REPORT

from the audit of consolidated financial statements

OF ENERGOMONTAŻ – POŁUDNIE

Spółka Akcyjna

Katowice, 15 Mickiewicza Street

1. The audit covered consolidated financial statements for the period from 1st January 2008 to 31st December 2008.

2. ***The audit of financial statements was carried out by the chartered auditor****:*

   Bogusława Zemełka
   residing in Sosnowiec, 9 Orkana Street
   Reg. No. 9368/7008
   in the period from 01.04.2009 to 15.04.2009

3. ***The composition of the Management Board*** of the parent entity Energomontaż - Południe S.A. in the period from 01.01.2008 to 31.12.2008 was as follows:

President of the Management Board	-	**Mr. Wojciech Nazarek**
Vice President of the Management Board	-	**Mr. Andrzej Hołda** (from 01.03.2008)
Member of the Management Board	-	**Mr. Tadeusz Torbus** (to 05.03.2009)

4. Mrs. Wiesława Późniak was ***the Chief Accountant*** of the parent entity beginning from 01.09.2007

5. ***The composition of the Supervisory Board*** as of the day the audit of the financial statements was finished appeared as follows:

1)	Mr. Sławomir Masiuk	- Chairman of the Supervisory Board
2)	Mr. Marek Wesołowski	- Vice Chairman of the Supervisory Board
3)	Mr. Andrzej Kowalski	- Member of the Supervisory Board
4)	Mr. Krzysztof Radojewski	- Member of the Supervisory Board
5)	Mr. Waldemar Tevnell	- Member of the Supervisory Board

6. The audit was performed by the chartered auditor on the basis of Contract No. **14/08/09** of 04.06.2008r. concluded with **MW RAFIN Marian Wcisło Biuro Usług Rachunkowości i Finansów Spółka Jawna 41-200 Sosnowiec, 3 Zwycięstwa Street** - Authorized Entity No. 3076**.**

   The Contract was concluded upon implementation of the Resolution of the Supervisory Board of Energomontaż - Południe S.A. No. 17 of 19.05.2008, authorized to act on the grounds of § 17, item 2.5 of the Articles of Association.

   MW RAFIN Marian Wcisło Biuro Usług Rachunkowości i Finansów Spółka Jawna in Sosnowiec and the chartered auditor are independent of the audited entity.

A. GENERAL PART

I. Composition of the capital group

1. The capital group contained in the consolidated financial statements consists of:

   the parent entity of medium level:

   Energomontaż - Południe Spółka Akcyjna

   and subordinate entities:

   a) subsidiaries contained in the consolidated financial statements:

      – Centrum Kapitałowe – Modus Sp. z o.o. seated in Katowice
      – EP Centrum Rekreacji Sp. z o.o. seated in Katowice

– Modus II Sp. z o.o. seated in Katowice
– AMONTEX PM Sp. z o.o. seated in Piotrków Trybunalski

2. The capital group is not a tax capital group under the law on the legal persons income tax.

II. The characteristics of the capital group's entities

1. THE PARENT ENTITY:

1.1. Name, address, legal form of the parent entity

Name: **Energomontaż – Południe S.A.**
Address: **40-951 Katowice, 15 Mickiewicza Street**

1.2. Object of the activity

The object of the activity that is performed in particular is:

1) execution of general construction works,
2) execution of construction works related to the erection of steel constructions as wells as buildings and structures of prefabricated elements,
3) construction of hydro engineering structures,
4) execution of electrical, gas, sewerage, central heating, ventilation and other construction systems,
5) execution of completion construction works,
6) execution of specialized construction works,
7) hire of construction and demolition equipment with operators' sevice,
8) wholesale of construction materials and sanitary outfit,
9) technical tests and analyses,
10) production of metal constructions and their parts,

11) purchase and sales of real estate on own account.

1.3. Legal basis for the activity

1) Law of 15.09.2000 - The Code of Commercial Companies (Journal of Laws of 2000 No. 94, item 1037 as amended),
2) Law of 29.07.2005 - Public tender and conditions of implementation of financial instruments to an organized purchase/sales system and listed companies (Journal of Laws of 2005 No. 184 item 1539 as amended),
3) Law of 29.07.2005 - Financial instruments purchase/sales (Journal of Laws of 2005 No. 183 item 1538 as amended),
4) The Ordinance of the Minister of Finance of 19.02.2009 on current and periodical information provided by the issuers of securities (Journal of Laws of 2009 No. 33 item 259),
5) The Articles of Association of the Joint Stock Company prepared in the form of the Notarial Deed Rep. A No. 1661/92 of 07.03.1992, latest amendment passed on 25.07.2008 – Rep. A No. 12606/2008.

1.4. Registering body and date of entry into the register

The Decision of the District Court in Katowice, Economic Division of the National Court Register of 24.01.2002 on the entry to the Enterpreneurs' Register under KRS No.: 0000080906.
Previous registration was made in the District Court in Katowice, 8th Economic and Registration Division, under the RHB No. 7927.

1.5. Tax and statistical registration

The identification number of Energomontaż - Południe S.A.

REGON 270649263

was vested by the Statistical Office in Katowice - Certificate of 20.09.2005 and the tax identification number

NIP 634-013-54-81

was vested by the Internal Revenue Service in Katowice on 08.06.1993

The Head of the First Silesian Internal Revenue Service in Sosnowiec confirmed registration of the company as of 24.04.2004 as a VAT UE tax payer under the number

PL 6340135481

1.6. The amount of share capital

The share capital of the parent entity is 48,390 thousand PLN divided to 48,390,000 common shares of 1.00 PLN each.

The owners of the shares are:

Owners of shares	Number of shares	% share in basic capital and rights to vote
Renata Gasinowicz	8,700,835	17.98
Andrzej Mikucki and Piotr Mikucki	4,390,000	9.07
own shares	845,654	1.75
other shareholders	34,453,511	71.20
Total:	48,390,000	100.00

2. SUBSIDIARIES subject to consolidation

2.1. Name : **Centrum Kapitałowe - Modus Sp. z o.o.**

address: **40-951 Katowice, 15 Mickiewicza Street**

The object of the activity are financial services and execution of general construction works related to the erection of buildings.

Legal basis for the activity

1) The Code of Commercial Companies - Law of 15.09.2000 (Journal of Laws of 2000 No. 94, item 1037 as amended),

2) The Articles of Association of 30.09.1999 prepared in the form of the Notarial Deed Rep. A No. 11839/99 - latest amendment Rep. A No. 1005/2008 of 15.01.2008.

Registering body and date of entry into the register

The company was entered into the Enterpreneurs' Register under number KRS 0000112995 on 20.05.2002.

Tax and statistical registration

NIP	634-23-50-232	vested on 23.11.1999
REGON	276649643	certificate of 04.10.2007

The amount of basic capital

Share capital amounts to: 15,900 thousand PLN

100% of shares and 100% of votes belongs to Energomontaż - Południe S.A.

2.2. Name : **EP Centrum Rekreacji Sp. z o.o.**
address: **40-951 Katowice, 15 Mickiewicza Street**

The object of the activity are tourist, hotel, recreation and gastronomic activities, mainly in the resort in Mrzeżyno and in the hotel in Łagisza.

Legal basis for the activity

1) The Code of Commercial Companies - Law of 15.09.2000 (Journal of Laws of 2000 No. 94, item 1037 as amended),
2) The Articles of Association of 10.02.2000 - Notarial Deed Rep. A No. 2315/2000, latest amendment - Rep. A No. 1367/2009 of 06.02.2009.

Registering body and date of entry into the register

The company was entered into the Enterpreneurs' Register under number KRS 0000134975 on 29.10.2002.

Tax and statistical registration

NIP	857-17-93-653	vested on 17.07.2002
REGON	277846660	certificate of 14.01.2003

The amount of basic capital

Share capital amounts to: 70.5 thousand PLN

100% of shares and 100% of votes belongs to Energomontaż - Południe S.A.

2.3. Name : **Modus II Sp. z o.o.**

address: **40-951 Katowice, 15 Mickiewicza Street**

The object of the activity is development and sales of real estate on own account.

Legal basis for the activity

1) The Code of Commercial Companies - Law of 15.09.2000 (Journal of Laws of 2000 No. 94, item 1037 as amended),
2) The Articles of Association of 13.08.2007 - Notarial Deed Rep. A No. 10969/2007.

Registering body and date of entry into the register

The company was entered into the Enterpreneurs' Register under number KRS 0000289248 on 27.09.2007.

Tax and statistical registration

NIP	634-265-1376	vested on 01.10.2007
REGON	240723787	vested on 27.09.2007

The amount of basic capital

Share capital amounts to: 50 thousand PLN

100% of shares and 100% of votes belongs to Energomontaż - Południe S.A.

2.4. Name : **AMONTEX Przedsiębiorstwo Montażowe Sp. z o.o.**

address: **97-300 Piotrków Trybunalski, 25A Przemysłowa Street**

The object of the activity is production and assembly of steel constructions.

Legal basis for the activity

3) The Code of Commercial Companies - Law of 15.09.2000 (Journal of Laws of 2000 No. 94, item 1037 as amended),

4) The Articles of Association of 27.11.2002 - Notarial Deed Rep. A No. 4993/2002 as amended.

Registering body and date of entry into the register

The company was entered into the Enterpreneurs' Register under number KRS 0000154195 on 06.03.2003.

Tax and statistical registration

NIP	772-216-91-37	vested on 27.12.2004
REGON	592197700	vested on 24.02.2004

The amount of basic capital

Share capital amounts to: 148 thousand PLN

100% of shares and 100% of votes belongs to Energomontaż - Południe S.A.

III. Total average annual employment in the capital group

Total	952	people
including:		
- in parent entity	708	people
- in other entities	244	people
out of this:		
- in particular entities consolidated using the full		

method:

- CK- Modus Sp. z o.o. 2 people
- EP Centrum Rekreacji Sp. z o.o. 3 people
- Modus II Sp. z o.o. 1 person
- AMONTEX PM Sp. z o.o. 238 people

IV. Legal basis for preparation and review of the consolidated financial statements:

1. International Financial Reporting Standards established by International Accounting Standards Board,

2. Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19.07.2002 on the application of international accounting standards,

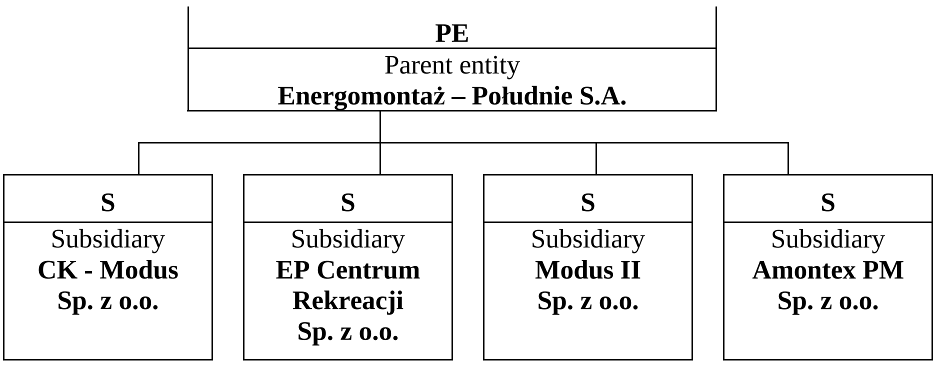
3. Commission Regulation (EC) No. 1725/2003 of 29.09.2003 that assumed some of the international accounting standards (as amended),

4. The Accounting Act of 29.09.1994 (consolidated text Journal of Laws of 2002, No. 76, item 694 as amended) and secondary legislation issued on its basis, in cases not stipulated in International Financial Reporting Standards,

5. International Standards on Auditing.

V. Entities related to the parent entity by capital:

1. The capital group's concept chart.



2. A list of parent entity and subsidiaries with their details:

– consolidated entities

'000 PLN

Name	% of interests	Value of interests as of 31.12.2008	Balance sheet total as of 31.12.2008	% interest in the group	Revenues on sales and financial revenues for the year 2008	% share in the group	Gross financial result for the year 2008	% interest in the group	Average annual employment
PARENT ENTITY									
Energomontaż – Południe S.A.			287,654	77.94	220,534	80.76	15,770	72.35	708
SUBSIDIARIES									
CK- Modus Sp. z o.o.	100.00	15,900	46,019	12.47	881	0.32	14	0.06	2
EP Centrum Rekreacji Sp. z o.o.	100.00	71	432	0.12	1,320	0.48	302	1.39	3
Modus II Sp. z o.o.	100.00	50	3,286	0.89	-	-	- 94	- 0.43	1
AMONTEX PM Sp. z o.o.	100.00	33,023	31,651	8.58	50,359	18.44	5,805	26.63	238
Total consolidated entities		**49.044**	**369,042**	**100.00**	**273,094**	**100.00**	**21,797**	**100.00**	**952**

– non-consolidated subsidiaries

Name	% of interests	value of interests as of 31.12.2008	balance sheet total as of 31.12.2008	% interest in the group	revenues on sales and financial revenues for the year 2008	% interest in the capital group	gross financial result for the year 2008	% interest in the capital group	average annual employment
Open Wrocław Sp. z o.o. in bankruptcy	70.00	105							
Energomontaż – Zachód Sp. z o.o. in bankruptcy	90.30	470							
Total condolidated and non-consolidated subsidiaries		**49,619**	**369,042**	**100.00**	**273,094**	**100.00**	**21,797**	**100.00**	**952**

Bankruptcy and liquidation proceedings are pending in the non-consolidated subsidiaries, thus the parent entity exercises no control over them.

VI. **Information on the influence of managerial personnel in the parent entity on other entities.**

The influence of managerial personnel in the parent entity on entities that are related to it by capital in the period when the financial statements were audited was as follows:

1. Through interest in management boards:

   CK- Modus Sp. z o.o.
   – Mr. Tadeusz Torbus

1. Through interest in supervisory boards:

   CK- Modus Sp. z o.o.
   – Mr. Andrzej Hołda
   – Mrs. Alina Sowa

   AMONTEX PM Sp. z o.o.
   – Mr. Wojciech Nazarek

VII. <u>The consolidated financial statements of the Energomontaż-Południe S.A. Capital Group for the year 2007</u>

1. The statements were audited by MW RAFIN Marian Wcisło Biuro Usług Rachunkowości i Finansów Spółka Jawna in Sosnowiec and obtained the chartered auditor's opinion without reservations. They contained financial statements of the parent entity Energomontaż-Południe S.A. and of the subsidiaries included in the statements.
2. The consolidated financial statements of the Energomontaż-Południe S.A. Capital Group for the year 2007 were approved by the Resolution No. 6 of the Annual Shareholders' Meeting of Energomontaż-Południe S.A. on 06.06.2008. (Notarial Deed Rep. A No. 10586/2008).
3. The financial statements were announced in the Monitor Polski "B" of 18.11.2008 No. 1750 item 9941.
4. The consolidated financial statements for the year 2007 and the report on the activity of the capital group, the opinion and the report from the audit as well

as the notarial deed of the ASM approving that the above statements were filed in the District Court in Katowice on 16.06.2008.

VIII. **The audited consolidated financial statements** prepared for the period from 01 January 2008 to 31 December 2008, i.e. as of the balance sheet day 31.12.2008, consist of:

a) consolidated balance sheet prepared as of 31.12.2008 that on the side of assets closes with the sum of	**309.444**	**'000 PLN**
b) consolidated profit and loss statement for the period from 01.01.2008 to 31.12.2008 showing net profit in the amount of	**15.340**	**'000 PLN**
c) consolidated cash flow statement showing a decrease in net cash in the period from 01.01.2008 to 31.12.2008 by the amount of	**27.818**	**'000 PLN**
d) statement of changes in consolidated equity showing an increase of equity by the amount of	**20.446**	**'000 PLN**

e) additional information.

IX. **The manager of the parent entity** submitted all declarations, explanations and information required by the chartered auditor.

There were no limitations of neither the scope nor the methods of audit during its performance.

X. **The audit of financial statements of consolidated entities:**

1. The financial statements of the parent entity for the year 2008 were audited by MW RAFIN Marian Wcisło Biuro Usług Rachunkowości i Finansów Spółka

Jawna in Sosnowiec. The audit resulted in issuing of an opinion without reservations and of a report from the audit.
The audit was carried out on the basis of Contract No. 14/08/09 of 04.06.2008.

The financial statements of the subsidiary AMONTEX PM Sp. z o.o. acquired in 2008 were audited for the year 2008 by MW RAFIN Marian Wcisło Biuro Usług Rachunkowości i Finansów Spółka Jawna in Sosnowiec on the basis of Contract No. 17/08/09 of 18.12.2008.
The audit resulted in issuing of an opinion without reservations and of a report from the audit.

The financial statements of subsidiaries for the year 2008 consolidated using the full method:

- CK – Modus Sp. z o.o.
- EP Centrum Rekreacji Sp. z o.o.
- Modus II Sp. z o.o.

were not audited, which does not violate the provisions of art. 64 of the Accounting Act.
Moreover the financial data is insignificant for depicting the property and financial result of the capital group. The balance sheet totals of the companies amount to 49,737 thousand PLN and the revenues from the sales of products, goods and materials and the financial revenues amount to 2,201 thousand PLN. The companies employ the total of 6 people.

2. The following companies were excluded from consolidation:

– subsidiaries:
  - Open Wrocław Sp. z o.o. - bankruptcy was rejected by the court
  - Energomontaż – Zachód Sp. z o.o. in bankruptcy with liquidation

  because the parent entity is no longer able to manage the financial and operating policies of the companies so as to achieve economic benefits. It is compliant with IAS 27 § 21.

XI. <u>The conclusions and recommendations of the chartered auditors from the</u>

audit of the consolidated financial statements for the previous financial year

were not expressed.

XII. Breakdown structure and methods of financial statements consolidation

The consolidated financial statements were prepared on the basis of financial statements of entities that the capital group is composed of and put together as if the group were one entity.

The following entities were subject to full consolidation:

– the parent entity Energomontaż – Południe S.A.

and the following subsidiaries:

– CK – Modus Sp. z o.o. in Katowice
– EP Centrum Rekreacji Sp. z o.o. in Katowice
– Modus II Sp. z o.o. in Katowice
– AMONTEX PM Sp. z o.o. in Piotrków Trybunalski

B. DETAILED PART OF THE REPORT

Correctness of the accounting system applied

1. The parent entity and the subsidiaries subject to consolidation of financial statements keep current documentation that describes the accounting principles (policy) assumed.

   Since 01.01.2005 the parent entity has assumed the accounting principles specified in International Financial Reporting Standards and interpretations related to them published in the form of European Commission executive directives, and in the scope not regulated by the standards - in the accounting law and executive regulations issued on its basis.
   The accounting books were opened on the basis of closing balance that was prepared properly, audited and certified.

2. The entities subject to consolidation defined the financial year to be the calendar year and the reporting periods to be the calendar months of the calendar year.

3. Financial statements for the period from 01.01.2008 to 31.12.2008 comparable to the previous year were prepared for the purposes of consolidation.

4. The financial statements of subsidiaries subject to consolidation were transformed for the purposes of the consolidated statements.
   The entities subject to consolidation assumed identical methods of assets and liabilities valuation and of financial statements preparation, in accordance with the assumed principles (policy) specified in IFRS, maintaining comparability and possibility of correct consolidation preparation. In those entities the profit and loss statements were prepared using the calculation method and the cash flow statements - using the indirect method.

   The audited entities with consolidated financial statements used principles and methods of accounting that guarantee the consolidated documentation and the consolidated statements are prepared correctly.

5. The consolidated financial statements were prepared pursuant to the valid form as specified in the "Energomontaż - Południe S.A. Accounting Policy" based on IFRS and on the Ordinance of the Minister of Finance of 12.12.2001.

6. The consolidation adjustments and exclusions were made pursuant to the provisions of IAS 27 § 22 - 36 and § 12 – 16 of the Ordinance of the Minister of Finance of 12.12.2001 on detailed principles of preparation of related entities' financial statements by entities other than banks and insurance companies (Journal of Laws No. 152, item 1729 as amended).

7. The parent entity keeps consolidation documentation required by the law that constitutes the basis for the preparation of financial statements for the year 2008 and consists of:

   – financial statements of companies from within the capital group in the year 2008,
   – all consolidation adjustments and exclusions required for the preparation of the

consolidated financial statements,

– valuations of fair value of net assets of a subsidiary,
– valuations of goodwill from consolidation,
– valuations of minority equities.

8. In the parent entity and in the subsidiary AMONTEX PM Sp. z o.o. the chartered auditors examined the correctness and the credibility of running the accounting books as well as valuation and preparation of financial statements and expressed a positive opinion (the Accounting Law, art. 65) on the credibility and correctness of the statements as well as on the correctness of the accounting books that constitute the basis for their preparation.

C. ASSESSMENT OF ASSETS AND LIABILITIES AND ASSESSMENT OF FINANCIAL CONDITION

1. <u>Change of assets (property) as of 31.12.2008 in relation to 31.12.2007 and their structure are as follows:</u>

in '000 PLN

Components of assets	Closing balance		Opening balance	
	Amount	Structure %	Amount	Structure %
1	2	3	4	5
Fixed assets	**94,863**	**30.66**	**49,684**	**25.64**
1. Tangible fixed assets	49,020	15.84	34,822	17.97
2. Intangible assets	291	0.09	1,223	0.63
3. Goodwill - subsidiaries	26,219	8.48	-	-
4. Investment real estate	15,328	4.95	10,936	5.65
5. Financial assets	398	0.13	1,647	0.85
6. Long-term receivables	63	0.02	63	0.03
7. Long-term prepayments	3,544	1.15	993	0.51
Current assets	**214.581**	**69.34**	**144,081**	**74.36**
1. Inventories	57,704	18.65	45,700	23.59
2. Short-term receivables	120,751	39.02	58,087	29.98
3. Short-term prepayments				

	28,298	9.14	3,560	1.83
4. Current financial assets	-	-	1,422	0.73
5. Cash and equivalents	7,828	2.53	35,312	18.23
Total assets	**309,444**	**100.00**	**193,765**	**100.00**

The property (assets) increased by 115,679 thousand PLN, which is	59.70	%
of total assets from the previous year, where:		
– fixed assets increased by	90.93	%
– current assets increase by	48.93	%

Assets increased mainly in the following items:

– goodwill - subsidiaries	26,219	'000 PLN
– tangible fixed assets	14,198	'000 PLN
– inventories	12,004	'000 PLN
– short-term receivables	62,664	'000 PLN
– short-term prepayments	24,738	'000 PLN

Assets decreased mainly in the following item:

– cash and equivalents	27,484	'000 PLN

2. <u>Change of assets (property) origin sources as of 31.12.2008 in relation to 31.12.2007 and their structure are as follows:</u>

in '000 PLN

Components of liabilities	Closing balance		Opening balance	
	Amount	Structure %	Amount	Structure %
1	2	3	4	5
Equity	**111,857**	**36.15**	**91,411**	**47.18**

including:				
1. Basic capital	69,725	22.53	65,335	33.72
2. Other capital	36,400	11.76	22,811	11.77
3. Previous years' loss	- 9,608	- 3.10	- 9,171	- 4.73
4. Net profit (loss)	15,340	4.96	12,436	6.42
5. Minority equity	-	-	-	-
Long-term payables	**43.383**	**14,02**	**16.807**	**8,67**
1. Provisions	10,228	3.31	9,457	4.88
2. Financial payables	33,155	10.71	7,350	3.79
Short-term payables	**154.204**	**49,83**	**85.547**	**44,15**
1. Provisions	649	0.21	1,636	0.84
2. Financial payables	50,847	16.43	17,052	8.80
3. Short-term payables	102,708	33.19	66,859	34.51
TOTAL LIABILITIES	**309,444**	**100.00**	**193,765**	**100.00**

Liabilities also increased by 115,679 '000 PLN

and it refers mainly to:

- increase of equity 20,446 '000 PLN
- increase of long-term payables 26,576 '000 PLN
- increase of short-term payables 68,657 '000 PLN

3. The financial results of the capital group in the audited period in relation to the previous years are as follows:

in '000 PLN

Item	Content	Current year 31.12.2008 + profit - loss	Previous year 31.12.2007 + profit - loss	Ratio + improvement - worsening	Ratio % (3 : 4)
1	**2**	**3**	**4**	**5**	**6**
1.	Result on the sales of products,				

	goods and materials	+ 37,109	+ 17,829	+ 19,280	208.14
2.	Result on other revenues and costs	- 11,777	- 6,898	- 4,879	170.73
3.	Result on revenues and financial costs	- 5,435	+ 5,657	- 11,092	
4.	Gross profit	19,897	16,588	+ 3,309	119.95
5.	Income tax	4,212	4,152	- 60	101.45
6.	Minority profit	345	-	345	
7.	Net profit	15,340	12,436	+ 2,904	123.35

In 2008 net balance sheet profit achieved was 15,340 '000 PLN

and exceeds the profit in 2007 by 2,904 '000 PLN

It is a result of the increase in profit on:

- the sales of products, goods and materials by 19,280 '000 PLN

and decrease in profit on:

- other revenues and costs - 4,879 '000 PLN
- revenues and financial costs - 11,092 '000 PLN

4. <u>The significant profitability, financial liquidity and solvency ratios are as follows:</u>

Item	Name of the ratio	Current year	Previous year	+ Improvement - Worsening
1	2	3	4	5
1.	Return on sales	6.39 %	5.35 %	+ 1.04 %
2.	Current payables coverage ratio	139.15 %	168.42 %	- 29.27 %
3.	Payables repayment ratio	101.73 %	115.00 %	- 13.27 %
4.	Receivables turnover ratio	60 days	57 days	- 3 days
5.	Payables turnover ratio	57 days	44 days	- 13 days

6.	Debt to asset ratio	63.85 %	52.82 %	- 11.03 %

The profitability ratios are positive. The financial liquidity ratios are at the correct level. Receivables and payables turnover ratios have worsened. Debt to asset ratio remains at good level.

5. Final remarks

The presented assessment of the property and financial condition indicates the increase of the capital group's property as well as the increase of equity and payables.

The chartered auditors who audited the financial statements of the parent entity and the major subsidiary believe that there are no circumstances that indicate any threat to the continuation of the activity in the foreseeable future.

D. RESULTS OF THE AUDIT OF THE COMPONENTS OF PROPERTY, ITS ORIGINS AND ITEMS THAT INFLUENCE THE RESULT OF THE CAPITAL GROUP'S ACTIVITY

I. FIXED ASSETS

1. Tangible fixed assets

1) Opening balance of tangible assets subject to consolidation amounts to:

– in parent entity	71,133	'000 PLN
– in subsidiaries	6,839	'000 PLN
Total:	**77,972**	**'000 PLN**
– consolidation adjustment	- 1	'000

		PLN
Opening balance after exclusions	77,971	'000 PLN

2) Depreciation of tangible assets subject to consolidation amounts to:

– in parent entity	35,998	'000 PLN
– in subsidiaries	1,551	'000 PLN
Total:	**37,549**	**'000 PLN**

3) Net tangible assets after consolidation adjustments shown in the balance sheet as of 31.12.2008

amount to (1-2)	40,422	'000 PLN

Total net tangible assets are divided to:

a) land (including the right to perpetual usufruct)	412	'000 PLN
b) structures, premises, civil and water engineering structures	25,761	'000 PLN
c) technical equipment and machines	8,810	'000 PLN
d) means of transport	4,016	'000 PLN
e) other tangible assets	1,423	'000 PLN
Total tangible assets	**40,422**	**'000 PLN**
f) tangible assets under construction	8,598	'000

		PLN
Total tangible fixed assets		
shown in the balance sheet as of 31.12.2008	**49,020**	**'000 PLN**
Percentage share in the balance sheet total	15.84	%

4) The increase of tangible assets compared to the previous year is a result of:

– purchase and modernization of tangible assets	6,283	'000 PLN
– leasing of tangible assets	2,981	'000 PLN
– acquisition of a new subsidiary	1,732	'000 PLN

5) In 2008 the expenditures for the construction of tangible assets and intangible fixed assets according to the individual statements amount to:

a) Expenditures in:

– parent entity	9,305	'000 PLN
– subsidiaries	7,464	'000 PLN
Total expenditures	**16,769**	**'000 PLN**
– consolidation adjustments	899	'000 PLN
Expenditures after adjustments	15,870	'000 PLN

b) Sources of financing 15,870 '000 PLN

divided to:

– amortization	4,485	'000 PLN
– profit from sales of tangible assets	177	'000 PLN
– leasing	2,980	'000 PLN
– own funds	8,228	'000 PLN

The financing of the expenditures for the construction of tangible assets is as follows:

– opening balance of payables	5,271	'000 PLN
– expenditures for the construction of tangible assets	15,870	'000 PLN
Total amount needed	**21,141**	**'000 PLN**
– closing balance of payables	11,611	'000 PLN
– expenditures financed	9,530	'000 PLN

Closing balance of payables due to the construction of tangible assets is overdue in the amount of 122 thousand PLN.

2. Intangible assets

1) Opening balance of intangible assets subject to consolidation amounts to:

– in parent entity	3,188	'000 PLN

– in subsidiaries	27	'000 PLN
Total:	**3.215**	**'000 PLN**

2) Depreciation of intangible assets in entities subject to consolidation amounts to:

– in parent entity	1.049	'000 PLN
– in subsidiaries	13	'000 PLN
Total:	**1,062**	**'000 PLN**

3) Write-off due to permanent goodwill impairment amounts to:	2,010	'000 PLN
4) Net intangible assets shown as of 31.12.2008 amount to (1 - 2 - 3)	143	'000 PLN
5) Expenditures for intangible assets	148	'000 PLN
6) Total net value as of 31.12.2008	291	'000 PLN
Percentage share in the balance sheet total	0.09	%

Closing balance of tangible assets, tangible assets under construction and intangible assets shown in the consolidated balance sheet are correct.

3. <u>Goodwill - subsidiaries</u>

amounts to	26,219	'000 PLN
Percentage share in the balance sheet total	8.48	%
and refers to:		
- AMONTEX PM Sp. z o.o.	26,219	'000 PLN

It is confirmed that the goodwill of subsidiaries is valued and shown in the consolidated balance sheet correct.

4. <u>Investment real estate</u> amount to:

in '000 PLN

	Gross value	Depreciation	Carrying value
Real estate	15,328	-	15,328
Percentage share in the balance sheet total			4.95 %

Investment real estate is shown in the fair value on the basis of a market valuation carried out by a real estate expert.
Profit or loss resulting from the changes of fair value are presented in the profit and loss statement.
Investment real estate in the consolidated financial statements is shown correct.

5. <u>Financial assets</u> *amount to:*

'000 PLN

	Gross value	Allo-wances	Balance sheet valu-ation	Carrying value
Long-term financial assets	1.519	- 1.231	+ 110	398
a) in subsidiaries that are not trade companies, in co-subsidiaries that are not valued using the full or proportional consolidation method	575	- 575	-	-

	- interests or shares	575	- 575	-	-
b)	in other entities	944	- 656	+ 110	398
	- shares available for sale	174	- 105	+ 110	179
	- other interests	770	- 551	-	219
Total shown in balance sheet		**1,519**	**- 1,231**	**+ 110**	**398**

Percentage share in the balance sheet total 0.13 %

As a result of consolidation using the full method, the interests purchased by the parent entity in the below mentioned subsidiaries subject to consolidation were excluded from the long-term financial assets:

	Gross value	Allowances	Net value	
– CK-Modus Sp. z o.o.	15,900	15,422	478	'000 PLN
– EP Centrum Rekreacji Sp. z o.o.	71	-	71	'000 PLN
– Modus II Sp. z o.o.	50	-	50	'000 PLN
AMONTEX PM Sp. z o.o.	33,023	-	33,023	'000 PLN
Total	**49,044**	**15,422**	**33,622**	**'000 PLN**

Total interests and shares owned by the parent entity and subsidiaries 50,563 '000 PLN

Long-term loans in the amount of 15,000 thousand PLN are also subject to consolidation exclusion.

Long-term financial assets in the consolidated financial statements are shown correct.
The exclusions and adjustments of interests and shares made are determined in accordance with the required consolidation procedure.

6. Long-term receivables

Closing balance amounts to	63	'000 PLN
<u>diminished by</u> :		
- allowances	-	'000 PLN
- valuation according to depreciated cost	-	'000 PLN
Net long-term receivables	63	'000 PLN
Percentage share in the balance sheet total	0.02	%
<u>and refer to:</u>		
– related entities	-	'000 PLN
– other entities	63	'000 PLN

There are no consolidation exclusions in this item.

Long-term receivables comprise deposits paid that ought to be returned in a period longer than 12 months from the balance sheet date.

Long-term receivables are shown correct in the consolidated financial statements.

7. Long-term prepayments:

shown in the balance sheet in the amount of	3,544	'000 PLN
Percentage share in the balance sheet total	1.15	%
<u>comprise:</u>		
Assets due to deferred income tax	3.257	'000 PLN

Prepayments	287	'000 PLN

Assets due to deferred income tax are determined on the basis of negative temporary differences between the book value and the tax value of the parent entity's balance sheet assets and liabilities components.

Other prepayments comprise financial costs due to financial leasing due after 31.12.2009.

Long-term prepayments are shown correct in the consolidated financial statements.

II. CURRENT ASSETS

1. Inventories

Closing balance of inventories amounts to	57,704	'000 PLN
Percentage share in the balance sheet total	18.65	%

divided to:

1) materials	5,294	'000 PLN
2) semi-products and work in progress	30,536	'000 PLN
3) finished products	7,976	'000 PLN
4) goods	14,098	'000 PLN
5) allowance for materials	200	'000 PLN

The above total inventories are divided to:

– parent entity	28,162	'000 PLN

– subsidiaries		46,912	'000 PLN
	Total:	75,074	'000 PLN

The inventories shown in the consolidated financial statements were adjusted by:

– exclusions of unperformed profits due to interest from loans		751	'000 PLN
– exclusions of unperformed margin on inventories		1,197	'000 PLN
– consolidation allowance		15,422	'000 PLN
	Total:	17,370	'000 PLN

Inventories are determined and shown in the consolidated balance sheet correct.

1.1.	Non-rotational inventories amount to	664	'000 PLN

Allowance in the amount of 200 thousand PLN was made in relation to non-rotary inventories.

2. Short-term receivables

Gross short-term receivables shown in individual balance sheets of the companies amount to:	143,900	'000 PLN

diminished by :

– gross consolidation exclusions and adjustments	16,216	'000 PLN

Gross short-term receivables after exclusions	127,684	'000 PLN
diminished by :		
– write-offs due to revaluation	6,933	'000 PLN
Short-term receivables as of 31.12.2008	120,751	'000 PLN
Percentage share in the balance sheet total	39.02	%
divided to:		
– receivables from related entities	-	'000 PLN
– receivables from other entities	120,751	'000 PLN
Gross trade receivables amount to:	60,128	'000 PLN
– diminished by consolidation exclusions	16,143	'000 PLN
Trade receivables after exclusions	43,985	'000 PLN
diminished by :		
– write-offs due to revaluation	2,736	'000 PLN
Net trade receivables	41,249	'000 PLN

Write-offs within the burden of other costs were made in the companies for doubtful or disputed receivables.

In accordance with the chartered auditors' reports, receivables were valued according to amounts due.

Receivables shown in the financial statements of the capital group companies are adjusted by exclusions of mutual account turnover between the companies subject to consolidation as well as by adjustments resulting from mutual settlements.

Gross trade receivables are divided to receivables that are:

– not overdue	38,862	'000 PLN
– overdue	5,123	'000 PLN

<u>including to be paid:</u>

a) up to 3 months	2,297	'000 PLN
b) from 3 to 6 months	91	'000 PLN
c) from 6 to 12 months	93	'000 PLN
d) more than 12 months	2.642	'000 PLN
Total:	**43,985**	**'000 PLN**

Trade receivables as of 31.12.2008 shown in the individual balance sheets of the companies amount to:	57,392	'000 PLN
The exclusions of account turnover between the companies of the capital group due to receivables for mutual services and consolidation adjustments amount to:	16,143	'000 PLN
Trade receivables after consolidation adjustments and exclusions as of 31.12.2008 amount to:	**41,249**	**'000 PLN**

The adjustments and exclusions were determined pursuant to IAS 27 and to the provisions of the Ordinance of the Minister of Finance of 12.12.2001 on detailed principles of preparation of related entities' financial statements by entities other than banks and insurance companies (Journal of Laws No. 152, item 1729).

The consolidated trade receivables are shown in the balance sheet in the correct amount.

2.1. **Receivables claimed at court** are as follows:

	Status as of 31.12.2008		Status as of 31.12.2007	
- receivables claimed at court	3,437	'000 PLN	3,428	'000 PLN
- allowance	3,437	'000 PLN	3,428	'000 PLN
- receivables after write-offs due to revaluation	-	'000 PLN	-	'000 PLN
- the disputed receivables in the parent entity amount to:	3,172	'000 PLN	3,428	'000 PLN

Other receivables in the gross amount are: 80,335 '000 PLN

The following were used in this item:

– consolidation adjustments 73 '000 PLN

– write-offs due to revaluation 760 '000 PLN

Other receivables are shown in the consolidated balance sheet for the amount of 79,502 '000 PLN

that comprises:

– parent entity's receivables in the amount of	72,681	'000 PLN
– subsidiaries' receivables in the amount of	6,821	'000 PLN

This item is shown correct in the consolidated financial statements.

3. Short-term prepayments

amount to	28,298	'000 PLN
Percentage share in the balance sheet total	9.14	%
including:		
– insurances	233	'000 PLN
– costs of apartment sales	5,399	'000 PLN
– costs of the following period	416	'000 PLN
– settlement of the costs of long-term contracts	12,188	'000 PLN
– uninvoiced sales of long-term contracts	8,575	'000 PLN
– leasing payments	369	'000 PLN
– other	1.118	'000 PLN

The above mentioned titles of prepayments are valued correct. Consolidation exclusions regarding unperformed profits due to interest from loans in the amount of 749 thousand PLN were applied in this item. The item is shown correct in the consolidated financial statements.

4. Current financial assets - '000 PLN

are not shown in the consolidated financial statements.

Consolidation exclusions regarding short-term loans in the amount of 2,860 thousand PLN are made in this item.

5. Cash and equivalents amount to

	Gross value	Allowances	Carrying value	
Cash and other pecuniary assets	7,828	-	7,828	'000 PLN
- cash in hand and in accounts	4,520	-	4,520	'000 PLN
- short-term deposits	3,308	-	3,308	'000 PLN

Percentage share in the balance sheet total 2.53 %

Cash and its equivalents is shown in the consolidated financial statements correct. There are no consolidation exclusions in this item.

III. EQUITY

1. Equity amounts to 111,857 '000 PLN

Percentage share in the balance sheet total 36.15 %

and consists of:

1) Basic capital 69,725 '000 PLN

2) Supplementary capital 20,597 '000 PLN

3)	Capital from revaluation	10,788	'000 PLN
4)	Own shares	- 2,254	'000 PLN
5)	Other reserve capitals	7,269	'000 PLN
6)	Previous years' loss	- 9,608	'000 PLN
7)	Net profit	15,340	'000 PLN
8)	Minority capital	-	'000 PLN

2. **<u>The capital group's basic capital</u>**

amounts to:	85,894	'000 PLN
The exclusions and adjustments of interests of subsidiaries in the capital group as of 31.12.2008 amount to	16,169	'000 PLN
The basic capital as of 31.12.2008 shown in the consolidated balance sheet is determined correct and amounts to	69,725	'000 PLN

The exclusions regarding the interests in the subsidiaries are:

– CK-Modus Sp. z o.o.	15,900	'000 PLN
– EP Centrum Rekreacji Sp. z o.o.	71	'000 PLN
– Modus II Sp. z o.o.	50	'000 PLN
– AMONTEX PM Sp. z o.o.	148	'000 PLN

Total	16,169	'000 PLN

3. **<u>Supplementary capital</u>** 20,597 '000 PLN

A total of the parent entity's and subsidiaries' capitals in the capital group as of 31.12.2008 amounts to 25,995 '000 PLN

– consolidation exclusions regarding the acquired company 5,398 '000 PLN

Supplementary capital is shown correct in the consolidated financial statements.

4. **<u>Capital from revaluation</u>** in the amount of 10,788 '000 PLN

The total of the parent entity's and subsidiaries' capitals in the capital group as of 31.12.2008 amounts to 11,223 '000 PLN

– consolidation exclusions regarding the acquired company 435 '000 PLN

Capital from revaluation as of 31.12.2008 is shown in the consolidated financial statements correct.

5. **<u>Own shares</u>** as of 31.12.2008 amount to - 2,254 '000 PLN

and refer to parent entity.

Own shares are shown correct in the consolidated financial statements.

6. **<u>Other reserve capital</u>**in the amount of 7,269 '000 PLN

refer to parent entity.

Other reserve capital as of 31.12.2008 is shown in the consolidated financial statements correct.

7. Previous years' loss

The total of previous years' loss of the parent entity and subsidiaries in the capital group as of 31.12.2008 amount to	9,652	'000 PLN
Consolidation exclusions and adjustments amount to	44	'000 PLN

Previous years' loss is shown in the consolidated financial statements correct and amounts to 9,608 thousand PLN.

8. Net profit	15,340	'000 PLN
including:		
– parent entity's profit	12,377	'000 PLN
– subsidiaries' profit	5,849	'000 PLN
out of this:		
• CK-Modus Sp. z o.o.	14	'000 PLN
• EP Centrum Rekreacji Sp. z o.o.	242	'000 PLN
• Modus II Sp. z o.o.	- 93	'000 PLN
• AMONTEX PM Sp. z o.o.	5,686	'000 PLN
– consolidation exclusions and adjustments	2,886	'000

PLN

out of this:

- exclusion of profit from newly overtaken divisions — 641 '000 PLN
- unperformed profit margin presented in inventories — 1,197 '000 PLN
- interest from loans activated in inventories — 653 '000 PLN
- unperformed profits presented in tangible assets — 1 '000 PLN
- adjustment of revenues applied to the Company's Social Fund — 49 '000 PLN
- profit for the minority interests — 345 '000 PLN

IV. <u>PAYABLES AND PROVISIONS FOR LONG-TERM PAYABLES</u>

1. <u>Provisions for payables</u>amount to 10,228 '000 PLN

Percentage share in the balance sheet total 3.31 %

Provisions for payables comprise:

1) provision due to deferred income tax 4,605 '000 PLN

2) provisions for employee benefits 5,623 '000 PLN

<u>divided to:</u>

– parent entity 10,037 '000 PLN

– subsidiaries 191 '000 PLN

There were no consolidation adjustments with regard to provisions.

Provisions for long-term payables in the consolidated financial statements are shown correct.

2. <u>Financial payables</u>

in the audited capital group amount to	33,155	'000 PLN
Percentage share in the balance sheet total	10.71	%
and refer to:		
- other entities	33,155	'000 PLN
<u>due to:</u>		
a) credits and loans	30,019	'000 PLN
b) financial leasing	3,136	'000 PLN
Consolidation exclusions of loans given to subsidiaries amount to	15,471	'000 PLN

Long-term financial payables are shown correct in the consolidated financial statements.

V. <u>PAYABLES AND PROVISIONS FOR SHORT-TERM PAYABLES</u>

1. <u>Provisions for payables</u> amount to	649	'000 PLN
Percentage share in the balance sheet total	0.21	%
Provisions for payables comprise:		
1) provisions for employee benefits	649	'000

			PLN
2)	other provisions	-	'000 PLN

divided to:

–	parent entity	649	'000 PLN
–	subsidiaries	-	'000 PLN

There were no consolidation adjustments with regard to provisions.

Provisions for payables in the consolidated financial statements are shown correct.

2. Financial payables

amount to	50,847	'000 PLN
Percentage share in the balance sheet total	16.43	%

and refer to payables due to:

1)	bank credits and loans	40,975	'000 PLN
2)	leasing payables	2,511	'000 PLN
3)	long-term foreign currency contracts	7,361	'000 PLN

Consolidation exclusions of loans given to subsidiaries amount to	3,140	'000 PLN

Financial payables are shown correct in the consolidated financial statements.

3. Short-term payables

amount to		102,708	'000 PLN
Percentage share in the balance sheet total		33.19	%
and refer to payables:			
1)	towards related entities	-	'000 PLN
2)	towards other entities	79,992	'000 PLN
	a) due to trading with maturity period	46,809	'000 PLN
	b) advances obtained for deliveries	4,045	'000 PLN
	c) payables due to bills of exchange	777	'000 PLN
	d) due to taxes, customs, insurances and other benefits	13,391	'000 PLN
	e) due to income tax	5,868	'000 PLN
	f) due to remunerations	3,175	'000 PLN
	g) other	5,927	'000 PLN
3)	Accruals	22,716	'000 PLN

The total short-term payables are divided to:

–	parent entity	71,977	'000 PLN

– subsidiaries	24,158	'000 PLN
Total:	**96,135**	**'000 PLN**

Consolidation adjustments amount to	16.143	'000 PLN

and are determined correct.

3.1. The time structure of trade payables

is as follows:

a) not overdue	25,775	'000 PLN
b) overdue	21,034	'000 PLN
to be paid:		
– up to 3 months	19,020	'000 PLN
– from 3 to 6 months	878	'000 PLN
– from 6 to 12 months	655	'000 PLN
– more than 12 months	481	'000 PLN
Total a + b	46,809	'000 PLN

There are exclusions in trading payables for the amount of	16,143	'000 PLN

After having performed the audit the chartered auditor acknowledges that trade payables are shown in the consolidated financial statements in the correct amounts.

3.2. The significant items of short-term payables comprise:

Advances obtained for deliveries	4,045	'000 PLN
refer to:		
– parent entity	3,784	'000 PLN
– subsidiaries	261	'000 PLN

There are no consolidation exclusions due to advances obtained for deliveries.

Payables due to taxes, customs, insurances and other benefits amount to	13,391	'000 PLN
and comprise:		
– income tax from natural persons	846	'000 PLN
– settlements with ZUS (Social Insurance Institute)	2,962	'000 PLN
– settlements with PFRON (State Fund for Rehabilitation of the Disabled)	73	'000 PLN
– settlements due to VAT	9,328	'000 PLN
– other	182	'000 PLN

Payables due to remunerations in the amount of	3,175	'000 PLN

refer to employees' remunerations for December 2008 paid in January 2009.

Other payables in the amount of	5,927	'000

PLN

refer to:

– deductions from remunerations	342	'000 PLN
– insurances	323	'000 PLN
– tangible assets under construction	3,575	'000 PLN
– cessions	1,169	'000 PLN
– other payables	518	'000 PLN

3.3. Accruals amount to	22,716	'000 PLN
and comprise:		
1) passive accruals	5,541	'000 PLN
2) settlements of long-term contracts	11,149	'000 PLN
3) deferred revenues	6,026	'000 PLN

Accruals are shown correct in the consolidated financial statements.

VI. FINANCIAL RESULT

The consolidated profit and loss statement of the capital group was prepared by:

– ***adding*** the entire amounts of particular items of individual profit and loss statements of the parent entity and subsidiaries and excluding the transactions between these companies determined pursuant to IAS 27 and executive regulations to the Accounting Law,

- ***excluding*** from the profit and loss statement of the capital group the minority shareholders' profit and loss,
- ***determining*** the goodwill from consolidation,
- ***making*** consolidation adjustments regarding: release of allowances, valuation of interests, write-offs of unperformed profits in inventories and tangible assets.

The profit and loss statement was prepared pursuant to IAS 27, IAS 28 as well as to the provisions of the Ordinance of the Minister of Finance of 12.12.2001 on detailed principles of preparation of related entities' financial statements by entities other than banks and insurance companies (Journal of Laws No. 152, item 1729).

1. <u>Revenues, costs and financial result</u> according to the profit and loss account are as follows:

'000 PLN

Content		Sales and other revenues	Costs related thereto	Result + profit - loss
1		2	3	4
A.	Revenues from the sales of products, goods and materials and costs incurred	239,905	202,796	
I.	Products	222,941	187,411	
II.	Goods and materials	16,964	15,385	
B.	Gross profit from sales (I+II)			+ 37,109
C.	Other revenues	22,032		
D.	Costs of sales		956	
E.	General management costs		15,494	
F.	Other costs		17,359	
G.	Profit from operating activities (B+C-D-E-F)			+ 25,332
H.	Financial revenues	7,923		

I.	Financial costs		13,358	
J.	Gross profit before taxes (G+H-I)			+ 19,897
K.	Current income tax			6,162
L.	Deferred income tax			- 1,950
M.	Minority profit			345
N.	Net profit (J-K+/-L-M)			+ 15,340

1.1. Revenues from sales as of 31.12.2008 presented in individual profit and loss statements amount to 264,517 '000 PLN

Exclusions and adjustments of revenues from the activity of the consolidated companies amount to 24,612 '000 PLN

Revenues from sales shown in the consolidated profit and loss statement amount to 239,905 '000 PLN

Revenues from sales are determined and shown in the consolidated profit and loss statement correct.

1.2. Costs of operating activity as of 31.12.2008 presented in individual profit and loss statements amount to 225,948 '000 PLN

Exclusions and adjustments of companies activity costs amount to 23,152 '000 PLN

Costs of operating activity shown in the consolidated profit and loss statement 202,796 '000 PLN

Profit from capital group's sales (1.1. – 1.2.) 37,109 '000 PLN

Costs of operating activity in the consolidated profit and loss statement are determined and shown correct.

2. Other revenues and costs

Other revenues according to individual financial statements amount to:	22,299	'000 PLN
Consolidation exclusions and adjustments	267	'000 PLN
Other revenues after exclusions	22,032	'000 PLN
Costs of sales before exclusions	1,215	'000 PLN
Consolidation exclusions and adjustments	259	'000 PLN
Costs of sales after exclusions	956	'000 PLN
General management costs before exclusions	15,512	'000 PLN
Consolidation exclusions and adjustments	18	'000 PLN
General management costs after exclusions	15,494	'000 PLN
Other costs before exclusions	17,365	'000 PLN
Consolidation exclusions and adjustments	6	'000 PLN
Other costs after exclusions	17,359	'000 PLN

Loss on other revenues and costs shown in the profit and loss statement	11,777	'000 PLN
<u>Other revenues</u>	22,032	'000 PLN

comprise:

– released allowances for receivables	4,298	'000 PLN
– released provisions for employee benefits	832	'000 PLN
– released provisions for complaints	185	'000 PLN
– released provisions for contractual fines	390	'000 PLN
– released provisions for deferred payables	1,189	'000 PLN
– legal costs repayment	71	'000 PLN
– valuation of real estate	11,343	'000 PLN
– post-accident compensations and other	233	'000 PLN
– profit from sales of non-financial fixed assets	177	'000 PLN
– investment revenues	1,251	'000 PLN
– contractual fines	82	'000 PLN
– written-off payables	1,709	'000 PLN
– other revenues	272	'000 PLN

<u>Other costs</u>	17,359	'000 PLN

comprise:

– loss from sales of non-financial fixed assets	15	'000 PLN
– created allowances for receivables	442	'000 PLN
– created provisions for employee benefits	806	'000 PLN
– created provisions for contractual fines	1,189	'000 PLN
– goodwill write-off	1,104	'000 PLN
– compensatory pensions	76	'000 PLN
– legal costs and attorney's fees	60	'000 PLN
– fees for the benefit of organizations	42	'000 PLN
– contractual fines	409	'000 PLN
– revaluation of inventories	68	'000 PLN
– costs regarding investment real estate	1,135	'000 PLN
– uncollectible debt write-off	133	'000 PLN
– adjustment of amortization regarding valuation of real estate	335	'000 PLN
– depreciation of other receivables	10,956	'000 PLN
– other damages	156	'000

		PLN
– other costs	433	'000 PLN

3. <u>Financial activity</u>

Financial revenues according to individual financial statements	8,576	'000 PLN
Consolidation exclusions and adjustments	653	'000 PLN
Financial revenues after exclusions	7,923	'000 PLN
Financial costs before exclusions	13,555	'000 PLN
Consolidation exclusion and adjustments	197	'000 PLN
Financial costs after exclusions	13,358	'000 PLN
Loss on financial activity shown in the profit and loss statement	5,435	'000 PLN
<u>Financial revenues</u>	7,923	'000 PLN
comprise:		
– other interest	969	'000 PLN
– release of provision due to interest	33	'000 PLN
– interest limitation and depreciation	24	'000 PLN
– dividend	24	'000

		PLN
– discounts and rebates	33	'000 PLN
– depreciation of prescribed debt	60	'000 PLN
– profit from options	87	'000 PLN
– profit from foreign currency futures	2,284	'000 PLN
– positive exchange differences	4,091	'000 PLN
– compensations due to debt recovery	123	'000 PLN
– profit from sales of financial assets	176	'000 PLN
– other revenues	19	'000 PLN

<u>Financial costs</u>	13,358	'000 PLN

comprise:

– interest from credits and loans	2,237	'000 PLN
– other interest	639	'000 PLN
– allowances for interest due to receivables	89	'000 PLN
– provisions made for interest due to payables	200	'000 PLN
– reverse entry of futures	1,421	'000 PLN
– loss on sales of foreign currency futures	1,055	'000

		PLN
– valuation of foreign currency futures	7,361	'000 PLN
– commissions from credits and loans	257	'000 PLN
– other costs	99	'000 PLN

The effect of foreign currency derivative instruments on the financial results of the audited capital group is as follows:

– result on foreign currency contracts	+ 1,316	'000 PLN
– reverse entry valuation of performed transactions	- 1,421	'000 PLN
– valuation as of 31.12.2008 of unperformed forward transactions	- 7,361	'000 PLN
Total result on foreign currency transactions	- 7,466	'000 PLN

4. <u>Obligatory decrease of profit due to:</u>

1) current income tax	6,162	'000 PLN
2) deferred income tax	- 1,950	'000 PLN
3) other obligatory decreases of profit (loss increase)	-	'000 PLN
Total:	4,212	'000 PLN

The following entities are to return income tax:

– Energomontaż – Południe S.A.	5,178	'000 PLN

–	EP Centrum Rekreacji Sp. z o.o.	60	'000 PLN
–	AMONTEX PM Sp. z o.o.	924	'000 PLN

5. Minority profit 345 '000 PLN

comprises

share of minority shareholders in the financial result of the company subject to consolidation using the full method - AMONTEX PM Sp. z o.o, according to the calculation below:

1,504 thousand PLN – 641 thousand PLN = 863 thousand PLN x 40% = 345 thousand PLN

6. The capital group's net profit for the year 2008 amounts to 15,340 '000 PLN

and is determined and shown correct in the consolidated profit and loss statement.

Net profit comprises:

–	net profit of parent entity	12,377	'000 PLN
–	net profit of subsidiaries	5,208	'000 PLN
–	consolidation exclusions and adjustments	- 2,245	'000 PLN

VII. CONTINGENT PAYABLES, LIMITATIONS IN THE OWNERSHIP RIGHTS

1. List of groups of payables secured on the capital group's property

	Status as of 31.12.2008	Status as of 31.12.2007

Secured payables	amount of credit, loan, other	amount of security	amount of security expressed as % of assets	amount of credit, loan, other	amount of security	amount of security expressed as % of assets
Mortgages	48,955 thousand PLN	78,755 thousand PLN		18,214 thousand PLN	98,961 thousand PLN	
Registered pledge on tangible assets	961 thousand PLN	1,635 thousand PLN		- thousand PLN	- thousand PLN	
Register pledge on inventories	22,600 thousand PLN	13,400 thousand PLN		2,122 thousand PLN	700 thousand PLN	
Assignment of debt	59,222 thousand PLN	63,511 thousand PLN		35,868 thousand PLN	35,868 thousand PLN	
Pledge on interests	15,000 thousand PLN	148 thousand PLN		- thousand PLN	- thousand PLN	
Total		**157,449 thousand PLN**	**50.88**		**135,529 thousand PLN**	**69.95**

2. **Contingent payables,** including gurantees and warranties, also in the form of bills of exchange:

Type of payables, guarantees, warranties	Status as of 31.12.2008		Status as of 31.12.2007	
	amount	% of assets	amount	% of assets
Guarantees and warranties given	42,418 thousand PLN		20,659 thousand PLN	
Blank promissory notes	7,786 thousand PLN		27,617 thousand PLN	
Disputed payables	- thousand PLN		2,390 thousand PLN	
Total contingent payables	**50,204 thousand PLN**	**16.22**	**50,666 thousand PLN**	**26.15**

VIII. CONSOLIDATED CASH FLOW STATEMENT, ADDITIONAL INFORMATION, REPORT ON THE ACTIVITY

The cash flow statement was prepared in a correct manner and is related to the balance sheet, to the profit and loss statement and to the accounting books.

Additional information to the consolidated financial statements presents in a correct and complete manner the amounts and problems connected with the capital group's activity.

The report on the activity is compliant with the audited financial statements.

IX. EVENTS AFTER THE BALANCE SHEET DATE

There occurred no events after the balance sheet date that could have a significant effect on the results of the activity in the future periods.

X. LAW INFRINGEMENT

No cases of significant infringement of the tax law, of the Code of Commercial Companies or of the Articles of Association or the Statute were found in the audited entities.

E. ASSESSMENT OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR 2008

We find that the consolidated financial statements and the documentation constituting their base are compliant with the legal regulations and with the accounting principles assumed commonly by the professionals in this area.
We find that the consolidated financial statements are correct and credible in that they show the overall results of the activity and the property and financial situation of the capital group in accordance with the material truth.

F. FINAL REMARKS

1. The present report contains 46 pages of typescript numbered in turns.
   Every page was marked by putting the signature of the chartered auditor next to the number of page.

2. Enclosed to the report are:

1) Conclusions and comments - not applicable
2) Financial and economic results
3) Profitability, financial liquidity and solvency ratios
4) Ratios from the cash flow statement
5) Write-offs due to revaluation of assets and provisions for payables as of 31.12.2008
6) The report of the Management Board on the capital group's activity
7) Receipt acknowledgement (on the copy of the auditing party).

Chartered auditor

Bogusława Zemełka
Reg. No. 9368/7008

Auditing entity

MW Rafin **Marian Wcisło**
Biuro Usług Rachunkowości i Finansów Sp.j.
41-200 Sosnowiec al. Zwycięstwa 3
Podmiot uprawniony nr 3076 [2]

PREZES
Biegły Rewident
Marian Wcisło
nr ewid 5424/785

Sosnowiec, 15th April 2009

Enclosure No. 2

Financial and economic results

000 PLN

Item	RATIO	Execution			Percentage index	
		2008	2007	2006	04-mar	05-kwi
1	2	3	4	5	6	7
1	**Total revenues including due to:**	**269 860**	**256 119**	**138 082**	**105,37%**	**185,48%**
	- sale of products	222 941	216 797	113 565	102,83%	190,90%
	- goods and materials sold	16 964	15 511	13 817	109,37%	112,26%
	- other revenues	22 032	14 136	8 609	155,86%	164,20%
	- financial revenues	7 923	9 675	2 091	81,89%	462,70%
	- extraordinary profits					
2	**Tax deductible costs including due to:**	**249 963**	**239 531**	**147 080**	**104,36%**	**162,86%**
	- products sold	187 411	199 942	108 490	93,73%	184,30%
	- goods and materials sold	15 385	14 537	12 464	105,83%	116,63%
	- costs of sales	956	94	295	1017,02%	31,86%
	- general management costs	15 494	9 243	8 831	167,63%	104,67%
	- other costs	17 359	11 697	14 298	148,41%	81,81%
	- financial costs	13 358	4 018	2 702	332,45%	148,70%
	- extraordinary losses					
3	**Gross financial result**	**19 897**	**16 588**	**- 8 998**	119,95%	
4	Income tax	4 212	4 152	2 453	101,45%	169,26%
5	Other charges on the financial result					
6	Minority profit	345				
7	**Net financial result**	**15 340**	**12 436**	**- 11 451**	123,35%	

Enclosure No. 3

Profitability, financial liquidity and solvency ratios for the year 2008

in '000 PLN

Type of ratio and calculation method	Amounts		Ratio		Change of ratio
	year Current	year Previous	year current	year previous	+ improvement - worsening
1	2	3	4	5	6
PROFITABILITY RATIOS [1]					
1. Return on sales Net profit x 100 --- Revenues from the sale of products, goods and materials	15,340 x 100 239.905	12,436 x 100 232.308	6,39	5,35	+ 1,04
2. Return on assets ROA Net profit x 100 --- Average assets	15,340 x 100 251.605	12,436 x 100 163.139	6,10	7,62	- 1,52
3. Return on assets after adjustment ROA[1] Net profit + net interest paid (i.e. excluding corporate income tax) x 100 --- Average assets	15340+2876x100 251.605	12.436+1.255 163.139	7,24	8,39	- 1,15
4. Fixed assets productivity ratio Revenues from the sale of products, goods and materials -- Average fixed assets	239.905 72.274	232.308 46.904	3,32	4,95	- 1,63
5. Return on equity ROE Net profit x 100 -- Average equity	15,340 x 100 101.634	12,436 x 100 65.243	15,09	19,06	- 3,97
6. Return on total capital Net profit x 100 --- Przeciętny stan kapitału całkowitego	15,340 x 100 251.605	12,436 x 100 163.139	6,10	7,62	- 1,52
7. Degree of financial leverage Return on equity (item 5) - return on assets after adjustment (item 3)	15,09 – 7,24	19,06 – 8,39	7,85	10,67	- 2,82

1	2	3	4	5	6
FINANCIAL LIQUIDITY RATIOS					
8. Current payables coverage ratio Current assets x 100 -- Short-term payables	214,581 x 100 154.204	144,081 x 100 85.547	139,15	168,42	- 29,27
9. Payables repayment ratio Current assets - inventories x 100 -- Short-term payables	156,877 x 100 154.204	98,381 x 100 85.547	101,73	115,00	- 13,27
10. Very quick liquidity ratio Short-term investments x 100 --- Short-term payables	7,828 x 100 154.204	36,734 x 100 85.547	5,08	42,94	- 37,86
11. Receivables turnover ratio, stated in times per year Revenues from the sale of products and goods --- Average receivables minus VAT ²	239.905 39.346	232.308 36.199	6,10	6,42	- 0,32
12. Receivables turnover ratio, stated in days No. of days in the period (365) = -- Receivables turnover ratio, stated in times per year	365 6,10	365 6,42	59,84	56,85	- 2,99
13. Payables turnover ratio, stated in times per year Cost of goods and materials sold + cost of products manufacture -- Average trade payables minus VAT	202.796 31.905	214.479 25.959	6,36	8,26	- 1,90
14. Payables turnover ratio, stated in days No. of days in the period (365) = -- Payables turnover ratio, stated in times per year	365 6,36	365 8,26	57,39	44,19	- 13,20
15. Inventories turnover ratio, stated in times per year Use of materials -- Average materials inventories	67.877 4.218	29.713 2.679	16,09	11,09	+ 5,00
16. Inventories turnover ratio, stated in days No. of days in the period (365) -- Materials inventories turnover ratio, stated in times per year	365 16,09	365 11,09	22,68	32,91	+ 10,23
17. Inventories turnover ratio, stated in times per year Revenue on sales of products					

-- Average finished goods					
18. Inventories turnover ratio, stated in days No. of days in the period (365) --- Turnover ratio, stated in times per year					
1	2	3	4	5	6
SOLVENCY RATIOS					
19. Interest coverage ratio, stated in times per year Gross profit + interest --------------------------------------- Interest	19.897 + 2.876 2.876	16.588 + 1.255 1.255	7,92	14,22	- 6,30
20. Debt to asset ratio Total payables x 100 [3] --- Total assets	197,587 x 100 309.444	102,354 x 100 193.765	63,85	52,82	- 11,03
21. Asset to equity ratio Equity x 100 --- Total assets	111,857 x 100 309.444	91,411 x 100 193.765	36,15	47,18	- 11,03
22. Debt to equity ratio Average payables x 100 [3] --- Equity	149,971 x 100 111.857	97,897 x 100 91.411	134,07	107,10	- 26,97
23. Payables to financial surplus ratio Financial surplus --------------------------------------- Average payables	15.340+4.485 115.730	12.436+4.168 70.137	0,17	0,24	- 0,07

1. *In case of the net balance sheet loss only ratio 1 is estimated (ratios 2,3,5,6,7,19 and 23 are not estimated).*
2. *The net amount of average trade receivables is the result of dividing by the average VAT due rate, e.g. by 122%, while the entire sales is taxed with the basic rate.*
3. *Without long-term deferred revenues + reward from the previous year's profit (dividend in Energomontaż S.A. and share in profit in limited liability companies)*

Enclosure No. 4

Ratios from the cash flow statement

Item	Name of the ratio	Method of ratio calculation	Period		Improvement + Worsening - (4-5)
			audited	previous	
1	2	3	4	5	6
1.	Ratio of net profit in cash from operating activity	Net profit / cash from operating activity	2,06	- 0,43	
2.	Ratio of amortization in cash from operating activity	amortization / cash from operating activity	0,60	-	
3.	Ratio of the ability to work out cash from operating activity	net cash from operating activity / net cash from operating activity + proceeds from financial activity	0,08	-	
4.	Ratio of investment financing in tangible fixed assets and in intangible fixed assets	expenditures for tangible assets and intangible fixed assets / cash from operating activity	1,28	-	
5.	Ratio of cash sufficient in general	cash from operating activity / expenses for investment and financial activity	0,06	-	
6.	Ratio of interest coverage	interest from financial activity / cash from operating activity	0,39	-	
7.	Ratio of the efficiency of cash of the invested capital from operating activity	cash from operating activity / invested capital	0,02	-	
8.	Ratio of cash assets efficiency	cash from operating activity / total assets	0,02	-	
9.	Ratio of cash sales efficiency	cash from operating activity / revenues from the sales of products, goods and materials	0,03	-	

ECONOMIC CONTENT OF THE RATIOS

from the cash flow statement

1. The higher the ratio, the net profit better reflects the real surplus saved by the company.

2. High and increasing ratio is interpreted negatively. It means the company's little ability to generate own resources. The funds from amortization ought to be used for new investments in the company's fixed assets and not for financing of current activity or performance of payables due to credits and dividends.

3. The increase of this ratio should testify positively of the company's opportunities in the scope of self-financing. Concurrently one ought to remember to analyze other data (e.g. incurring new credits for the financing of tangible assets under construction will diminish the ratio, although it cannot be immediately interpreted as a negative signal on the subject of the company's condition).

4. The lower the ratio, the higher the company's surplus to cover other expenses.

5. The ratio on the level higher than one suggests that the company works out sufficient cash for covering the expenses connected with the investment and financial activity.

6. The ratio below 1 indicates that the company is not able to raise from its basic operating activity cash to repay assets or to incur new credits. Certainly it cannot be assessed positively. One ought to emphasize that cash from operating activity should cover not only interest, but also amortization that is to regenerate tangible assets and intangible fixed assets.

7.

$$\text{invested capital} = \text{own and external capitals} - \text{long-term and short-term investments (w/o cash)}$$

   This index measures how much cash was gained from basic operating activity from capital invested in this capital area.

8. If the ratio increases, it means that assets cash efficiency increases.

9. This ratio shows what part of the revenues from sales (in accrual basis) is covered in the cash revenue. The higher the ratio the better. The difference between 1 and the ratio means that there is no cash coverage in cash basis in the revenue.

Remark:

Cash flow statement cannot be approached uncritically. Positive surplus of cash is not sufficient to determine solvency as well as negative surplus cannot be interpreted as lack of means to settle payables. Negative value often occurs along with significant credit sales in the entire turnover, which is connected with the increase of receivables, while positive surplus occurs when accumulated materials are used and inventories are not regenerated. The situation will be similar in cases of purchase of materials for trade credit. Thus the analysis of cash flow statement ought to be made in relation to the assessment of receivables, payables or level of inventories etc.

As in the above description, one cannot univocally interpret the value of individual ratios and draw concrete conclusions on this basis. However overall analysis allows to determine the company's general condition and concurrently the risk to undertake the improper decision.

Enclosure No. 5

Write-offs due to revaluation of assets and provisions for payables as of 31.12.2008

in '000 PLN

Item	Content	Goodwill	Tangible assets	Long-term investments	Inventories of current assets	Payables		Provision for employee benefits	Provision for deferred income tax	Other provisions	Total
						basic	interest				
1	2	3	4	5	6	7		9	10	11	12
1	**Opening balance of the status**	**906**		**1 279**	**15 622**	**17 530**	**311**	**6 025**	**4 076**	**992**	**46 741**
2	Changes of the group's structure					247		26	102		**375**
3	Write-offs due to revaluation in the costs	1 104	-	2	-	778	89	-	-	-	**1 973**
4	Establishment of provision in the costs	-	-	-	-			869	699		**1 568**
5	Other	-	-	452	-	12 107		-		-	**12 559**
Total	**(2+3+4+5)**	**1 104**	**-**	**454**	**-**	**13 132**	**89**	**895**	**801**	**-**	**16 475**
6	Use	-	-	-	-	7 743	57	-	-	-	**7 800**
7	No more reasons for	-	-	-	-	-		-		-	**-**
a).	write-offs	-	-		-			-	-	-	**-**
b).	establishment of provision	-	-	-	-			-	-		**-**
8	Release of write-offs and provisions	-	-	612	-	4 377	33	648	272	992	**6 934**
9	Other	-	-	-	-	11 919				-	**11 919**
Total	**(6+7+8+9)**	**-**	**-**	**612**	**-**	**24 039**	**90**	**648**	**272**	**992**	**26 653**
10	**Closing balance of the status**	**2 010**	**-**	**1 121**	**15 622**	**6 623**	**310**	**6 272**	**4 605**	**-**	**36 563**