

„ECHO INVESTMENT” S.A. CAPITAL GROUP
address: 25-323 Kielce, Al. Solidarności 36

Opinion and Report
on audit of the consolidated financial statement
prepared according to the International Accounting Standards
for the period from January 01, 2007 to December 31, 2007

„ECHO INVESTMENT” S.A. CAPITAL GROUP
address: 25-323 Kielce, Al. Solidarności 36

Complementary report to the Opinion
on audit of the consolidated financial statement
prepared according to the International Accounting Standards
for the period from January 01, 2007 to December 31, 2007

CONTENTS

I. GENERAL PART OF REPORT	2
II. ANALYSIS OF THE CAPITAL GROUP'S FINANCIAL STANDING	10
III. DETAILED PART OF REPORT	15
<i>Attachment 1: Information about companies incorporated in the Capital Group</i>	<i>17</i>

I. GENERAL PART OF REPORT

1. Identification data of the dominant company

1.1 Name and legal form

Echo Investment Spółka Akcyjna [Echo Investment Joint Stock Company]

1.2 Registered address of the Company

25-323 Kielce, Al. Solidarności 36.

1.3 Scope of activity

According to the Company Articles and entry to the registry, the main objects of the company's activity particularly include:

- erection of complete buildings and structures or parts thereof, civil engineering,
- preparation of land for construction,
- engineering installations and finishing works,
- maintenance of own property,
- letting of own property,
- contracted maintenance of property,
- legal, financial and accounting, consulting, holding management activity.

During the audited period, the company operated in accordance with the company articles and the content of entry in the registry of entrepreneurs, focusing on builder's and developer's activity in the field of building apartments, shopping and entertainment centers, hotels and offices, letting of areas and consulting services provided to affiliated companies.

1.4 Basis of activity

Echo Investment S.A. operates on the basis of:

- company Articles prepared as a notarial deed Repertory A 4162/94 as of June 30, 1994, as amended, C
- the Polish Code of Commercial Partnerships and Companies, t

1.5 Registration at the Economic Court

On April 10, 2001 the Company was entered into the National Court Register at the District Court in Kielce, 10th Economic Department, with National Court Register number KRS 0000007025.

Previously the Company was registered in the commercial registry with number RHB 2054.

1.6 Registration with the Tax Office and the Provincial Statistical Office

NIP [Tax Identification Number] 657-023-09-12
REGON [Company statistical number]: 290463755

1.7 Equity and changes in equity of the capital group during the reporting period

During the audited period, the capital group's equity increased by PLN 320,514 thousand, which comprised an increase in the dominant company's equity by PLN 315,292 thousand and an increase in minority capitals of PLN 5,222 thousand.

As at the beginning of the audited period, the value of the Company's share capital was PLN 21,000 and was divided into 42,000 shares with nominal value of PLN 0.50 each. During the audited period, the value of initial capital did not change, but the shares were split in one to ten proportion and as a consequence the nominal value of the Company's shares dropped to 0.05 PLN.

The shares were split on the basis of resolution no. 6 of the Extraordinary General Meeting of Shareholders of October 18, 2007.

Changes effected by the aforementioned resolution have been reflected in the Company Articles and recorded in the National Court Register.

As a consequence of the said split, as on December 31, 2007, the value of the Company's share capital was PLN 21,000 thousand and was divided into 420,000 thousand shares with nominal value of PLN 0.05 each.

As on December 31, 2007 the company's shares were held by:

Shareholders	Number of votes	Percentage of share capital
Michał Sołowow - directly	11 855 680	2,82
Michał Sołowow – indirectly through:	152 953 950	36,42
- Magellan Pro-Equity Fund I S.A.	104 329 680	24,84
- Columbus Pro-Equity Fund II Sp. z o.o.	37 080 000	8,83
- Amundsen Pro-Equity Fund III Sp. z o.o.	11 300 000	2,69
- BarcoCapital Investment Ltd.	244 270	0,06
Commercial Union PTE	37 850 690	9,01
PZU Złota Jesień PTE	35 430 620	8,44
OFE ING NN Polska	35 259 850	8,4
Other Shareholders	146 649 210	34,91
Total:	420 000 000	100

The value of supplementary capital as at the beginning of the audited period was PLN 538,319 thousand and increased by PLN 447,675 thousand to reach PLN 985,994 thousand as a result of distribution of net profits of group companies for 2006 and for preceding years.

The value of unallocated profit carried forward as on December 31, 2007 equaled PLN 188,247 thousand.

The dominant company's net profit for the audited period equaled PLN 319,039 thousand.

The value of minority capital during the audited period grew by PLN 5,222 thousand, as a consequence of profits earned for the current year and allocated to minority shareholders.

1.8 Bodies of the Dominant Company

As at the beginning of the audited reporting period, the Management Board of Echo Investment S.A. was composed of:

–

Andrzej Majcher- President of the Management Board

– Jarosław Grodzki Vice-President of the Management Board

– Piotr Gromniak - Member of the Management Board

– Artur Langner - Member of the Management Board

On March 26, 2007 Mr. Andrzej Majcher resigned from his function. During the session of March 27, 2007, the Supervisory Board appointed the then Vice-President of the Management Board, Mr. Jarosław Grodzki, as the new President of the Management Board, and assigned Mr. Mariusz Waniółka, acting as Deputy Chairman of the Supervisory Board, to temporarily exercise the functions of a Management Board member, for a period not exceeding 3 months of the resolution being passed by the Supervisory Board.

As a result of these changes, the Management Board of the Company was composed of the following persons as on December 31, 2007:

– Jarosław Grodzki- President of the Management Board

– Piotr Gromniak - Member of the Management Board

– Artur Langner - Member of the Management Board

As on December 31, 2007, the Supervisory Board was composed of the following members:

– Wojciech Ciesielski- Chairman of the Supervisory Board

– Andrzej Majcher- Deputy Chairman of the Supervisory Board

– Mariusz Waniółka- Member of the Supervisory Board

– Robert Oskard - Member of the Supervisory Board

– Karol Żbikowski - Member of the Supervisory Board

– Tomasz Kalwat - Member of the Supervisory Board

The above members of the Supervisory Board were elected on May 29, 2007 at the Ordinary General Meeting of Shareholder, for a new 3-year term of office. Compared to the previous composition of the Supervisory Board, Mr. Andrzej Majcher was a new member appointed, and Mr. Kamil Latos resigned from running for new term of office.

During the session of June 11, 2007, the Supervisory Board passed a resolution on electing the Chairman and the Deputy Chairman of the Supervisory Board of the Company. Mr. Wojciech Ciesielski was elected Chairman and Mr. Andrzej Majcher was elected Deputy Chairman of the Supervisory Board of Echo Investment S.A.

As on December 31, 2007, Mr. Krzysztof Kwapisz acted as Procurator. The procurator's power of attorney is a joint authority with a Management Board Member.

The following persons were appointed to act as procurators for the duration of establishing Company branches:

– Janusz Kwiatkowski

– Marek Szymonek

– Krzysztof Maciejczyk.

This was branch-specific joint power of attorney with a Management Board Member or with another branch Procurator if appointed.

1.9 Employment

As on December 31, 2007, the dominant company was hiring 204 employees and the capital group was hiring a total of 342 persons.

2. Information about Group Companies

2.1. Information about the companies incorporated in the Capital Group

The data concerning Capital Group companies is presented in Annex 1 to this report.

Statement of balance totals and net profits/losses of companies preparing the financial statements audited by certified organizations (in thousands PLN):

1) by BDO Numerica S.A.:

Company	Balance total	Net profit/loss	Type of audit opinion
– Echo Investment S.A. [Echo Investment Joint Stock Company]	1 310 030	54 893	no objection
– Echo - Galaxy Sp. z o.o. Sp. K. [Echo – Galaxy Limited Liability Company Limited Partnership]	383 500	43 337	no objection
– Echo – Galeria Kielce Sp. z o.o. [Echo – Kielce Arcade Limited Liability Company]	172 528	(254)	no objection
– Echo Investment - Centrum Handlowe Piotrków Tryb. Sp. z o.o. [Echo Investment – Piotrków Tryb. Shopping Center Limited Liability Company]	315 624	2 928	no objection
– Athina Park Sp. z o.o. [Athina Park Limited Liability Company]	109 965	1 477	no objection
– Echo – Pasaż Grunwaldzki Sp. z o.o. Sp.K. [‘Echo – Grunwaldzki Arcade’ Limited Liability Company, Limited Partnership]	393 263	325 698	no objection
	2 684 910	428 079	

2) audited by Bilans – Service Sp. z o.o.:

Company	Balance total	Net profit/loss	Type of audit opinion
– Projekt Echo 61 Sp. z o.o. [Project Echo 61 Limited Liability Company]	86 065	(6 518)	no objection
– Projekt Echo 60 Sp. z o.o. [Project Echo 60 Limited Liability Company]	516 437	(16 745)	no objection
– Projekt Echo 56 Sp. z o.o. [Project Echo 56 Limited Liability Company]	79 108	(5 058)	no objection
– PHS Szczecin S.A. [PHS Szczecin Joint Stock Company]	35 343	(1 676)	no objection
– WAN 11 Sp. z o.o. [WAN 11 Limited Liability Company]	152 733	10 448	no objection

– Echo – Centrum Przemysł Sp. z o.o. [Echo – Przemysł Center Limited Liability Company]	21 700	(1 426)	no objection
– Echo – Centrum Bełchatów Sp. z o.o. [Echo – Bełchatów Center Limited Liability Company]	32 607	(573)	no objection
– Projekt Echo 62 Sp. z o.o. [Project Echo 62 Limited Liability Company]	664 131	(46 642)	no objection
	1 588 124	(68 190)	

Total audited	4 273 034	359 889
Total not audited	1 436 328	50 856
All	5 709 362	410 745
% of all companies that have been audited	74,8%	87,6%
% of all companies that have not been audited	25,2%	12,4%

2.2. Companies excluded from consolidation

Wydawcy Prasy Spółka z o.o. [Press Editors Limited Liability Company] of Warsaw, which is associated with Echo Investment S.A., was excluded from consolidation due to missing financial data.

3. Identification data of the audited consolidated financial statement

The audit concerned the consolidated financial statement of “Echo Investment” S.A. prepared in accordance with the International Accounting Standards for the period from January 01, 2007 to December 31, 2007, including:

- introduction to the consolidated financial statement;
 - consolidated balance sheet prepared as on December 31, 2007, where the balance amount of assets and liabilities is 3,538,948 thousand zlotys,
 - consolidated profit and loss account for the period from January 01, 2007 to December 31, 2007, showing net profit amounting to 324,261 thousand zlotys,
 - statement of changes in consolidated equity for the period from January 01, 2007 to December 31, 2007, showing an increase in equity by 320.514 thousand zlotys,
 - consolidated cash flow statement for the period from January 01, 2007 to December 31, 2007, showing a cash increase by an amount of 103,252 thousand zlotys,
 - additional information and explanations,
- and a report on the activities of the capital group.

The consolidated financial statement covers the individual financial statements of companies enumerated in Annex 1 to this report.

4. Identification data of the certified company and chartered accountant carrying out the audit

The consolidated statement was audited by BDO Numerica S.A. (legal successor of BDO Numerica Sp. z o.o.) with its registered seat in Warsaw, registered as certified auditor of financial statements by the National Board of Expert Auditors with number 523, according to the choice made by the Supervisory Board of the dominant company, in compliance with the provisions of the audit contract executed with the certified company on August 2, 2005. The certified company was represented in execution of that agreement by Grażyna Maślanka, chartered accountant (registration number 9375/7031).

Audit was carried out at the registered office of the Company from April 2 to April 4, 2008.

We hereby declare that BDO Numerica Sp. z o.o. as the certified company and the chartered accountants involved in the audit of the aforementioned statement comply with preconditions for expressing an impartial and independent opinion on the audited statement, pursuant to Article 66 clause 2 and 3 of the Accounting Act.

During audit, the dominant company made all required data available to the chartered accountant and provided all explanations necessary for carrying out the audit. The company further communicated all the significant events after the balance day, before the date of filing the statement.

5. Information about the consolidated financial statement for the preceding year

The consolidated statement for 2007 covered the period from January 01, 2007 to December 31, 2007.

The consolidated statement for 2007 was audited by BDO Numerica S.A. of Warsaw, Katowice Branch, and the audit opinion was issued without reservations.

The Company's consolidated financial statement for the period from January 01, 2006 to December 31, 2006 was approved through Resolution no. 4 of the General Meeting of Shareholders as of May 29, 2007.

The consolidated financial statement for 2006 was published in Monitor Polski „B” no. 2072 of December 4, 2007.

6. Events following the balance date

Events following the balance date are presented in the additional information. These events have no impact on the audited consolidated financial statement.

II. ANALYSIS OF THE CAPITAL GROUP'S FINANCIAL STANDING

Selected values from the consolidated balance sheet and profit and loss account are presented below:

1. Consolidated balance sheet

(in thousands PLN)						
ASSETS	31.12.07	% of balance total	31.12.06	% of balance total	31.12.2005	% of balance total
Fixed assets	2 592 004	73,2	2 154 508	78,6	1 678 924	78,1
Intangible assets	525	-	91	-	85	-
Goodwill of subsidiaries	40 382	1,1	32 687	1,2	-	-
Tangible assets	463 167	13,1	411 699	15,0	245 081	11,4
Fixed assets	55 623	1,6	53 274	1,9	65 763	3,1
Fixed assets under construction	407 544	11,5	358 425	13,1	179 318	8,3
Long-term receivables	54	-	5	-	-	-
Investment immovable property	2 034 700	57,5	1 670 296	61,0	1 400 398	65,2
Long-term financial investments	11 000	0,3	21 671	0,8	17 747	0,8
Deferred income tax assets	42 176	1,2	18 059	0,6	15 613	0,7
Current assets	946 944	26,8	585 006	21,4	470 776	21,9
Inventories	455 619	12,9	208 075	7,6	170 595	7,9
Tax receivables	46 246	1,2	48 274	1,8	35 184	1,6
Short-term receivables	13 442	0,4	29 221	1,1	13 794	0,6
Short-term financial investments	33 478	1,0	613	-	7 889	0,4
Short-term accruals	3 212	0,1	1 032	-	831	0,1
Cash and cash equivalents	394 947	11,2	297 791	10,9	242 483	11,3
ASSETS TOTAL	3 538 948	100,0	2 739 514	100,0	2 149 700	100,0
LIABILITIES						
Equity	1 526 341	43,1	1 205 827	44,0	935 248	43,5
Equity capital allocated to shareholders of the dominant company	1 510 535	42,7	1 195 243	43,6	917 103	42,7
Initial capital	21 000	0,6	21 000	0,8	21 000	1,0
Supplementary capital	985 994	27,9	538 319	19,7	353 771	16,5
Profit/loss carried forward	188 247	5,3	357 790	13,1	347 918	16,2
Net profit (loss) of the accounting year	319 039	9,0	278 132	10,1	194 414	9,0
Foreign exchange gains/losses arising from conversion	(3 745)	(0,1)	2	-	-	-
Minority capitals	15 806	0,4	10 584	0,4	18 145	0,8
Reserves	323 277	9,1	210 821	7,7	156 769	7,3
Reserve for deferred income tax	252 836	7,1	178 766	6,5	125 972	5,9
Other reserves	70 441	2,0	32 055	1,2	30 797	1,4
Long-term debts	1 315 401	37,2	943 766	34,5	714 265	33,2
Financial debt	1 283 221	36,3	902 909	33,0	685 010	31,9
Other debt	32 180	0,9	40 857	1,5	29 255	1,3
Short-term debts	373 929	10,6	379 100	13,8	343 418	16,0
Financial debt	37 859	1,1	158 061	5,8	152 992	7,1
Trade debts for deliveries and services	121 352	3,4	88 333	3,2	57 499	2,7
Liabilities on account of taxes	9 245	0,3	8 838	0,3	27 878	1,3
Other debt	205 473	5,8	123 868	4,5	105 049	4,9
LIABILITIES TOTAL	3 538 948	100,0	2 739 514	100,0	2 149 700	100,0

The balance total of Echo Investment S.A. Capital Group for 2007 increased by 29.2% as compared to the previous year.

Fixed assets recorded growth by 20.3%. The most significant change in respect of 2006 was recorded under deferred income tax assets (increase by 133.5%), financial investments (decrease by 49.2%), investment properties (increase by 21.8%), and goodwill of subsidiaries (increase by 23.5%). Current assets increased by 61.9%, mainly due to an increase in short-term financial investments by 5,361% and increase in inventories by 119% above that of 2006.

The increase in fixed assets, amounting to PLN 437,496 thousand mainly resulted from:

- disclosure of goodwill in respect of settlement of the transaction of acquiring shares in a subsidiary in the amount of PLN 7,695 thousand,
- growth of the value of deferred income tax assets by PLN 24,117 thousand, arising as a consequence of disclosure of timing differences between the balance sheet values of assets and liabilities as presented in the financial statement and the tax values of the same in 2007, and the major growth of the value of this item was mainly due to timing difference arising out of negative appraisal of investment immovable properties in fair values,
- growth of the value of investment immovable properties in the amount of PLN 364,404 thousand, which was primarily due to fair value appraisal of shopping centers, applied to the profit/loss of the current period, in the amount of PLN 250,335 thousand, and acceptance of the Wroclaw shopping center after completion of its development,
- decrease of the value of long-term financial assets by PLN 10,671 thousand, as a consequence of settlement of advances.

The growth of short-term financial investments by PLN 32,865 thousand is related to granting of short-term borrowings by the dominant company and by subsidiaries to companies outside the capital group.

Percentages of fixed assets and current assets remained similar to the previous year, giving 73.2% for fixed assets and 26.8% for current assets.

Total equity increased by 26.6%, mainly on account of profit earned for the present year. Changes to individual capitals are primarily due to profit distribution for the preceding years. Detailed description of changes within individual capitals is contained in sub-clause 1.7 of this report.

Reserves grew by 53.3%, mainly as a result of the increase of reserve for deferred income tax in relation to growth of fair value of own investment properties.

Long-term debts grew by 39.4% and short-term debts decreased by 1.4%. Growth in long-term debt was mainly concerned with financial liabilities on account of loans and debt securities. Decrease of short-term financial obligations by 76.2%, arising primarily of redemption of debenture bonds, was compensated by increases in trade debts by 37.4% and other obligations by 65.8%, mainly including growth in advances received for deliveries.

The share of equity in the Capital Group's liabilities remained on a similar level, i.e. 43.1% as compared to 44.0% in the preceding year. Within equity, the share of supplementary capital grew from 19.7% to 27.9% and the share of unallocated profit carried forward decreased from 13.1% to 5.3%.

During the audited year, the share of long-term debt in the balance total grew from 34.5% to 37.2%, with a simultaneous drop of the share of short-term debt (from 13.8% to 10.6%).

Fixed assets are financed with regular capital in 100%. In addition, regular capital finances nearly 53% of the Capital Group's current assets.

2. Consolidated profit and loss account

(in thousands PLN)

Specification	2007	2006	2005	Growth rate 2007/2006 (%)
Operating revenues	382 430	333 249	257 939	114,7
Operating expenses	(189 852)	(144 163)	(108 098)	131,7
Gross profit on sales	192 578	189 086	149 841	101,8
Profit from sales of immovable property	29 616	8 919	63 672	332,1
Revaluation of real estate	250 335	238 449	101 347	105,0
Costs of sales	(21 491)	(9 736)	(8 459)	220,7
Overheads	(48 991)	(43 694)	(28 847)	112,1
Other operating revenues and costs	(2 611)	(1 999)	14 438	130,6
Earnings before tax and financial revenues/costs	399 436	381 025	291 992	104,8
Financial revenues	39 227	14 773	8 169	265,5
Financial costs	(88 010)	(64 860)	(43 038)	135,7
Foreign exchange gains	49 113	15 134	16 058	324,5
Revaluation of goodwill of subsidiaries	(75)	(18)	(6 375)	416,7
Shares in profits of associated companies	(15)	(1)	-	1500,0
Gross profit (loss)	399 676	346 053	266 806	115,5
Corporate income tax	(75 415)	(66 982)	(55 774)	112,6
a) current portion	(25 458)	(16 636)	(37 467)	153,0
b) deferred portion	(49 957)	(50 346)	(18 307)	99,2
Net profit (loss), including:	324 261	279 071	211 032	116,2
Profit (loss) allocated to shareholders of the dominant company	319 039	278 132	194 414	114,7
Gross minority profit (loss)	5 222	939	16 618	556,1

In 2007, the Capital Group earned net profit of PLN 324,261 thousand, is an increase by 16.2% as compared to the preceding year.

The audited year was characterized by an increase in incomes from sales and in costs of operating activity, to grew by 14.7% and 31.7%, respectively. As a consequence of more rapid growth of costs than revenues from basic activity, gross profit from sales grew by 1.8% compared to 2006.

The value of profit from operating activity in 2007 equaled PLN 399,436 thousand, showing 4.8% growth compared to 2006. During the audited period, the Capital Group executed certain transactions of sales of immovable properties, earning profit of PLN 29,616 thousand and updated the values of properties to reach PLN 250,335 thousand, mainly as a consequence of revaluation of the Wroclaw property. The Group also incurred costs of sales which were 120.7% higher than in the preceding year, as a result of increasing wages, salaries and bonuses, and sales representation services.

Earnings on foreign exchange gains grew by 224.5% during the audited period, to reach PLN 49,113 thousand, as a consequence of favorable rates of foreign exchange for borrowers. Both financial revenues (165.5%) and financial costs (35.7%) increased. The value of gross profit was PLN 399,676 thousand, i.e. 15.5% more than in 2006. Income tax with timing differences between the balance sheet value of assets and liabilities as presented in the report and the tax value of these assets and liabilities for 2007 equaled PLN 75,415 thousand and increased by 12.6% as compared to the preceding year. Effective income tax rate in 2007 was 19%.

3. Basic financial indicators

Indicator	Economic content	31.12.2007	31.12.2006	31.12.2005
Balance total	Capital Group's property	3 538 948	2 739 514	2 149 700
Net profit/loss		324 261	279 071	211 032
Return on assets (%)	net financial result / average annual balance of assets	10,3%	11,4%	10,4%
Return on equity (%)	net financial result / average annual balance of equity	23,7%	26,1%	25,4%
Net sales profit to earnings ratio (%)	net financial result / revenues from sales of products, goods and materials	84,8%	83,7%	81,8%
Gross profit margin (%)	gross profit from sales of products, goods and materials / revenues from sales of products, goods and materials	50,4%	56,7%	58,1%
Receivables turnover ratio in days	average annual balance of all trade receivables x 365 / revenues from sales of products, goods and materials	8	10	19
Debt repayment cycle in days	average annual balance of all trade debts x 365 / value of sold commodities and materials + production costs of sold products	202	185	165
Inventories cycle in days	average annual balance of inventories x 365 / value of sold commodities and materials + production costs of sold products	638	479	657
Fixed assets to equity and long-term reserves	equity + long-term reserves ¹ / fixed assets total	0,7	0,6	0,6
Financing structure permanence	equity + long-term reserves ¹ + long-term debt ² / total assets	0,9	0,9	0,8
Liquidity ratio I	operating assets total ³ / short-term debts	2,5	1,6	1,4
Liquidity ratio II	current assets total ³ - inventories / short-term debts ³	1,3	0,9	0,9
Short-term debt to short-term receivables ratio	(short-term receivables / short-term debt + special funds)	0,2	0,2	0,1
Net assets allocated to the dominant company in PLN per 1 share	Dominant company's equity / number of shares	3,60	2,85	2,18
Net profit allocated to the dominant company in PLN per 1 share	Dominant company's net profit / number of shares	0,76	0,66	0,46

¹ exclusive of other reserves

² including trade debts beyond 12 months

³ exclusive of trade receivables beyond 12 months

⁴ exclusive of trade debts beyond 12 months

In 2007, the return ratios deteriorated slightly (apart from net return on sales) as compared to the preceding year. This is due to slower growth of net profit and gross sales margin than that of the balance total, equity and operating revenues.

The liquidity ratio I is above the optimum range (1.2-2) and the liquidity ratio II is similar to recommended standard (1-1.3). The liquidity ratios do not indicate any possibility of liquidity problems.

Receivables receipt cycle was established as 8 days, i.e. 2 days shorter than in the previous year. Debt repayment cycle extended from 185 to 202 days.

Inventories cycle extended from 479 to 638 days. Such long inventories cycle is related to the type of operations of the Capital Group.

Permanent capital finances ca. 90% of the group's total assets. Short-term receivables cover 20% of the group's short-term debt.

Neither the results achieved nor the general financial condition of the Capital Group indicate any threat to continuation of the present range of operations.

III. DETAILED PART OF REPORT

1. Financial statements consolidation methods applied

1.1. Key principles of consolidation of the Capital Group's financial statement. Determination of the values of revenues, costs and assets

The consolidated financial statement of “Echo Investment” S.A. Capital Group was prepared on the basis of financial statements prepared by Capital Group companies, expressed as though the group was a single organization.

The dominant company prepares its financial statement according to the International Accounting Standards. Some subsidiaries prepare their reports according to the International Accounting Standards and the other subsidiaries act under the principles stipulated by the Accounting Act (local legislation). Those subsidiaries' reports which were prepared according to Polish accounting standards were transformed for purposes of preparing the consolidated financial statement in accordance with the International Accounting Standards.

The accounting principles applied by the capital group account for the character of activity and are applied on a continuous basis.

Relevant exclusions were made in the course of consolidation concerning mutual receivables and debts, incomes and costs related to operations between consolidated companies, profits and loss on operations between consolidated companies, contained in the values of consolidated assets and liabilities.

Further exclusions applied to the value of shares held by the dominant company in capitals of subsidiaries.

Minority shareholders' capital was calculated correctly, in proportion to their respective shares held.

1.2. Consolidation records

The dominant company has prepared consolidation documents compliant with the requirements of the Regulation of the Minister of Finance as of December 12, 2001 on specific principles of preparing a financial statement of affiliated companies by organizations other than banks and insurance companies, including:

- financial statements of capital group companies, prepared for consolidation purposes and considering internal Group transactions,
- consolidation adjustments, covering all adjustments and exclusions in consolidated financial statements,
- data containing book value of shares,
- calculation of minority capitals;

2. Introduction to the consolidated financial statement, additional information and explanations

The dominant company has prepared additional information, covering the introduction to the financial report and additional information and explanations.

Numerical data contained in the said information is according to individual financial statements of consolidated companies and in compliance with the audited financial statement.

3. Statement of changes in consolidated equity capital

The statement of changes in consolidated equity of the Capital Group properly presents the increase of equity in the amount of PLN 320,514 thousand during the audited period. It was executed correctly and has a proper correlation with the consolidated balance sheet and the consolidated profit and loss account.

4. Consolidated cash flow statement

The consolidated cash flow statement was prepared through:

- totaling relevant positions of cash flow statements of subsidiaries covered by the consolidated financial statement,
- executing consolidation adjustments consisting in exclusion of cash flows between companies covered by the consolidated financial statement.

5. Management Report on the activities of the Capital Group

Pursuant to the requirements of Article 49 of the Act, the Management Board of the dominant company prepared a report on global operations of Echo Investment Capital Group in 2007.

The information contained therein is compliant with information contained in the audited consolidated financial statement for 2007.

6. Statement of the dominant organization’s management

The Management Board of Echo Investment S.A. filed a written statement on complete disclosure of data in the books of accounts, presentation of all contingent liabilities and non-existence of any significant events after the balance date, except for those mentioned in the report on activities.

Katowice, April 30, 2008

BDO Numerica SA
address : ul. 12 Postępu Street
02-676 Warszawa
Registration number 523
Katowice Branch
al. Korfantego 2
40-004 Katowice

Auditing Chartered Accountant
Grażyna Maślanka
Chartered Accountant
registry no. 9375/7031

Acting on behalf of BDO Numerica SA
dr André Helin
State Authorized
Public Accountant
Chartered Accountant 90004/502
President of BDO Numerica SA

Attachment 1: Information about companies incorporated in the Capital Group

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
1	“Echo Investment” S.A. [‘Echo Investment’ Joint Stock Company]	Kielce	dominant	full		01.01.2007-31.12.2007	1 310 030	54 893	254 343	BDO Numerica S.A.	no objection
2	"Athina Park" Sp. z o.o. [‘Athina Park’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	109 965	1 477	16 094	BDO Numerica S.A.	no objection
3	“Echo – Property Poznań 1” Sp. z o.o. [‘Echo – Property Poznań 1’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	5 095	7	4	audit not mandatory	-
4	"Echo ACC" Sp. z o.o. [‘Echo ACC’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	2 806	739	3 910	audit not mandatory	-
5	“Echo Bau” Sp. z o.o. [‘Echo Bau’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	54	-	-	audit not mandatory	-
6	“Echo – Centrum Poznań” Sp. z o.o. [‘Echo – Poznań Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	1 110	(26)	58	audit not mandatory	-
7	"Echo Investment - Centrum Bankowości i Finansów Łódź" Sp. z o.o. [‘Echo Investment – Łódź Banking and Finance Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	47 682	9 573	801	audit not mandatory	-
8	"Echo Investment - Centrum Biznesu Łódź" Sp. z o.o. [‘Echo Investment – Łódź Business Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	51 661	7 948	1 040	audit not mandatory	-
9	“Echo Investment – Centrum Bełchatów” Sp. z o.o. [‘Echo Investment – Bełchatów Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	32 607	(573)	5 364	Bilans - Servis Sp. z o.o.	no objection
10	“Echo Investment – Centrum Jelenia Góra” Sp. z o.o. [‘Echo Investment – Jelenia Góra Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	74 617	3 333	10 555	audit not mandatory	-
11	"Echo Investment - Centrum Handlowe Piotrków Trybunalski" Sp. z o.o. [‘Echo Investment – Piotrków Trybunalski Shopping Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	315624	2 928	32 817	BDO Numerica S.A.	no objection

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
12	“Echo Investment – Centrum Przemysł” Sp. z o.o. [‘Echo Investment – Przemysł Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	21 700	(1 426)	3 146	Bilans - Servis Sp. z o.o.	no objection
13	"Echo Investment - Centrum Handlowe Rzeszów" Sp. z o.o. [‘Echo Investment – Rzeszów Shopping Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	3 432	40	-	audit not mandatory	-
14	"Echo – SPV 6" Sp. z o.o. [‘Echo – SPV 6’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	85 517	3 939	-	audit required	-
15	“Echo Investment – Centrum Tarnów” Sp. z o.o. [‘Echo Investment – Tarnów Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	77 436	5 500	9 111	audit not mandatory	-
16	"Echo Investment - Centrum Handlowo –Usługowo - Rozrywkowe Gliwice" Sp. z o.o. [‘Echo Investment – Gliwice Shopping, Service and Entertainment Center’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	3 526	105	-	audit not mandatory	-
17	"Echo Investment Hungary" Ingatlanhasznosító Kft.	Budapest	subsidiary	full	100,00%	01.01.2007-31.12.2007	63 097	(427)	-	audit not mandatory	-
18	"Echo Investment Projekt 1" SRL	Bucharest	subsidiary	full	100,00%	01.01.2007-31.12.2007	92 805	(575)	-	audit not mandatory	-
19	“Echo – Pasaż Grunwaldzki” Sp. z o.o. [‘Echo – Grunwaldzki Arcade’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	64	(11)	-	audit not mandatory	-
20	“Echo – Pasaż Grunwaldzki Spółka z Ograniczoną Odpowiedzialnością” Sp.k. [‘Echo – Grunwaldzki Arcade Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	393 263	325 698	51 363	BDO Numerica S.A.	no objection
21	"Est-On Property Management" Sp. z o. o. [‘Est-On Property Management’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	4 548	1 989	12 461	audit not mandatory	-
22	"Echo - Arena" Sp. z o.o. [‘Echo - Arena’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	1 185	45	-	audit not mandatory	-

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
23	“Echo Arena Spółka z ograniczoną odpowiedzialnością” Sp.k. [‘Echo Arena Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	27 320	132	560	audit not mandatory	-
24	"Malta Office Park" Limited liability company	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	29 510	152	6 350	audit not mandatory	-
25	Centrum Handlowe PHS S.A. [PHS Shopping Center Joint Stock Company]	Szczecin	subsidiary	full	100,00%	01.01.2007-31.12.2007	35 343	(1 676)	7 483	Bilans - Servis Sp. z o.o.	no objection
26	"Piomot Auto" Sp. z o.o. [‘Piomot Auto’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	156	(12)	-	audit not mandatory	-
27	"Princess Boryszewska" Sp. z o.o. [‘Princess Boryszewska’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	69 015	(3 350)	-	audit not mandatory	-
28	"Princess Investment" Sp. z o.o. [‘Princess Investment’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	5 356	(152)	-	audit not mandatory	-
29	"Galeria Echo - Kielce" Sp. z o.o. [‘Echo Arcade – Kielce’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	55	3	-	audit not mandatory	-
30	“Projekt Echo - 17” Sp. z o.o. [‘Project Echo - 17’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	47	(4)	-	audit not mandatory	-
31	“Projekt Echo - 23” Sp. z o.o. [‘Project Echo - 23’ Limited Liability Company]	Kielce	associated	ownership rights	37,50%	01.01.2007-31.12.2007	18	(2)	-	audit not mandatory	-
32	“Projekt Echo - 30” Sp. z o.o. [‘Project Echo - 30’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	24 853	50	8	audit not mandatory	-
33	"Echo - Galaxy" Sp. z o.o. [‘Echo – Galaxy’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	698	299	-	audit not mandatory	-
34	“Echo – Galaxy Spółka z ograniczoną odpowiedzialnością” Sp.K. [‘Echo – Galaxy Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	383 500	43 337	54 731	BDO Numerica S.A.	no objection
35	“Projekt Echo - 34” Sp. z o.o. [‘Project Echo - 34’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	54	(2)	-	audit not mandatory	-

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
36	“Projekt Echo - 37” Sp. z o.o. [‘Project Echo - 37’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	55	(2)	-	audit not mandatory	-
37	“Projekt Echo - 39” Sp. z o.o. [‘Project Echo - 39’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	21 778	21	49	audit not mandatory	-
38	“Projekt Echo - 41” Sp. z o.o. [‘Project Echo - 41’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	46	(4)	-	audit not mandatory	-
39	“Projekt Echo – 41 Spółka z ograniczoną odpowiedzialnością” Sp.k. [‘Project Echo – 41 Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	9	(3)	-	audit not mandatory	-
40	“Projekt Echo - 42” Sp. z o.o. [‘Project Echo - 42’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	46	(4)	-	audit not mandatory	-
41	“Projekt Echo – 42 Spółka z ograniczoną odpowiedzialnością” Sp.k. [‘Project Echo – 42 Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	9	(3)	-	audit not mandatory	-
42	“Projekt Echo - 43” Sp. z o.o. [‘Project Echo - 43’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	50	-	-	audit not mandatory	-
43	“Projekt Echo - 44” Sp. z o.o. [‘Project Echo - 44’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	46	(4)	-	audit not mandatory	-
44	“Projekt Echo - 45” Sp. z o.o. [‘Project Echo - 45’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	46	(4)	-	audit not mandatory	-
45	“Projekt Echo – 45 Spółka z ograniczoną odpowiedzialnością” Sp.k. [‘Project Echo – 45 Limited Liability Company’ Limited Partnership]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	9	(3)	-	audit not mandatory	-
46	“Projekt Echo - 46” Sp. z o.o. [‘Project Echo - 46’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	21.11.2006-31.12.2007	48	(4)	-	audit not mandatory	-
47	“Projekt Echo - 47” Sp. z o.o. [‘Project Echo - 47’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	21.11.2006-31.12.2007	49 455	3	-	audit not mandatory	-

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
48	“Projekt Echo - 48” Sp. z o.o. [‘Project Echo - 48’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	21.11.2006-31.12.2007	48	(4)	-	audit not mandatory	-
49	“Projekt Echo - 53” Sp. z o.o. [‘Project Echo - 53’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	95 432	(5 923)	3 608	audit not mandatory	-
50	“Projekt Echo - 54” Sp. z o.o. [‘Project Echo - 54’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	113 913	894	4 036	audit not mandatory	-
51	“Projekt Echo - 55” Sp. z o.o. [‘Project Echo - 55’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
52	“Projekt Echo - 56” Sp. z o.o. [‘Project Echo - 56’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	79 108	(5 058)	1 957	Bilans - Servis Sp. z o.o.	no objection
53	“Projekt Echo - 57” Sp. z o.o. [‘Project Echo - 57’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
54	“Projekt Echo - 58” Sp. z o.o. [‘Project Echo - 58’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
55	“Projekt Echo - 59” Sp. z o.o. [‘Project Echo - 59’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
56	“Projekt Echo - 60” Sp. z o.o. [‘Project Echo - 60’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	516 437	(16 735)	5 506	Bilans - Servis Sp. z o.o.	no objection
57	“Projekt Echo - 61” Sp. z o.o. [‘Project Echo - 61’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	86 065	(6 518)	4 318	Bilans - Servis Sp. z o.o.	no objection
58	“Projekt Echo - 62” Sp. z o.o. [‘Project Echo - 62’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	664 131	(46 642)	5 587	Bilans - Servis Sp. z o.o.	no objection
59	“Projekt Echo - 63” Sp. z o.o. [‘Project Echo - 63’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	12 874	(104)	10	audit not mandatory	-
60	“Projekt Echo - 64” Sp. z o.o. [‘Project Echo - 64’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
61	“Projekt Echo - 65” Sp. z o.o. [‘Project Echo - 65’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	10 097	(57)	7	audit not mandatory	-

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
62	“Projekt Echo - 66” Sp. z o.o. [‘Project Echo - 66’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	55 320	(325)	9	audit not mandatory	-
63	“Projekt Echo - 67” Sp. z o.o. [‘Project Echo - 67’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
64	“Projekt Echo - 68” Sp. z o.o. [‘Project Echo - 68’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
65	“Projekt Echo - 69” Sp. z o.o. [‘Project Echo - 69’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
66	“Projekt Echo - 70” Sp. z o.o. [‘Project Echo - 70’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
67	“Projekt Echo - 71” Sp. z o.o. [‘Project Echo - 71’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
68	“Projekt Echo - 72” Sp. z o.o. [‘Project Echo - 72’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
69	“Projekt Echo - 73” Sp. z o.o. [‘Project Echo - 73’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
70	“Projekt Echo - 74” Sp. z o.o. [‘Project Echo - 74’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
71	“Projekt Echo - 75” Sp. z o.o. [‘Project Echo - 75’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
72	“Projekt Echo - 76” Sp. z o.o. [‘Project Echo - 76’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
73	“Projekt Echo - 77” Sp. z o.o. [‘Project Echo - 77’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
74	“Projekt Echo - 80” Sp. z o.o. [‘Project Echo - 80’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	46	(4)	-	audit not mandatory	-
75	“Projekt Echo - 81” Sp. z o.o. [‘Project Echo - 81’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	20.12.2006-31.12.2007	85 380	(251)	3	audit not mandatory	-

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
76	“Projekt Echo - 83” Sp. z o.o. [‘Project Echo - 83’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
77	“Projekt Echo - 84” Sp. z o.o. [‘Project Echo - 84’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
78	“Projekt Echo - 85” Sp. z o.o. [‘Project Echo - 85’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
79	“Projekt Echo - 86” Sp. z o.o. [‘Project Echo - 86’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
80	“Projekt Echo - 87” Sp. z o.o. [‘Project Echo - 87’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
81	“Projekt Echo - 88” Sp. z o.o. [‘Project Echo - 88’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
82	“Projekt Echo - 89” Sp. z o.o. [‘Project Echo - 89’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
83	“Projekt Echo - 90” Sp. z o.o. [‘Project Echo - 90’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
84	“Projekt Echo - 91” Sp. z o.o. [‘Project Echo - 91’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
85	“Projekt Echo - 92” Sp. z o.o. [‘Project Echo - 92’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	19.06.2007-31.12.2007	48	(2)	-	audit not mandatory	-
86	“Projekt Naramowice” Sp. z o.o. [‘Project Naramowice’ Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	160 305	3 352	272	audit not mandatory	-
87	“Projekt S” Sp. z o.o. [‘Project S’ Limited Liability Company]	Kielce	subsidiary	full	63,00%	01.01.2007-31.12.2007	1 177	(5)	-	audit not mandatory	-
88	“SPC” S.A. [‘SPC’ Joint Stock Company]	Warsaw	associated	ownership rights	34,00%	01.01.2007-31.12.2007	data not available	data not available	data not available	audit not mandatory	-
89	“W.A. Hotele” Sp. z o.o. [‘W.A. Hotels’ Limited Liability Company]	Warsaw	associated	ownership rights	43,45%	01.01.2007-31.12.2007	25 580	198	24	audit not mandatory	-
90	“WAN 11” Sp. z o.o. [‘WAN 11’ Limited Liability Company]	Warsaw	partially owned subsidiary	full	50,00%	01.01.2007-31.12.2007	152 733	10 448	17 409	Bilans - Servis Sp. z o.o.	no objection

Item	Name (company name) of the organization, specifying the legal status	Registered office address	Type of capital relationship of the company	Applied method of consolidation	Percentage of owned initial / share capital	Period covered by the statement	Balance total (in thousands PLN)	Profit/loss (in thousands PLN)	Operating revenues before exclusion (in thousands PLN)	Entity entitled to audit	Audit opinion
91	"WAN Invest" Sp. z o.o. ['WAN Invest' Limited Liability Company]	Warsaw	partially owned subsidiary	ownership rights	50,00%	01.01.2007-31.12.2007	678	(28)	-	audit not mandatory	-
92	"Wyględów" Sp. z o.o. ['Wyględów' Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	25034	42	9	audit not mandatory	-
93	"Zakład Ogrodniczy Naramowice" Sp. z o.o. ['Naramowice Gardening Enterprise' Limited Liability Company]	Poznan	subsidiary	full	100,00%	01.01.2007-31.12.2007	13 258	(484)	3 708	audit not mandatory	-
94	Echo – Galeria Kielce Sp. z o.o. [Echo – Kielce Arcade Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	172 528	(254)	21 099	BDO Numerica S.A.	no objection
95	"Echo – Kielce 1" Sp. z o.o. ['Echo – Kielce 1' Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	87 884	15 923	-	audit not mandatory	-
96	„Echo Projekt 1” LLC	Kiev	subsidiary	full	100,00%	26.09.2007-31.12.2007	16	(5)	-	audit not mandatory	-
97	„Echo Projekt 2” LLC	Kiev	subsidiary	full	100,00%	26.09.2007-31.12.2007	16	(5)	-	audit not mandatory	-
98	"Echo - Veneda" Sp. z o.o. ['Echo – Veneda' Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	7 101	19	24	audit not mandatory	-
99	"Echo Building Ingatlanhasznosító" Kft.	Budapest	subsidiary	full	100,00%	23.05.2007-31.12.2007	7 028	(153)	-	audit not mandatory	-
100	„Echo Investment Ukraine” LLC	Kiev	subsidiary	full	100,00%	02.07.2007-31.12.2007	60	8	-	audit not mandatory	-
101	MDP Sp. z o.o. [MDP Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	9 615	9 702	3 019	audit not mandatory	-
102	"Echo - Projekt Management Ingatlanhasznosító" Kft.	Budapest	subsidiary	full	100,00%	01.01.2007-31.12.2007	588	(1 065)	11	audit not mandatory	-
103	Projekt Echo – 28 Sp. z o.o. [Project Echo – 28 Limited Liability Company]	Kielce	subsidiary	full	100,00%	01.01.2007-31.12.2007	2 969	116	-	audit not mandatory	-

The companies that are not subject to mandatory audit are noncompliant with at least two of three conditions contained in Article 64 clause 1 item 4 of the Accounting Act