

CONSOLIDATED FINANCIAL STATEMENT ACCORDING TO IFRS

CONSOLIDATED REPORT ON THE FINANCIAL CONDITION AS AT 31.12.2011 AND 31.12.2010 (in thousands of PLN)

	As at 31.12.11	As at 31.12.10
I. FIXED ASSETS	216 799	225 822
Goodwill	1 848	1 848
Intangible assets	7 058	7 574
Property, plant and equipment	200 957	208 117
Investment real estate	148	
Investments in subsidiaries		
Investments in associated entities		
Receivables and loans	3	165
Derivative financial instruments		
Other long-term financial assets	10	10
Long-term prepayments	59	74
Deferred income tax assets	6 716	8 034
II. CURRENT ASSETS	303 982	241 874
Inventories	129 357	109 895
Trade and other receivables	170 675	126 970
Current income tax receivables	333	64
Loans		360
Derivative financial instruments		109
Other short-term financial assets	379	1 450
Short-term prepayments	1 246	1 281
Cash and equivalents	1 992	1 745
Fixed assets held for sale		
TOTAL ASSETS	520 781	467 696

I. EQUITY	125 594	126 413
Equity attributable to the shareholders of the parent company	123 301	123 954
Share capital	23 167	23 167
Own shares		
Capital from sale of shares at a premium over face value	56 496	56 496
Other capitals		
Previous years' profit (loss)	44 292	41 198
Net profit (loss)	-654	3 093
Non-controlling interests	2 293	2 459
II. LIABILITIES	395 187	341 283
Long-term liabilities	118 334	109 537
Long-term credits and loans, other debt instruments	60 629	49 254
Financial lease	5 034	6 808
Derivative financial instruments		
Provision for deferred income tax	11 255	11 475
Liabilities and provisions for employee benefits	1 521	1 716
Other long-term provisions		
Long-term prepayments	39 895	40 284
Short-term liabilities	276 853	231 746
Short-term credits and loans	79 533	95 924
Trade and other liabilities	179 529	119 312
Current income tax liabilities		372
Financial lease	2 580	3 058
Derivative financial instruments		

Liabilities and provisions for employee benefits	8 733	6 514
Other short-term provisions	2 321	1 500
Short-term prepayments	4 157	5 066
Liabilities associated with fixed assets held for sale		
TOTAL LIABILITIES	520 781	467 696

BOOK VALUE PER SHARE (in PLN)	As at 31.12.11	As at 31.12.10
Book value	123 301	123 954
Number of shares	23,166,700	23,166,700
Book value per share (in PLN)	5,32	5,35

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD
FROM 01.01.2011 TO 31.12.2011 (in thousands of PLN)

MULTI-STEP FORMAT	Q4/2011 period from 01.10.11 to 31.12.11	Q4 cumulatively /2011 period from 01.01.11 to 31.12.11	Q4/2010 period from 01.10.10 to 31.12.10	Q4 cumulatively /2010 period from 01.01.10 to 31.12.10
Revenues from sales	162 237	661 754	144 010	550 697
Revenues from sale of products and services	142 703	526 692	118 344	439 738
Revenues from sale of goods and materials	19 534	135 062	25 666	110 959
Own cost of sales (cost of products, services, goods and materials sold)	138 297	554,570	119 701	447 298
Own cost of products and services sold	122 155	433 125	96 689	348 751
Cost of goods and materials sold	16 142	121 445	23 012	98 547
Gross profit (loss) on sales	23 940	107 184	24 309	103 399
Selling costs	17 712	65 873	16 681	57 859
General and administrative costs	9 751	35 719	9 072	33 251
Profit (loss) on sales	-3 523	6 592	-1 444	12 289
Other operating revenues	8 136	16 884	5 672	12 646
Other operating costs	5 398	10 684	2 767	10 840
Profit (loss) on sale of subsidiaries (+/-)		+741		
Profit (loss) on operating activities	-785	13 533	1 461	14 095
Financial revenues	2 102	2 774	2 122	3 196
Financial costs	4 799	15 666	3 233	11 323
Share in profit (loss) of entities valued using the equity method (+/-)				
Profit (loss) before tax	-3 482	641	350	5 968
Income tax	-301	1 452	365	2 943
Net profit (loss) on continued business	-3 181	-811	-15	3 025
Abandoned activities				
Net profit (loss) on abandoned business				
Net profit (loss)	-3 181	-811	-15	3 025
- including minority's net profit (loss)	-43	-157	-28	-68
- including net profit (loss) of shareholders of parent company	-3 138	-654	13	3 093

Other comprehensive income

Revaluation of tangible fixed assets				
Financial assets available for sale				
Instruments securing cash flows				
Foreign exchange rate differences from valuation of entities operating abroad				
Foreign exchange differences carried over to the financial result - sales of foreign entities				
Share in other comprehensive income of entities valued using an equity method				
Income tax on other comprehensive income				
Other net comprehensive income				
TOTAL INCOME FOR THE FINANCIAL YEAR	-3 181	-811	-15	3 025

Total profit attributable to

- shareholders of the parent company	-3 138	-654	13	3 093
- non-controlling interests	-43	-157	-28	-68

Total comprehensive income attributable to

- shareholders of the parent company	-3 138	-654	13	3 093
- non-controlling interests	-43	-157	-28	-68

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 01.01.2011 TO 31.12.2011 (in thousands of PLN)

DESCRIPTION	Capital attributable to shareholders of the parent company					Minority interests	Equity total
	Share capital	Other capitals (agio)	Exchange differences from conversion	Retained profit (loss)	Total		
Opening balance for reporting period 01.01.2011	23 167	56 496	0	44 291	123 954	2 459	126 413
Adjustment of fundamental error							
Changes in accounting principles (policy)							
Balance after changes	23 167	56 496	0	44 291	123 954	2 459	126 413
Changes in equity during the reporting period from 01.01.2011 to 31.12.2011							
Issuance of shares							
Issuance of shares in connection with the redemption of shares (share-based payment plan)							
Valuation of options (share-based payment plan)							
Change in the structure of the capital group – transactions with minority				1	1	-9	-8
Dividends							
Transfer of profit (loss) to capital							
Total transactions with owners							
Net profit for the reporting period from 01.01.2011 to 31.12.2011				- 654	- 654	- 157	- 811
Other comprehensive income							
Other comprehensive income for the period from 01.01 to 31.12.2011				- 654	- 654	- 157	- 811
Income tax on other comprehensive income							
Total comprehensive income	0	0	0	- 654	- 654	- 157	- 811
Transfer to retained profits (sale of revalued fixed assets)							
Closing balance for reporting period 31.12.2011	23 167	56 496	0	44 638	126 301	2 293	125 594

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 01.01.2010 TO 31.12.2010 (in thousands of PLN)

DESCRIPTION	Capital attributable to shareholders of the parent company					Minority interests	Equity total
	Share capital	Other capitals (agio)	Exchange differences from conversion	Retained profit (loss)	Total		
Opening balance for reporting period 01.01.2010	23 167	56 496	0	41 565	121 228	2 544	123 772
Adjustment of fundamental error				-369	-369		-369
Changes in accounting principles (policy)							
Balance after changes	23 167	56 496	0	41 196	120 859	2 544	123 403
Changes in equity during the reporting period from 01.01.10 to 31.12.10							
Issuance of shares							
Issuance of shares in connection with the redemption of shares (share-based payment plan)							
Valuation of options (share-based payment plan)							
Change in the structure of the capital group – transactions with minority				2	2	-17	-15
Dividends							
Transfer of profit (loss) to capital							
Total transactions with owners							
Net profit for the reporting period from 01.01.10 to 31.12.2010				3,093	3 093	-68	3 025
Other							
Other comprehensive income							
Other comprehensive income for the period from 01.01 to 31.12.2010							
Income tax on other comprehensive income							
Total comprehensive income				3 093	3 093	-68	3 025
Transfer to retained profits (sale of revalued fixed assets)							
Closing balance for reporting period 31.12.2010	23 167	56 496		44 319	123 982	2 454	126 436

CONSOLIDATED STATEMENT OF CASH FLOWS from 01.01.2011 to 31.12.2011 (in thousands of PLN)

	period from 01.01.11 to 31.12.11	period from 01.01.10 to 31.12.10
<i>Cash flows from operating activities (indirect method)</i>		
Net profit before tax	641	5 968
Adjustments:		
Depreciation and write-downs on tangible fixed assets	18 373	18 771
Depreciation and write-downs on intangible assets	307	365
Goodwill impairment write-downs		
Gain (loss) on disposal of non-financial fixed assets	-2 106	-1 010
Change in fair value of investment real estates		
Gain (loss) on disposal of financial assets	- 215	-264
Fixed asset impairment write-downs	460	-123
Change in fair value of financial assets (liabilities) measured through income statement	- 92	-263
Revenues and expenses from interest and dividends	10 458	9 600
Participation in profits (losses) of associated entities		
Negative goodwill write-down		
Foreign exchange gains (losses)	42	134
Other adjustments	10	-10
Total adjustments	27 237	27 200
Change in inventory	-19 514	-9 314
Change in receivables	-42 241	-21 315
Change in liabilities	63 469	26 571
Change in provisions and in prepayments and accruals	-4 306	-4 317
Other adjustments		
Change in working capital	-2 592	-8 375
Proceeds (expenses) from settlement of financial instruments	-207	-1 503
Taxes paid on operating activities		
Income tax paid	-1 130	-207
Net cash from operating activities	23 949	23 083
<i>Cash flows from investment activities</i>		
Acquisition of subsidiary less acquired cash	-8	-15
Other proceeds from financial assets		
Proceeds from sale of subsidiaries	-113	
Expenses for the purchase of intangible assets	- 1 101	-2 995
Proceeds from the sale of intangible assets		
Expenses for the purchase of tangible fixed assets	-13 496	-11 007
Proceeds from the sale of tangible fixed assets	1 473	1 768
Expenses for the purchase of investment real estates		
Proceeds from the sale of investment real estates		
Expenses for the purchase of other financial assets		-1 436
Proceeds from the sale of other financial assets	623	2 972
Loans granted	-50	
Received repayments of loans granted	1 220	18
Proceeds from government subsidies received	3 609	7 883
Interest received	23	106
Dividends received	3	6
Net cash used in investment activities	- 7 817	-2 700
<i>Cash flows from financial activities</i>		
Net proceeds from issuance of shares		
Purchase of own shares		

Proceeds from issuance of bills of exchange		7 250
Redemption of bills of exchange	- 1 750	-6 900
Credits and loans received	62 867	58 531
Repayment of credits and loans	- 64 804	-64 994
Repayment of liabilities arising from financial lease	- 2 394	-3 645
Interest paid	- 10 005	-9 330
Dividends paid to Company's shareholders		
Dividends paid to minority shareholders		
Other financial inflows	201	
Other financial outflows		-2 129
Net cash from financial activities	-15 885	-21 217
Net increase (decrease) in cash and cash equivalents	247	-834
Cash and equivalents opening balance	1 746	-2 580
Change in cash and equivalents due to exchange differences		-10
Cash and equivalents closing balance	1 993	1 746

* The negative amount in the proceeds from sale of subsidiaries constitutes cash of the entity sold as at the date of sale.

This position does not include proceeds from sales because the value of the receivables was subject to compensation with liabilities towards the party purchasing the subsidiary