

CONSOLIDATED SEMIANNUAL REPORT FOR THE FIRST HALF OF THE YEAR 2004**CONSOLIDATED BALANCE SHEET**

ASSETS	balance as on	30.06.2004	31.12.2003	30.06.2003
I. Fixed assets		1 163 678	1 087 173	980 459
1. Intangible assets, including:		43	18	67
2. Goodwill of subsidiaries		-	531	901
3. Material fixed assets		1 050 928	961 394	894 116
4. Long-term receivables		-	-	-
4.1. From affiliated companies		-	-	-
4.2. From other companies		-	-	-
5. Long-term investments		99 520	118 596	74 667
5.1. Real property		-	-	-
5.2. Intangible assets		-	-	-
5.3. Long-term financial assets		63 271	60 796	43 592
a) in affiliated companies, including		63 232	60 735	43 183
shares in subsidiaries valued according to ownership rights method		39 519	34	34
b) in other companies		39	61	409
5.4. Other long-term investments		36 249	57 800	31 075
6. Long-term accruals		13 187	6 634	10 708
6.1. Assets on account of deferred income tax		11 231	6 634	10 708
6.2. Other accruals		1 956	-	-
II. Current assets		291 426	275 388	276 561
1. Inventories		170 815	168 955	168 929
2. Short-term receivables		45 213	48 065	42 292
2.1. From affiliated companies		-	-	-
2.2. From other companies		45 213	48 065	42 292
3. Short-term investments		70 306	54 890	58 076
3.1. Short-term financial assets		70 306	54 890	58 076
a) in affiliated companies		6 517	1 154	2 098
b) in other companies		257	5 361	21 624
c) cash and cash equivalents		63 532	48 375	34 354
3.2. Other short-term investments		-	-	-
4. Short-term accruals		5 092	3 478	7 264
ASSETS	TOTAL	1 455 104	1 362 561	1 257 020
LIABILITIES	balance as on	30.06.2004	31.12.2003	30.06.2003
I. Equity capital		355 345	340 017	321 705
1. Share capital		21 000	21 000	21 000
2. Due payments to initial capital (negative value)		-	-	-
3. Own shares (negative value)		-	-	-
4. Supplementary capital		324 605	289 724	289 652
5. Revaluation capital		4 677	4 745	-
6. Other reserve capitals		-	-	-
7. Foreign exchange gains/losses arising from conversion of subsidiaries		-	-	-
8. Profit (loss) carried forward		(10 333)	(4 187)	(4 204)
9. Net profit (loss)		15 396	28 735	15 257
10. Deductions from net profit during the accounting year (negative value)		-	-	-
II. Minority capitals		60	177	168
III. Capital reserve from consolidation		3 423	3 423	3 423
IV. Liabilities and provisions for liabilities		1 096 276	1 018 944	931 724
1. Provisions for liabilities		24 926	11 587	14 945
1.1. Provision on account of deferred income tax		10 661	7 595	14 771
1.2. Reserve for retirement benefits and similar benefits		165	165	174
a) long-term		139 26	139 26	156 18
b) short-term		-	-	-
1.3. Other reserves		14 100	3 827	-
a) long-term		-14 100	-3 827	-
b) short-term		-	-	-
2. Long-term liabilities		798 182	694 825	515 099
2.1. To affiliated companies		-	-	-
2.2. To other companies		798 182	694 825	515 099
3. Short-term liabilities		172 487	206 942	311 033
3.1. To affiliated companies		-	-	1
3.2. To other companies		172 342	206 865	310 922
3.3. Special funds		145	77	110
4. Accruals		100 681	105 590	90 647
4.1. Negative goodwill		-	-	-
4.2. Other accruals		100 681	105 590	90 647
a) long-term		67 705	60 409	24 492
b) short-term		32 976	45 181	66 155
LIABILITIES	TOTAL	1 455 104	1 362 561	1 257 020
Book value		355 345	340 017	321 705
Number of shares (thousands pcs.)		10 500 000	10 500 000	10 500 000
Book value per one share (in PLN)		33,84	32,38	30,64

OFF-BALANCE ITEMS

1. Conditional receivables

Conditional receivables total

2. Conditional liabilities

2.1 To affiliated companies, on account of:

a) granted guarantees and sureties

2.2 To other companies, on account of:

a) granted guarantees and sureties

- purchase of land property in Plock

c) purchase of land property in Radom

d) agreement with NOMI S.A. as of June 1, 2001

Conditional liabilities total

	01.01.2004	30.06.2004	01.01.2003	01.01.200
			31.12.2003	30.06.200
				3
				3
				-
				-
		24 404	21 538	29 085
		11 156	11 251	11 251
		11 156	11 251	11 251
		13 248	10 287	17 834
		10 346	7 351	7 935
		-	-	7 014
		2 000	2 000	2 000
		902	936	885
	24 404	21 538	29 085	29 085

CONSOLIDATED PROFIT AND LOSS ACCOUNT**I. Net income on sales of products, goods and materials, including:**

1. Net income from the sale of products

2. Net income from the sale of goods and materials

II. Costs of sold products, goods and materials, including:

1. Production cost of sold products

2. Value of sold goods and materials

III. Gross profit (loss) on sales (I-II)

IV. Costs of sales

V. Overheads

VI. Profit (loss) on sales (III-IV-V)

VII. Other operating income

1. Profit on sale of non-financial fixed assets

2. Subsidies

3. Other operating income

VIII. Other operating costs

1. Loss on sale of non-financial fixed assets

2. Revaluation of non-financial assets

3. Other operating costs

IX. Profit/loss on operating activity (VI+VII-VIII)

X. Financial income

1. Dividends and shares in profits

2. Interest, including:

- from affiliated companies

3. Profit on sale of investments

4. Investment revaluation

5. Inne

XI. Financial costs

1. Interest, including:

- to affiliated companies

2. Loss on sale of investments

3. Investment revaluation

4. Other

XII. Profit (loss) on sales of all or part of subsidiaries' shares

XIII. Profit/loss on economic activity (IX+X-XI+/-XII)

XIV. Result on extraordinary events (XIV.1. - XIV.2.)

1. Extraordinary profit

2. Extraordinary loss

XV. Write-off of subsidiaries' goodwill

XVI. Write-off of subsidiaries' negative goodwill

XVII. Gross profit (loss) (XIII+/-XIV-XV+XVI)

XVIII. Income tax

a) current portion

b) deferred portion

XIX. Other mandatory reductions of profit (loss increase)

Share in net profit (loss) of subsidiaries valued according to ownership rights method

XXI. Minority profit (loss)

XXII. Net profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)

	01.01.2004	30.06.2004	01.01.2003	01.01.200
			30.06.2003	30.06.200
	161 143	148 318		
	161 143	148 318		
	-	-		
	84 504	94 896		
	84 504	94 896		
	-	-		
	76 639	53 422		
	3 401	2 937		
	12 832	9 990		
	60 406	40 495		
	6 260	1 697		
	666	312		
	-	-		
	5 594	1 385		
	21 286	5 891		
	-	560		
	8 658	4 148		
	12 628	1 183		
	45 380	36 301		
	5 365	1 777		
	-	-		
	1 941	1 210		
	576	203		
	71	-		
	3 073	-		
	280	567		
	27 862	12 876		
	19 853	9 718		
	-	10		
	3 074	2		
	40	1 191		
	4 895	1 965		
	11	-		
	22 894	25 202		
	1	(2)		
	7	18		
	6	20		
	911	372		
	2	-		
	21 986	24 828		
	5 765	8 685		
	7 296	10 545		
	(1 531)	(1 860)		
	-	-		
	(817)	(880)		
	(8)	(6)		
	15 396	15 257		

Net profit (loss) (annualized)

Weighted average number of ordinary shares (in thousands pcs.)

Profit (loss) per one ordinary share (in PLN)

	21 468	21 329
	10 500 000	10 500 000
	2,04	2,81

Echo Investment S.A. Capital Group

SA-Ps 2004

[data in thousands PLN]

CONSOLIDATED CASH FLOW STATEMENT

01.01.2004 30.06.2004 01.01.2003 30.06.2003

A. Cash flows on operating activity – indirect method

I. Net profit (loss)	15 396	15 257
II. Adjustments total	35 503	10 591
1. Minority profit (loss)	8	6
2. Shares in net (profit) loss of subsidiaries valued according to ownership rights method	817	880
3. Depreciation, including:	13 624	10 017
- write-offs of goodwill or negative goodwill of subsidiaries	911	372
4. Foreign exchange gains/losses	(4 158)	2 245
5. Interest and shares in profits (dividends)	20 857	19 101
6. (Profit) loss on investment activity	(3 103)	220
7. Change in reserves	13 356	1 353
8. Change in inventories	(1 860)	(4 812)
9. Change in receivables	17 334	16 597
10. Change in short-term liabilities, except for loans and credits	(11 090)	(39 663)
11. Change in accruals	(10 282)	972
12. Other adjustments	-	3 675
III. Net cash flows from operating activity (I+/-II)	50 899	25 848

B. Cash flows on investment activity

I. Revenues	16 351	6 071
1. Sales of intangible assets and fixed assets	637	459
2. Sales of investments in real property and in intangible assets	-	-
3. From financial assets, including:	15 714	5 612
a) in affiliated companies	36	-
- sales of financial assets	-	-
- dividends and shares in profits	-	-
- repayment of granted long-term loans	-	-
- interest	-	-
- other income from financial assets	-	-
b) in other companies	15 678	5 612
- sales of financial assets	13 598	5 000
- dividends and shares in profits	83	-
- repayment of granted long-term loans	-	100
- interest	1 997	512
4. Other revenues from investments	-	-
II. Expenditure	(126 729)	(73 629)
1. Acquisition of intangible assets and fixed assets	(126 729)	(73 629)
2. Investments in real property and in intangible assets	-	-
3. On financial assets, including:	-	-
4. Dividends and other shares in profits paid to minority	-	-
5. Other investment expenditure	-	-
III. Net cash flows on investment activity (I-II)	(110 378)	(67 558)

C. Cash flows on financial activity

I. Revenues	424 817	564 704
1. Net income from issue of stocks (issue of shares) and other capital instruments and additional payments to capital	-	-
2. Loans and credits	236 788	95 504
3. Issue of debenture bonds	188 029	469 200
4. Other financial income	-	-
II. Expenditure	(350 181)	(536 370)
1. Acquisition of own shares (stocks)	-	-
2. Dividends and other payments to owners	-	-
3. Expenses on account of profit distribution, other than payments to owners	-	-
4. Repayments of loans and credits	(152 973)	(59 648)
5. Redemption of debenture bonds	(168 800)	(455 950)
6. On account of other financial liabilities	-	-
7. Payments of liabilities on account of financial lease contracts	(243)	(243)
8. Interest	(28 165)	(20 529)
9. Other financial expenses	-	-
III. Net cash flows on financial activity (I-II)	74 636	28 334
D. Net cash flows total (A.III+/-B.III+/-C.III)	15 157	(13 376)
E. Difference in cash balances, including:	15 157	(13 376)
F. Cash at the beginning of the period	48 375	47 730
G. Cash at the end of period (F+/-D), including:	63 532	34 354

