

**CONSOLIDATED FINANCIAL REPORT AFTER THE SECOND QUARTER OF THE YEAR 2004**

SELECTED DATA	PLN k		EUR k
	accruals 2004	accruals 2003	accruals 2004
I. Net income from the sale of products, goods and materials	153 435	148 318	32 431
II. Profit (loss) from operating activity	44 775	35 768	9 464
III. Gross profit (loss)	20 870	24 735	4 411
IV. Net profit (loss)	15 433	15 211	3 262
V. Net cash flows on operating activity	45 606	26 969	9 640
VI. Net cash flows on investment activity	-172 970	-68 680	-36 560
VII. Net cash flows on financial activity	141 807	36 349	29 973
VIII. Net cash flows total	14 443	-5 362	3 053
IX. Assets total	1 521 652	1 260 408	335 003
X. Liabilities and provisions for liabilities	1 162 787	935 157	255 996
XI. Long-term liabilities	862 648	514 007	189 919
XII. Short-term liabilities	172 532	316 436	37 984
XIII. Equity capital	355 382	321 660	78 240
XIV. Share capital	21 000	21 000	4 623
XV. Number of shares	10 500 000	10 500 000	10 500 000
XVI. Profit (loss) per one ordinary share (in PLN/EUR)	2,76	2,81	0,61
XVII. Book value per one share (in PLN/EUR)	33,85	30,63	7,45

BALANCE SHEET	30.06.2004	30.06.2003
<b>Assets</b>		
<b>I. Fixed assets</b>	<b>1 162 885</b>	<b>977 390</b>
1. Intangible assets, including:	43	67
2. Material fixed assets	1 051 550	892 184
3. Long-term receivables	-	-
4. Long-term investments	99 532	74 472
4.1. Real property	-	-
4.2. Intangible assets	-	-
4.3. Long-term financial assets	63 283	43 593
a) in affiliated companies, including	63 244	43 184
b) in other companies	39	409
4.4. Other long-term investments	36 249	30 879
5. Long-term accruals	11 760	9 765
5.1. Assets on account of deferred income tax	11 760	9 765
5.2. Other accruals	105 312	90 768
<b>II. Current assets</b>	<b>358 767</b>	<b>283 018</b>
1. Inventories	172 414	169 981
2. Short-term receivables	44 241	42 208
2.1. From affiliated companies	-	-
2.2. From other companies	44 241	42 208
3. Short-term investments	133 683	66 086
3.1. Short-term financial assets	133 683	66 086
a) in affiliated companies	7 481	2 095
b) in other companies	63 348	21 624
c) cash and cash equivalents	62 854	42 367
3.2. Other short-term investments	-	-
4. Short-term accruals	8 429	4 743
<b>ASSETS TOTAL</b>	<b>1 521 652</b>	<b>1 260 408</b>
<b>Liabilities</b>		
<b>I. Equity capital</b>	<b>355 382</b>	<b>321 660</b>
1. Share capital	21 000	21 000
2. Due payments to initial capital (negative value)	-	-
3. Own shares (negative value)	-	-
4. Supplementary capital	324 605	289 652

5. Revaluation capital	4 677	-
6. Other reserve capitals	-	-
7. Profit (loss) carried forward	-10 333	-4 203
8. Net profit (loss)	15 433	15 211
9. Deductions from net profit during the accounting year (negative value)	-	-
<b>II. Liabilities and provisions for liabilities</b>	<b>1 162 787</b>	<b>935 157</b>
1. Provisions for liabilities	22 295	13 946
1.1. Provision on account of deferred income tax	10 042	13 772
1.2. Reserve for retirement benefits and similar benefits	165	174
a) long-term	139	156
b) short-term	26	18
1.3. Other reserves	12 088	-
a) long-term	-	-
b) short-term	12 088	-
2. Long-term liabilities	862 648	514 007
2.1. To affiliated companies	-	-
2.2. To other companies	862 648	514 007
3. Short-term liabilities	172 532	316 436
3.1. To affiliated companies	-	-
3.2. To other companies	172 387	316 326
3.3. Special funds	145	110
4. Accruals	105 312	90 768
4.1. Negative goodwill	-	-
4.2. Other accruals	105 312	90 768
a) long-term	44 361	57 833
b) short-term	60 951	32 935
<b>LIABILITIES TOTAL</b>	<b>1 521 652</b>	<b>1 260 408</b>
Book value	355 382	321 660
Number of shares	10 500 000	10 500 000
Book value per one share (in PLN)	33,85	30,63

OFF-BALANCE ITEMS	30.06.2004	30.06.2003
1. Conditional receivables	-	-
1.1. From affiliated companies (on account of)	-	-
1.2. From other companies (on account of)	-	-
2. Conditional liabilities	22 813	29 085
2.1. To affiliated companies (on account of)	11 156	11 251
2.2. To other companies (on account of)	11 657	17 834
3. Other (on account of)	-	-
Off-balance items total	22 813	29 085

PROFIT AND LOSS ACCOUNT	2 <sup>nd</sup> quarter of 2004	01.01.2004 30.06.2004	2 <sup>nd</sup> quarter of 2003
<b>I. Net income on sales of products, goods and materials, including:</b>	<b>80 579</b>	<b>153 435</b>	<b>85 041</b>
1. Net income from the sale of products	80 579	153 435	85 041
2. Net income from the sale of goods and materials	-	-	-
<b>II. Costs of sold products, goods and materials, including:</b>	<b>47 624</b>	<b>89 762</b>	<b>53 819</b>
1. Production cost of sold products	47 324	89 762	53 819
2. Value of sold goods and materials	-	-	-
<b>III. Gross profit (loss) on sales (I-II)</b>	<b>32 955</b>	<b>63 673</b>	<b>31 222</b>
<b>IV. Costs of sales</b>	<b>1 822</b>	<b>3 402</b>	<b>1 471</b>
<b>V. Overheads</b>	<b>8 524</b>	<b>13 380</b>	<b>5 990</b>
<b>VI. Profit (loss) on sales (III-IV-V)</b>	<b>22 609</b>	<b>46 891</b>	<b>23 761</b>
<b>VII. Other operating income</b>	<b>5 468</b>	<b>6 358</b>	<b>1 406</b>
1. Profit on sale of non-financial fixed assets	143	764	312
2. Subsidies	-	-	-
3. Other operating income	5 325	5 594	1 094

<b>VIII. Other operating costs</b>	<b>4 786</b>	<b>8 474</b>	<b>5 782</b>
1. Loss on sale of non-financial fixed assets	98	98	537
2. Revaluation of non-financial assets	-	1 250	4 148
3. Other operating costs	4 688	7 126	1 097
<b>IX. Profit/loss on operating activity (VI+VII-VIII)</b>	<b>23 291</b>	<b>44 775</b>	<b>19 385</b>
<b>X. Financial income</b>	<b>1 521</b>	<b>5 377</b>	<b>1 242</b>
1. Dividends and share in profit, including:	11	11	-
2. Interest, including:	1 374	1 941	875
3. Profit on sale of investments	-	71	-
4. Investment revaluation	40	40	1 191
5. Other	62	280	367
<b>XI. Financial costs</b>	<b>14 048</b>	<b>28 374</b>	<b>6 838</b>
1. Interest, including:	11 594	20 365	4 551
2. Loss on sale of investments	-	3 074	2
3. Investment revaluation	40	40	1 191
4. Other	2 414	2 414	1 094
<b>XII. Profit/loss on economic activity (XI+X-XI)</b>	<b>10 764</b>	<b>21 778</b>	<b>13 789</b>
XIII. Result on extraordinary events (XIII.1. - XIII.2.)	29	1	2
1. Extraordinary profit	-15	7	10
2. Extraordinary loss	-44	6	8
<b>XIV. Gross profit (loss) (XII+/-XIII)</b>	<b>10 069</b>	<b>20 870</b>	<b>13 605</b>
<b>XV. Income tax</b>	<b>1 735</b>	<b>4 618</b>	<b>5 020</b>
a) current portion	3 008	7 297	5 040
b) deferred portion	-1 273	-2 679	-20
<b>XVI. Other mandatory reductions of profit (loss increase)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>XVII. Shares in net profit (loss) of subsidiaries valued according to ownership rights method</b>	<b>-811</b>	<b>-811</b>	<b>-800</b>
<b>XVIII. Net profit (loss) (XIV-XV-XVI+/-XVII)</b>	<b>7 532</b>	<b>15 433</b>	<b>7 780</b>
Net profit (loss) (annualized)	28 957	21 283	
Weighted average number of ordinary shares	10 500 000	7 583 333	
Profit (loss) per one ordinary share (in PLN)	2,76	2,81	

<b>CASH FLOW STATEMENT</b>	<b>II kw. 2004</b>	<b>01.01.2004 30.06.2004</b>	<b>II kw. 2003</b>
<b>A. Cash flows on operating activity – indirect method</b>			
<b>I. Net profit (loss)</b>	<b>7 532</b>	<b>15 433</b>	<b>7 780</b>
<b>II. Adjustments total</b>	<b>28 997</b>	<b>30 173</b>	<b>1 961</b>
<b>1. Shares in net (profit) loss of subsidiaries valued according to ownership rights method</b>	<b>811</b>	<b>811</b>	<b>800</b>
<b>2. Depreciation</b>	<b>5 982</b>	<b>13 004</b>	<b>5 105</b>
3. Foreign exchange gains/losses	-7 159	-4 158	-1 322
4. Interest and shares in profits (dividends)	11 230	20 857	8 611
5. (Profit) loss on investment activity	-28	-3 103	16
6. Change in reserves	9 289	12 101	1 570
7. Change in inventories	-10 802	-3 970	-5 766
8. Change in receivables	3 770	17 375	1 515
9. Change in short-term liabilities, except for loans and credits	-19 617	-51 160	-17 593
10. Change in accruals	-4 539	-11 661	5 217
11. Other adjustments	40 069	40 069	3 803
<b>III. Net cash flows from operating activity (I+/-II)</b>	<b>36 529</b>	<b>45 606</b>	<b>9 741</b>
<b>B. Cash flows on investment activity</b>			
<b>I. Revenues</b>	<b>5 695</b>	<b>16 315</b>	<b>2 187</b>
1. Sales of intangible assets and fixed assets	146	637	426
2. Sales of investments in real property and in intangible assets	-	-	-
3. From financial assets, including:	5 559	15 678	1 761
a) in affiliated companies	-	-	-
b) in other companies	5 559	15 678	1 761
4. Other revenues from investments	-10	-	-
<b>II. Expenditure</b>	<b>-174 189</b>	<b>-189 285</b>	<b>-24 052</b>

1. Acquisition of intangible assets and fixed assets	-111 121	-126 217	-27 594
2. Investments in real property and in intangible assets	-	-	-
3. On financial assets, including:	-17 600	-17 600	3 542
a) in affiliated companies	-	-	3 542
b) in other companies	-17 600	-17 600	-
4. Other investment expenditure	-45 468	-45 468	-
<b>III. Net cash flows on investment activity (I-II)</b>	<b>-168 494</b>	<b>-172 970</b>	<b>-21 865</b>
<b>C. Cash flows on financial activity</b>			
<b>I. Revenues</b>	<b>190 987</b>	<b>491 988</b>	<b>232 706</b>
<b>1. Net income from issue of stocks (issue of shares) and other capital instruments and additional payments to capital</b>	<b>7 484</b>	<b>8 885</b>	<b>-</b>
<b>2. Loans and credits</b>	<b>-12 697</b>	<b>227 903</b>	<b>38 706</b>
3. Issue of debenture bonds	196 200	255 200	194 000
4. Other financial income	-	-	-
<b>II. Expenditure</b>	<b>-45 727</b>	<b>-350 181</b>	<b>-210 540</b>
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	31 096	-152 973	-29 654
5. Redemption of debenture bonds	-61 200	-168 800	-170 950
6. On account of other financial liabilities	-	-	-
7. Payments of liabilities on account of financial lease contracts	-121	-243	-121
8. Interest	-15 502	-28 165	-9 815
9. Other financial expenses	-	-	-
<b>III. Net cash flows on financial activity (I-II)</b>	<b>145 260</b>	<b>141 807</b>	<b>22 166</b>
<b>D. Net cash flows total (A.III+/-B.III+/-C.III)</b>	<b>13 295</b>	<b>14 443</b>	<b>10 042</b>
<b>E. Difference in cash balances, including:</b>	<b>13 295</b>	<b>14 443</b>	<b>10 042</b>
<b>F. Cash at the beginning of the period</b>	<b>49 559</b>	<b>48 811</b>	<b>32 325</b>
<b>G. Cash at the end of period (F+/-D), including:</b>	<b>62 854</b>	<b>62 854</b>	<b>42 367</b>

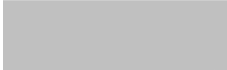
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