7. Current income tax</b>	<b>5 014</b>	<b>3 249</b>
<b>8. Current income tax shown in tax return</b>	<b>5 014</b>	<b>3 249</b>
<b>9. Income tax on export activity</b>	<b>164</b>	<b>530</b>
<b>10. Income tax on dividend</b>	<b>1</b>	
<b>11. Income tax shown in profit and loss statement</b>	<b>5 178</b>	<b>3 779</b>
<b>12. Deferred tax</b>	<b>-1 787</b>	<b>360</b>
<b>13. Total income tax</b>	<b>3 392</b>	<b>4 139</b>

#### NOTE 34

Profit (loss) per common share was stipulated as a quotient of a net profit (loss) for the given financial period and an average weighted number of shares occurring within this period. In the reporting period the Company was in the course of the process of series D shares emission and continued the process of purchasing own shares for the purpose of redemption. As of the status of the balance sheet date the Issuer owned 845,654 pieces of own shares, thus the number of shares as of the balance sheet date reduced by own shares amounted to 47,544,346 pieces.

#### NOTE 35

Dividend for the year 2007 amounted to gross 0.10 PLN per share. The date of settling the right to dividend was 3rd July 2008 and the time limit according to which it was paid fell on 18th July 2008.

### EXPLANATORY NOTES TO CASH FLOW STATEMENT

#### NOTE 36

Operating activity contains activity resulting from the company's articles of association that includes activities aiming at clearing a profit on sales regarding construction and assembly, production, service and commercial activities in the scope of power engineering and industrial construction industry. Investment activity means all transactions regarding company's fixed assets and financial assets. Financial activity means operations related to external sources of financing.

The Company draws up Cash Flow Statement using the indirect method. Differences between the changes in the balance sheet and the changes in Cash Flow Statement are presented in the explanatory note to Cash Flow Statement. Discrepancies result from movement of some items from operating activity to investment or financial activity.

<b>CASH FLOWS FROM OPERATING ACTIVITY (indirect method)</b>	<b>2008</b>	<b>2007</b>
Other adjustments	-8 514	-1 094
a) decrease of shares as a result of merger with Wica Invest Sp. z o.o.	0	1 800
b) purchase of shares in the form of contribution in CK Modus Sp. z o.o.	0	-428
b) withdrawal of shares revaluation in CK Modus Sp. z o.o.	0	-50
d) shares valuation	0	-244
e) withdrawal of shares revaluation	-612	-919
f) forward contracts valuation	1 421	-679
g) purchase of goodwill	0	-2 011
h) change on profit from previous years due to release of capital from revaluation	0	535
i) take-over of tangible fixed assets from Wica Invest	0	-122
j) valuation of interest from loans	653	653
k) change of the reserve capital from revaluation deferred tax from tangible assets revaluation		
l) change of the reserve capital as a result of revaluation and sales of tangible fixed assets	0	1 136
ł) release of allowance for tangible fixed assets	0	-98
m) adjustment of depreciation of tangible fixed assets	0	-227
n) depreciation of tangible fixed assets from Wica Invest	0	51
o) buildings valuation	0	-1 392
p) real estate valuation	0	-475
r) revaluation of goodwill	1 104	907
s) net tangible tangible assets passed on by a contribution	0	466
t) cost of selling shares	436	
w) conversion of receivables to shares	-124	
y) investement real estate valuation	-11 342	
z) other	-50	3
<b>III. Net cash flows from operating activities (I + /-II)</b>	<b>-8 514</b>	<b>-1 094</b>

## ADDITIONAL EXPLANATORY NOTES

### 37. AIMS AND RULES OF FINANCIAL RISK MANAGEMENT

#### Operating risk

The Company insures its receivables in one of the renowned insurance agencies. In case of a refusal to cover the given entity's liabilities by insurance, the decision regarding the transaction with the given entity is undertaken having entailed its financial standing and the assessment of the securities being submitted by

the said entity. Moreover the Issuer uses wide range of financial instruments such as bank and insurance guarantees, security deposits or bills of exchange as securities of proper contract performance.

### **Seasonal nature of sales**

The construction and assembly services market is characterized by seasonal nature which results mainly from the weather conditions. Winter months mean less activity in the construction sector. The vast majority of sales is generated by the Company in the 2nd and 3rd quarter and smaller revenues are shown in the 1st quarter. The seasonal nature is increased by the work cycle of power sector - the main recipient of the Company's services. Repairs and modernizations of power devices take place mainly in the summer season as the winter season is their operation time. In order to reduce the impact of the seasonality phenomenon, Energomontaż-Południe S.A. diversifies its activity by increasing the engagement in branches other than power industry, rendering services in the scope of general contracting and winning orders for production activity.

### **Risk related to changes of goods prices**

The Company is exposed to the risk of changes of goods prices to a limited extent. The risk means changes of steel prices. At the stage of contracting the Issuer executes contracts with steel suppliers at prices that guarantee contract profitability.

### **Risk related to changes of exchange rates**

The Company is exposed to the risk of change of EUR/PLN exchange rates in connection with the activity conducted. The Issuer partially secures his standing by means of natural hedging (currency proceeds are dedicated to currency expenses). In the remaining part, the net open currency position is secured by Energomontaż-Południe S.A. using forward transactions. The Company, as an exporter, is highly exposed to crucial and long-lasting strengthening of PLN with regard to EUR and thus needs to maintain a specific level of net secured currency position. The Issuer has a reasonable approach to the exchange rate risk and conducts conservative policy of hedging not using complex instruments which additionally limits the risk.

Like many other business entities, Energomontaż-Południe S.A. strongly felt the results of rapid PLN depreciation that occurred in the period from October 2008 to the end of February 2009. A considerable share of proceeds from the export contracts concluded (denominated in EUR) is secured at the foreign currency market on the levels that guarantee profitability of the operating activity assumed. The forward transactions are concluded only for the sake of securing financial flows resulting from the contracts concluded by the Company expressed in foreign currencies. As of the end of the year 2008, the Issuer had open forward transactions securing foreign currency contract flows in the amount of 15.7 million EUR. The status of the open currency positions owned ensures securing of 73% of the financial flows resulting from the export contracts the nominal currency of which was EUR. The open foreign exchange currency transactions are related to the export contracts concluded for the years 2009 – 2011 with the amount of 8 million EUR being allocated for the year 2009. The booking evaluation of the securities showed the amount of -7.4 million PLN at the end of 2008. As a result of the currency proceeds from the export contracts performed, the open forward positions, which were to be settled in 2009, were reduced by 35% during the first two months of 2009. Negative valuation of the forward transactions at the end of 2008 was neutralized by valuation of the Issuer's export receivables to a positive value of ca. 4,1 m. PLN.

Establishment of the securities makes the Company independent of the EUR/PLN exchange rate variability and guarantees that the result attained on export transactions will comply with the calculation of profitability of the contracts concluded. The valuation of securities as of the end of 2008 exerted a negative influence on the results of the Company's financial activity and thus the Issuer advances the rotation of currency receivables and closes a part of the derivative transactions through a physical delivery of the currency. The Issuer settles the payables due to banks that mediate in conclusion of the transactions securing the trade activity conducted on an ongoing basis.

### Interest rate risk

The Company monitors the interest rate levels at the individual markets on an ongoing basis and reacts flexibly to the changes occurring in the country as well as abroad. The nature of certain financial transactions (financial leasing of real estate in Wrocław) requires that such operations be secured at the interest rate market using instruments that protect them from an increase. The first transaction which provided security against the increase of an interest rate (EURIBOR) was concluded in the 1st quarter of the year 2009.

### Liquidity risk

The Company maintains its balance through adjusting the funding sources to the expenses incurred. The purchases of fixed assets are funded either from equity, leasing, credit or long-term loans. The Issuer was granted credit limits by various financial institutions which significantly lowers the risk of concentration.

## 38. FINANCIAL INSTRUMENTS

### 38.1 SHORT-TERM FINANCIAL PAYABLES DUE TO CREDITS AND LOANS

<b>1. Opening balance of the status</b>	<b>15 015</b>
- increase due to	14 282
<b>a) incurring credits</b>	<b>38 615</b>
movement from long-term loan	300
<b>b) decrease</b>	<b>21 254</b>
repayment of credits	16 337
loan repayment	300
<b>Closing balance of the status</b>	<b>37 293</b>

### LIABILITIES DUE TO LONG-TERM CREDITS AND LOANS

<b>1. Opening balance of the status</b>	<b>4 675</b>
<b>a) increases</b>	<b>19 982</b>
- incurring the credit	19 982
movement from long-term credit	1 182
<b>b) decreases</b>	<b>300</b>
movement to short-term loan	300
- credit repayment	882
<b>Closing balance of the status</b>	<b>23 475</b>

Interest from accrued and paid credits amounts to **1,767 thousand PLN**.  
The characteristics of credits is presented in note **26.2**.

## LOANS GIVEN

<b>1. Opening balance of the status</b>	<b>4 297</b>
- increase	14 163
<b>a) due to loans given</b>	<b>14 163</b>
- decrease	600
b) repayments	600
<b>Closing balance of the status</b>	<b>17 860</b>

## INTEREST CHARGED FROM LOANS

<b>1. Opening balance of the status</b>	<b>97</b>
a) increase due to	653
- interest charge	653
<b>Closing balance of the status</b>	<b>750</b>

Interest from loans given are accrued as of the end of every quarter. Interest valued in CK Modus SP. z o.o. amount to 426 thousand PLN, while in Modus II - 227 thousand PLN. Interest is paid upon the Lender's request.

## 38.2. FINANCIAL DERIVATIVE INSTRUMENTS - SECURITIES

As of 31st December 2008, the Company had the following forward contracts that secure future sales transactions.

Date of transaction	Maturity date	Denomination '000 EUR	Valuation in '000 PLN as of 31.12.2008
2008-11-25	2009-11-27	1 000	-429
2008-12-01	2009-12-03	1 000	-376
2008-12-10	2009-12-12	1 000	-281
2008-12-10	2009-12-12	1 000	-279
2008-03-10	2011-03-10	4 800	-1 690
2008-03-19	2009-06-30	3 000	-1 129
2008-04-08	2009-12-31	770	-305
2008-09-29	2009-02-24	18	-11
2008-10-21	2009-10-23	1 000	-561
2008-10-21	2010-03-30	1 000	-558
2008-10-30	2009-04-30	425	-343
2008-11-10	2010-03-30	1 000	-438
2008-11-17	2010-09-30	1 000	-410
2008-11-17	2010-09-30	1 000	-412
2008-09-17	2009-01-30	175	-139
		Total	<b>-7 361</b>

Although the purpose of all forward contracts that the Company has is to secure against the exchange rate risk, it does not follow accounting securities pursuant to the IAS 39 with respect to all transactions. It refers to transactions that secure a change in balance sheet valuation of assets and liabilities components that are denominated in foreign currency. With these transactions the Company secures cash flows resulting from reasonably anticipated planned sales transactions in foreign currency.

As of 31st December 2008 the fair value of futures amounted to -7,361 thousand PLN. The amount was determined on the basis of current market value obtained from a bank.

### 39. OFF-BALANCE SHEET ITEMS

a) contingent liabilities

#### Guarantees and bills of exchange given to contracting parties (status as of 31.12.2008)

TYPE	Amount '000 PLN
from banks	4 961
from insurance companies	37 457
bills of exchange as security for contract	7 221
<b>Total</b>	<b>49 639</b>

b) contingent receivables

#### Guarantees and bills of exchange given (status as of 31.12.2008)

TYPE	Amount '000 PLN
bank guarantees	5 065
from insurance companies	1 793
bills of exchange as security for contract	30 426
bills of exchange as security for loan	6 571
<b>Total</b>	<b>43 855</b>

### 40. CONSTRUCTION CONTRACTS

TITLE	31.12.2008	31.12.2007
Total costs incurred	97 387	80 455
Revenues due to contracts shown in revenues	117 440	76 793
Total profit and loss shown	20 053	-3 662
<b>Amount of deposits</b>	<b>0</b>	<b>0</b>

**41.**

Energomontaż-Południe S.A. has no liabilities to the national or municipality budget due to obtaining the right to buildings and structures.

**42.**

In 2008 there were no cases of neglect of manufacturing our products and trade activity.

**43.**

The cost of manufacturing tangible assets made with own forces for internal purposes amounts to 40,986 thousand PLN and refers to:

- adjusting area for the server room 48 thousand PLN
- modernization of the cloak-room 38 thousand PLN
- movement of inventories to investment real estate 40,900 thousand PLN

**44. PLANNED INVESTMENT EXPENDITURES IN THE COMING 12 MONTHS FROM THE BALANCE SHEET DAY**

	Total investem ents, including:	Intangible assets	Tangible fixed assets	Capital investments	Environme nt protection
	'000 PLN				
<b>Planned in the next reporting period</b>	<b>9 000</b>	<b>1 791</b>	<b>6 144</b>		<b>1 065</b>

**45. SIGNIFICANT TRANSACTIONS WITH RELATED ENTITIES REGARDING TRANSFER OF RIGHTS AND OBLIGATIONS**

There were no significant transactions with related entities regarding transfer of rights and obligations.

In 2008 the Company granted a loan amounting to 13,947 thousand PLN to CK-Modus Sp. z o.o. and 216 thousand PLN to Modus II Sp. z o.o. The companies are 100% dependent of Energomontaż - Południe S.A. Below are numbers regarding related entities.



Name of the company	Seat	Object of the activity	% of capital owned	Carrying value	Mutual receivables	Mutual payables	Revenues from mutual transactions	Costs from mutual transactions
CK- Modus Sp. z o.o.	Katowice	Construction works, counseling	100%	478	29 903	210	22 670	21 359
EP Centrum Rekreacji Sp. z o.o.	Katowice	Recreational, accommodation services	100%	71	14	0	326	241
Modus II Sp. z o.o.	Katowice	Construction and design works	100 %	50	2 860	0	233	0
Amontex PM Sp. z o.o.	Piotrków Trybunalski	Production and assembly of steel constructions	100 %	33 023	6	1 009	10	834

**46.**

The Company did not undertake joint projects that are not subject to consolidation.

**47.**

The Company did not grant advances, loans, guarantees, warranties to the Members of the Management and Supervisory Board.

**48.**

In 2008 there were no significant events regarding previous years that ought to be shown in the balance sheet and in the profit and loss statement.

**49.**

Energomontaż-Południe S.A. was formed as a result of transformation of a state company Przedsiębiorstwo Montażu Elektrowni i Urządzeń Przemysłowych Energomontaż-Południe (Energomontaż-Południe Power Plant and Industrial Device Assembly Company) seated in Katowice into a company wholly owned by the State Treasury. The transformation of the company into a joint-stock company was performed by a notarial deed Rep. A 1661/92 effective as of the date of issue of decision on the registration in the Commercial Register by the District Court, which took place on 1st April 1992.

**50.**

There were no significant changes in the adopted accounting policy in relation to the previous financial year.

**51.**

There were no fundamental errors that influenced the Company's property or financial situation, liquidity or financial result and the profitability.

**52. POSSIBILITY TO CONTINUE THE COMPANY'S ACTIVITY**

The Company's financial statements were prepared on the assumption that the Company will continue in the foreseeable future economic activity in the undiminished scope without declaring its bankruptcy or liquidation. The Company's Management Board does not state as of the day of signing the financial statements any facts or circumstances that would indicate threats to continuation of activity by the Company in the foreseeable future constituting a period no less than one year from the balance sheet date as a result of its wilful or compulsory neglect or significant limitation of the existing activity.

**53.**

There was no merger of companies in the reporting periods.

**54.**

This financial statements present financial situation and results of Energomontaż-Południe S.A. activity excluding the financial effects of functioning in the Capital Group structure and may be not showing full picture of its financial situation and results of activity.

The consolidated financial statements of the Energomontaż-Południe S.A. Capital Group has been prepared separately.

**55. Types of activity segments indicating products (services) and goods within every indicated branch segment or composition of every indicated geographic segment and indication which segment classification (branch or geographic) is the fundamental classification and which is the complementary classification.**

The fundamental division is the division into branch segments.

There are four branch segments in the Energomontaż-Południe S.A. Capital Group.

- Construction industry,
- Production,
- Trade,
- Auxiliary activity.

The accounting principles (policy) assumed in relation to the reporting regarding segments, in particular referring to the way of segments classification, assigning and valuation of revenues, costs and determining the financial result, the way of assigning and valuation of assets and liabilities and a method of determining transfer prices.

Branch segments were defined as separate economic entity's areas of distribution of goods or rendering of services or groups of related goods or services that are subject to risk and are characterized by the rates of return from the investment expenditures incurred other than those in other branch segments.

The basis for determination of dominant sources and types of risk and differentiated rates of return from the investment expenditures incurred were as follows for Energomontaż-Południe S.A.: the internal organizational structure, the management structure of the Group and its financial reporting system for the management board.

## **ACCOUNTING PRINCIPLES**

Segment accounting principles are the accounting principles assumed for preparation and presentation of the group's consolidated financial statements as well as accounting principles that refer in particular to the reporting regarding segments.

## **SEGMENT REVENUES**

Segment revenues are revenues either from sales to external clients or from transactions with other segments of the group that are shown in the group's profit and loss statement and that can be directly assigned to a given segment with an adequate part of group's revenues, which on the basis of reasonable background can be assigned to the segment. Segment revenues do not include:

- a) revenue due to interest or dividends, including interest obtained from advances given or loans granted to other segments,
- b) profits from investment sales or profits resulting from debt expiry.

Segment revenues include shares of an economic entity in profits or loss of associated entities, joint undertakings or other financial investments consolidated or general using the ownership rights method on condition that the above items are included in the consolidated or general revenues of the economic entity.

## **SEGMENT COSTS**

Segment costs are costs consisting of costs of sales with external clients and costs of transactions made with other segments within the Group that result from operating activity of a given segment and that can be directly assigned to the segment with an adequate part of the Group that on the basis of reasonable background can be assigned to the segment. Segment costs do not include:

- a) interest, including interest due to advances or loans obtained from other segments,
- b) loss on investment sales or loss incurred as a result of debt expiry.
- c) encumbrances due to income tax or
- d) general administration costs, head office costs and other costs arising on the group level that refer to the Group as a whole. However the costs on the Group level are sometimes incurred by a segment. They are segment costs if they refer to operating activity of a segment and on the basis of reasonable background they can be directly assigned or ascribed to the segment.

## **SEGMENT RESULT**

Segment result is a remainder of segment revenues and segment costs.

## SEGMENT ASSETS

Segment assets are operating assets used by a segment in operating activity, which can be directly assigned to the given segment or ascribed on the basis of reasonable background.

If a segment result consists of revenue due to interest or dividends, the segment assets consist of adequate receivables, loans, investments and other assets that bring about revenues.

Segment assets do not include assets resulting due to income tax.

Segment assets are determined after adequate deductions that are shown in the balance sheet of an economic entity as direct compensations.

## SEGMENT LIABILITIES

Segment liabilities are operating liabilities that arise as a result of operating activity of the segment, which can be directly assigned to the given segment or ascribed on the basis of reasonable background.

If the segment result constitutes of interest costs, its liabilities constitute of adequate interest bearing payables.

Segment liabilities do not include liabilities resulting due to income tax.

Definitions of segment revenues, costs, assets and liabilities regard those items of the balance that can be directly assigned to the segment and that can be ascribed to the segment on the basis of reasonable background. The Group refers to its internal financial reporting system as a starting point to determine which items can be directly assigned or ascribed to the segments on the basis of reasonable background. It means that it is assumed that the amounts separated in segments for the purposes of internal financial reporting may be directly assigned or on the basis of reasonable background ascribed to segments for valuation of revenues, costs, assets and liabilities of a segment that is subject to reporting obligation.

Segment revenues, costs, assets and liabilities are determined before balance of settlements and transactions conducted between the Group's economic entities are excluded within the framework of the consolidation process, unless the balance of settlements and transactions between the Group's economic entities are made within one segment.

## BASIC DIVISION ACCORDING TO BRANCH SEGMENTS

### TYPE OF PRODUCTS (SERVICES) AND GOODS WITHIN THE FRAMEWORK OF EVERY BRANCH SEGMENT SHOWN

#### 1. SEGMENT: CONSTRUCTION INDUSTRY

There are construction and assembly services, general engineering contracting and developer activity within the framework of this segment.

#### 2. SEGMENT: PRODUCTION

One can distinguish production of metal products within the framework of this segment.

### **3. SEGMENT: TRADE**

One can distinguish sales of metallurgical products within the framework of this segment.

### **4. SEGMENT: AUXILIARY ACTIVITY**

Within the framework of this segment one can distinguish training services, laboratory and research services, machine and devices repair, maintenance and control services, equipment services, real estate, equipment, machines and devices hire as well as financial activity.

Segmentation as of 31.12.2008

Description of items	Total	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity
Net revenues from the sale of products and materials	212 100	21 250	167 907	16 224	6 719
Costs of sold products, goods and materials of the segment	183 299	19 360	145 372	14 517	4 050
gross profit/loss on sales	28 801	1 890	22 535	1 707	2 669
Management costs	12 654				
Costs of sales	1 187				
Net profit/loss on sales	14 960	1 890	22 535	1 707	2 669
Other revenues	22 075	710	17 718	7	3 640
Other costs	16 817	1 300	11 431	6	4 080
Profit/loss from operating activities	20 218	1 300	28 822	1 708	2 229
Financial revenues	8 434	4 087	2 651	126	1 822
Financial costs	12 883	3 569	8 524	61	729
Gross financial income	15 769	1 818	22 949	1 521	3 322
Income tax unassigned to segments	3 392				
Net financial income	12 377				

Segmentation as of 31.12.2007

Description of items	Total	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity
Net revenues from the sale of products and materials	231 557	17 547	195 246	12 301	6 463
Costs of sold products, goods and materials of the segment	213 884	19 009	178 854	11 824	4 197
gross profit/loss on sales	17 673	-1 462	16 392	477	2 266
Management costs	9 214				
Costs of sales	94				
Net profit/loss on sales	8 365	-1 462	16 392	477	2 266
Other revenues	14 452	616	7 576	165	6 095
Other costs	11 696	917	5 924	23	4 832
Profit/loss from operating activities	11 121	-1 763	18 044	619	3 529
Financial revenues	9 762	34	3 873	73	5 782
Financial costs	4 060	336	2 934	-92	882
Gross financial income	16 823	-2 065	15 271	784	12 141
Income tax unassigned to segments	4 139				
Net financial income	12 684				

Balance sheet as of 31.12.2008

Description of item	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity	Other assets (unassigned to the segments)	Total
Assets of the segment	34 313	142 426	11 896	37 325	61 694	<b>287 654</b>
Liabilities of the segment	17 849	143 257	10 679	6 546	109 324	<b>287 654</b>

Balance sheet as of 31.12.2007

Description of item	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity	Other assets (unassigned to the segments)	Total
Assets of the segment	15 318	90 161	7 780	37 356	43 064	<b>193 679</b>
Liabilities of the segment	7 302	82 187	4 861	7 640	91 689	<b>193 679</b>

31.12.2008

Description of item	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity	Total
Investment expenditures with those under construction	4 359	2 560	121	45 978	53 018
Amortization	868	1 932	25	1 194	4 019

31.12.2007

Description of item	Segment Production	Segment Construction Industry	Segment Trade	Segment Auxiliary Activity	Total
Investment expenditures	4 322	46 183	119	2 241	52 865
Amortization	868	1 932	25	1 194	4 018

**Signatures of the persons representing:**

Date: 27.03.2008

President of the Management  
Board.....



Date: 27.03.2008

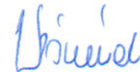
Vice President of the Management  
Board .....



**Signature of a person, who was entrusted with  
keeping books:**

Date: 27.03.2008

Chief Accountant .....



*bardano 27.03.2008.  
L2*