



BALANCE SHEET

at June 30, 2008 and December 31, 2007 in thousands zlotys

	June 30 2 008	December 31 2 007
ASSETS		
Fixed assets		
Tangible fixed assets	157 250	157 690
Investing real estate	109	109
Intangible assets	11 581	11 424
Financial assets	15 111	8 728
Deferred income tax assets	4 337	4 026
Total fixed assets	188 388	181 977
Current assets		
Stocks	43 806	41 943
Trade accounts receivable	76 639	59 722
Other short-term accounts receivable	5 153	4 178
Active prepayments and accrued income	1 407	137
Financial assets (loans)	228	0
Cash and cash equivalents	1 569	10 643
Total current assets	128 802	116 623
Total assets	317 190	298 600
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	5 735	5 735
Capital from issue of managerial options	3 208	1 964
Reserve funds	103 144	87 497
Revaluation capital reserve	67 378	67 253
Retained profit	15 041	44 274
Total shareholders' equity	194 506	206 723
Long-term liabilities		
Provisions	11 390	11 094
Income from future periods – long-term portion	7 949	7 702
Deferred tax provision	8 793	8 821
Total long-term liabilities	28 132	27 617
Short-term liabilities		
Credits and debt securities	21 194	23 248
Trade liabilities	23 933	23 628
Income tax liabilities	1 083	1 504
Financial liabilities	22	9
Other short-term liabilities	40 824	9 390
Income from future periods	918	964
Provisions	6 578	5 517



STOMIL SANOK SA

Total short-term liabilities	94 552	64 260
Total shareholders' equity and liabilities	317 190	298 600



PROFIT AND LOSS ACCOUNT

for a period of 6 months until June 30, 2008 and June 30, 2007 in thousands zlotys

	01.01.2008 - 30.06.2008	01.01.2007 - 30.06.2007
Sales revenue including:	197 395	198 469
from related undertakings	41 826	40 966
Cost of sales including:	-163 431	-158 014
from related undertakings	-34 631	-32 568
Gross profit on sales	33 964	40 455
Selling costs	-7 498	-7 729
General and administrative expenses	-10 609	-10 641
Other operating income	730	281
Other operating expenses	-1 403	-867
Operating profit	15 184	21 499
Financial income	4 455	9 069
Financial expenses	-473	-640
Pre-tax profit	19 166	29 928
Income tax	-4 125	-6 067
Current	-4 294	-6 112
Deferred	169	45
Net profit	15 041	23 861
Weighted average number of shares	28 673 180	28 619 752
Earnings per share	0,52	0,83
Weighted average diluted number of shares	29 238 145	28 815 357
Diluted earnings per share	0,51	0,83

The results of the first half of 2008 were achieved by the Company in conditions which varied significantly from those prevailing back in 2007:

1. The average EUR exchange rate in the first half of 2008 was 3,49 zł while in the first half of 2007 it was 3,84 zł, i.e. the rate in the first half of 2008 was lower by 9,1%.
2. In the first half of 2007 the Company sold its financial assets (shares of a stock-market company Ciech SA), which brought the net profit of more than 6.274 tys. zł. It was a one-off event.



CASH FLOW STATEMENT
in thousands zlotys

	for 6 months until 30.06.2008	for 6 months until 30.06.2007
Cash flow from operating activities		
Net profit	15 041	23 861
Total adjustments :	-4 900	-1 000
Depreciation	13 524	12 038
Net foreign exchange (gains) losses	-1 253	-2 933
Net interest and dividends	432	-275
Income tax on profit before taxation	4 294	6 112
(Gains) losses from investing activities	-75	-2 574
Change in provisions	1 329	1261
Change in stocks	-1 863	3 371
Change in accounts receivable	-16 793	-10 319
Change in liabilities	31 666	19 847
Change in active prepayments and accrued income and income from future periods	-1 379	-1804
Other adjustments	-31 571	-21 552
Income tax paid	-3 211	-4 172
Net cash from operating activities	10 141	22 861
Cash flow from investing activities		
Income from sale of tangible and intangible fixed assets	2 726	2 038
Income from financial assets		9 098
Other investing cash income	556	
Acquisition of tangible and intangible fixed assets	-15 891	-20 205
Investing cash outflow on financial assets	-3 273	
Other investing cash outflow	-2 100	
Net cash from investing activities	-17 982	-9 069
Cash flow from financing activities		
Proceeds from credits taken		
Issue of debt securities		
Other financing cash inflow	1 250	3 004
Repayment of credits	-2 054	-15 693
Interest paid	-432	-576
Other financing cash outflow		
Net cash from financing activities	-1 236	-13 265
Change in cash	-9 077	527
Change in cash resulting from foreign exchange differences	3	-71
Cash at beginning of period	10 643	567
Change in net cash	-9 074	456
Cash at end of period	1 569	1 023
including restricted cash	428	130