



Barlinek S.A. Capital Group
Mid-year short form of consolidated financial statement for the three months ending
on 31 March 2006.

1. Short form of consolidated financial statement

1.1. Selected financial data (thousands)

	thousands PLN		thousands EUR	
	1st quarter 2006	1st quarter 2005	1st quarter 2006	1st quarter 2005
	01.01. 2006 - 31.03.2006	01.01. 2005 - 31.03.2005	01.01. 2006 - 31.03.2006	01.01. 2005 - 31.03.2005
I. Net revenues from sales of products, goods and material	76 968	73 604	20 015	18 331
II. Profit (loss) on operating activities	7 843	10 302	2 039	2 566
III. Gross profit (loss)	6 205	7 488	1 614	1 865
IV. Net profit (loss)	5 738	6 040	1 492	1 504
V. Net cash flows from operating activities	-9 371	-14 493	-2 437	-3 609
VI. Net cash flows from investment activities	-14 248	-13 392	-3 705	-3 335
VII. Net cash flows from financial activities	29 110	163	7 570	41
VIII. Total net cash flows	5 491	-27 722	1 428	-6 904
IX. Total assets	506 923	366 369	128 801	89 715
X. Liabilities and reserves for liabilities	291 681	230 719	74 112	56 498
XI. Long term liabilities	156 084	81 960	39 659	20 070
XII. Short term liabilities	132 715	140 599	33 721	34 429
XIII. Equity capital.	215 242	135 650	54 690	33 217
XIV. Share capital	88 000	80 000	22 359	19 590
XV. Number of shares	88 000 000	80 000 000	88 000 000	80 000 000
XVI. Profit (loss) per ordinary share (zł / EUR)	0.07	0.08	0.02	0.02
XVII. Diluted earnings (loss) per ordinary share (zł / EUR)	0.07	0.08	0.02	0.02
XVIII. Book value per share (zł / EUR)	2.45	1.70	0.62	0.42
XIX. Diluted book value per share (zł / EUR)	2.45	1.70	0.62	0.42
XX. Declared or paid dividend per share (zł / EUR)				

1.2. Short form of consolidated balance sheet in thousands PLN

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
I. Fixed assets	320 607	304 461	213 448	206 712
1. Intangible assets	987	1 037	964	988
2. Tangible fixed assets	310 009	293 394	209 514	204 747
3. Long-term receivables	0	0	0	0
3.1. From subsidiaries and affiliates	0	0	0	0
3.2. From other entities	0	0	0	0
4. Long-term investments	35	35	596	105
4.1. Real estate	0	0	0	0
4.2. Intangible assets	0	0	0	0
4.3. Long-term financial assets	35	35	596	105
a) in subsidiaries and affiliates	22	22	555	64
- shares	22	22	14	64
- granted loans	0	0	541	0
b) in other entities	13	13	41	41

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
- shares	13	13	41	41
4.4. Other long-term investments	0	0	0	0
5. Long-term deferred charges and accruals	9 576	9 995	2 374	872
5.1. Assets from deferred taxes	7 836	8 255	1 642	841
5.2. Other deferred charges and accruals	1 740	1 740	732	31
II. Current assets	186 316	196 636	152 921	147 850
1. Inventory	79 888	78 334	68 689	56 842
2. Short-term receivables	68 548	87 229	78 867	58 335
2.1. From subsidiaries and affiliates	0	0	0	0
2.2. From other entities	68 548	87 229	78 867	58 335
3. Short-term investments	34 679	28 605	3 949	31 516
3.1. Short-term financial assets	34 679	28 605	3 949	31 516
a) in subsidiaries and affiliates	0	0	156	0
b) in other entities	0	0	0	0
c) cash and other cash assets	34 679	28 605	3 793	31 516
3.2. Other short-term investments	0	0	0	0
4. Short-term deferred charges and accruals	3 201	2 468	1 416	1 157
Total assets	506 923	501 097	366 369	354 562
LIABILITIES				
I. Equity capital.	215 242	209 988	135 650	129 610
1. Share capital	88 000	88 000	80 000	80 000
2. Own shares for sale (negative value)	0	0	0	0
3. Reserve capital	93 417	93 909	21 206	21 206
4. Revaluation reserve capital	-1 328	-1 364	0	0
5. Other reserve capital	0	0	0	0
6. Exchange gain (loss) on consolidation	-16	12	0	0
a) currency translation gains	0	12	0	0
b) currency translation losses	-16	0	0	0
7. Undistributed earnings or uncovered loss of previous periods	29 431	107	28 404	-21
8. Net profit (loss)	5 738	29 324	6 040	28 425
II. Minority shareholders capital	0	0	0	0
III. Reserve capital from consolidation	0	0	0	0
IV. Liabilities and reserves for liabilities	291 681	291 109	230 719	224 952
1. Reserves for liabilities	2 882	2 767	8 160	7 578
1.1. Reserves for income tax	466	449	4 297	3 639
1.2. Social security reserves	289	289	420	420
a) long term	233	233	156	156
b) short term	56	56	264	264
1.3. Other securities	2 127	2 029	3 443	3 519
a) long term	0	0	0	0
b) short term	2 127	2 029	3 443	3 519
2. Long term liabilities	156 084	109 756	81 960	81 960
2.1. To subsidiaries and affiliates	0	0	0	0
2.2. To other entities	156 084	109 756	81 960	81 960
3. Short term liabilities	132 715	178 586	140 599	135 414
3.1. To subsidiaries and affiliates	0	0	0	0
3.2. To other entities	132 715	178 586	140 599	135 414
3.3. Special funds	0	0	0	0

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
4. Accruals and deferred income	0	0	0	0
4.1. Negative goodwill	0	0	0	0
4.2. Other deferred charges and accruals	0	0	0	0
a) long term	0	0	0	0
b) short term	0	0	0	0
Total liabilities	506 923	501 097	366 369	354 562

1.5. Short form of consolidated profit and loss account (thousands PLN)

PROFIT AND LOSS ACCOUNT	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
I. Net revenues from sales of products, goods and materials, including:	76 968	73 604
- from subsidiaries and affiliates	0	0
1. Net revenues from sale of products	73 084	71 154
2. Net revenues from sales of products, goods and materials	3 884	2 450
II. Cost of products, goods and materials sold, including:	54 555	50 200
- from subsidiaries and affiliates	0	0
1. Cost of production	51 569	48 334
2. Cost of goods and materials sold	2 986	1 866
III. Gross profit (loss) on sales (I-II)	22 413	23 404
IV. Cost of sales	6 147	6 323
V. General administrative expenses	8 260	6 967
VI. Profit (loss) on sales (III-IV-V)	8 006	10 114
VII. Other operating income	105	248
1. Revenue from sale of non-financial fixed assets	13	7
2. Subsidies	0	0
3. Other operating income	92	241
VIII. Other operating costs	268	60
1. Cost of non-financial fixed assets sold	3	4
2. Revaluation of non-financial fixed assets	0	0
3. Other operating costs	265	56
IX. Profit (loss) on operating activities (VI+VII-VIII)	7 843	10 302
X. Financial revenue	2 577	520
1. Share dividends, including:	0	0
- from subsidiaries and affiliates	0	0
2. Interest, including:	122	147
- from subsidiaries and affiliates	0	0
3. Income from sale of investments	0	0
4. Gain on revaluation of investments	0	0
5. Other	2 455	373

PROFIT AND LOSS ACCOUNT	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
XI. Financial costs	4 215	3 334
1. Interest, including:	2 149	2 604
- to subsidiaries and affiliates	0	0
2. Loss on sale of investments	0	0
3. Gain on revaluation of investments	0	0
4. Other	2 066	730
XII. Profit (loss) on sale of shares in subsidiaries and affiliates	0	0
XIII. Profit (loss) on commercial activity (IX+X-XI+/-XII)	6 205	7 488
XIV. Write off of goodwill on consolidation	0	0
XV. Write off of reserve capital on consolidation	0	0
XVI. Gross profit (loss) (XIII-XIV-XV)	6 205	7 488
XVII. Income tax	467	1 448
a) current	31	790
b) deferred	436	658
XVIII. Other obligatory decrease of gross profit (increased loss)	0	0
XIX. Net profit (loss) share of subsidiaries and affiliates consolidated by property law method	0	0
XX. Profit (loss) of minority shareholders	0	0
XXI. Net profit (loss) (XVI-XVII-XVIII+/-XX+/-XXI)	5 738	6 040

1.5. Short form of statement of changes in consolidated equity (thousands PLN)

CHANGES IN EQUITY	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
I. Opening balance of equity	209 988	126 427
a) changes in adopted accounting principles	0	0
b) adjustments of fundamental errors	0	3 183
I.a. Opening balance of equity after adjustments	209 988	129 610
1. Opening balance of share capital	88 000	80 000
1.1. Changes in share capital	0	0
a) increase (due to)	0	0
- issuance of shares	0	0
b) decrease (due to)	0	0
- redemption of shares	0	0
1.2. Closing balance of share capital	88 000	80 000
2. Opening balance of called up share capital	0	0

CHANGES IN EQUITY	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
2.1. Changes in called up share capital	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
2.2. Closing balance of called up share capital	0	0
3. Opening balance of own shares	0	0
3.1. Changes in balance of own shares	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
3.2. Closing balance of own shares	0	0
4. Opening balance of supplementary capital	93 909	21 206
4.1. Changes in supplementary capital	-492	0
a) increase (due to)	0	0
- issue of shares above face value	0	0
- from profit distribution (statutory)	0	0
- from profit distribution (above the statutory minimum value)	0	0
b) decrease (due to)	492	0
- loss coverage	0	0
- other decreases	492	0
4.2. Closing balance of supplementary capital	93 417	21 206
5. Opening balance of revaluation reserve	-1 364	0
5.1. Changes in revaluation reserve	36	0
a) increase (due to)	36	0
- revaluation of financial instruments	36	
b) decrease (due to)	0	0
- sale of tangible fixed assets	0	0
5.2. Closing balance of revaluation reserve	-1 328	0
6. Opening balance of other reserve capitals	0	0
6.1. Changes in other reserve capitals	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
6.2. Closing balance of other reserve capitals	0	0
7. Exchange gain (loss) on consolidation	-16	0
8. Opening balance of previous years' profit (loss)	29 431	28 404
8.1 Opening balance of previous years' profit	29 470	28 425
a) changes in adopted accounting principles	0	0
b) adjustments of fundamental errors	0	0
8.2 Opening balance of previous years' profit, after adjustments	29 470	28 425
a) increase (due to)	0	0
- distribution of previous years' profit	0	0

CHANGES IN EQUITY	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
b) decrease (due to)	0	0
- distribution of previous years' profit	0	0
- other decreases	0	0
8.3. Closing balance of previous years' profit	29 470	28 425
8.4. Opening balance of previous years' loss	39	21
a) changes in adopted accounting principles	0	0
b) adjustments of fundamental errors	0	0
8.5. Opening balance of previous years' loss, after adjustments	39	21
a) increase (due to)	0	0
b) decrease (due to)	0	0
8.6. Closing balance of previous years' loss	39	21
8.7. Closing balance of previous years' profit (loss)	29 431	28 404
9. Net profit	5 738	6 040
a) net profit	5 738	6 040
b) net loss	0	0
c) write-offs on profit (negative value)	0	0
II. Closing balance of equity (BZ)	215 242	135 650
III. Equity including proposed profit distribution (loss coverage)	215 242	135 650

1.6. Short form of consolidated cash flow statement (thousands PLN)

CASH FLOW	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
A. Cash flows from operating activities - indirect method		
I. Net profit (loss)	5 738	6 040
II. Total adjustments	-15 109	-20 533
1. Profit (loss) of minority shareholders	0	0
2. Net profit (loss) share of subsidiaries and affiliates consolidated by property law method	0	0
3. Amortisation and depreciation, including:	3 977	4 375
- Write off of goodwill on consolidation or Write off of reserve capital on consolidation	0	0
4. Exchange gains (losses)	-583	0
5. Interest and profit sharing (dividend)	1 910	2 537
6. Profit (loss) on investment activities	-9	-3
7. Change in provisions	115	582
8. Change in inventory	-1 554	-11 847

9. Change in receivables	18 681	-20 532
10. Change in short-term liabilities excluding credits and loan	-37 363	6 221
11. Change in prepayments and accruals	-314	-1 760
12. Other adjustments	31	-106
III. Net cash flows from operating activities (I+/-II)	-9 371	-14 493
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		
I. Inflows	13	7
1. Disposal of intangible and tangible fixed assets	13	7
2. Disposal of investments in real property and in intangible assets	0	0
3. From financial assets, including:	0	0
a) in subsidiaries and affiliates	0	0
- sale of financial assets	0	0
- dividend and profit sharing	0	0
- repayment of long-term loans	0	0
- interest	0	0
- other inflows from financial assets	0	0
b) in other entities	0	0
- sale of financial assets	0	0
- dividend and profit sharing	0	0
- repayment of long-term loans	0	0
- interest	0	0
- other inflows from financial assets	0	0
4. Other inflows from investment activities	0	0
II. Outflows	14 261	13 399
1. Acquisition of intangible and tangible fixed assets	14 261	12 858
2. Investments in real property and in intangible assets	0	0
3. For financial assets, including:	0	541
a) in subsidiaries and affiliates	0	541
- acquisition of financial assets	0	0
- granted long-term loans	0	541
b) in other entities	0	0
- acquisition of financial assets	0	0
- granted long-term loans	0	0
- granted short-term loans	0	0
4. Dividends and other profit sharing paid out to minority shareholders	0	0
5. Other outflows from investment activities	0	0
III. Net cash flows from operating activities (I-II)	-14 248	-13 392
C. CASH FLOWS FROM FINANCIAL ACTIVITIES		
I. Inflows	112 371	9 397

1. Net inflows from issuance of shares and other capital instruments and from capital contributions	0	0
2. Credits and loans	112 371	9 397
3. Issuance of debt securities	0	0
4. Other inflows from financial activities	0	0
II. Outflows	83 261	9 234
1. Purchase of own shares	0	0
2. Dividends and other payments to shareholders	0	0
3. Profit distribution liabilities other than profit distribution payments to shareholders	0	0
4. Repayment of credits and loans	80 873	6 314
5. Redemption of debt securities	0	0
6. Payment of other financial liabilities	0	0
7. Payment of liabilities arising from financial leases	478	383
8. Interest.	1 910	2 537
9. Other outflows from financial activities	0	0
III. Net cash flows from investment activities (I-II)	29 110	163
D. Total net cash flows (A.III+/-B.III+/-C.III)	5 491	-27 722
E. Balance sheet change in cash, including:	6 074	-27 722
- change in cash due to exchange differences	583	0
F. Cash opening balance	28 605	31 516
G. Closing balance of cash (F+/-D), including	34 096	3 794
- of limited disposability		

2. Mid-year individual financial statement Barlinek S.A.

2.1. Selected financial data (thousands)

	thousands PLN		thousands EUR	
	1st quarter 2006	1st quarter 2005	1st quarter 2006	1st quarter 2005
	01.01. 2006- 31.03.2006	01.01.2005 - 31.03.2005	01.01. 2006- 31.03.2006	01.01.2005 - 31.03.2005
I. Net revenues from sales of products, goods and material	77 845	81 804	20 243	20 373
II. Profit (loss) on operating activities	-94	6 923	-24	1 724
III. Gross profit (loss)	-1 247	4 109	-324	1 023
IV. Net profit (loss)	-1 683	2 661	-438	663
V. Net cash flows from operating activities	84 990	-1 188	22 101	-296
VI. Net cash flows from investment activities	-95 354	-26 698	-24 796	-6 649
VII. Net cash flows from financial activities	14 875	163	3 868	41
VIII. Total net cash flows	4 511	-27 723	1 173	-6 904
IX. Total assets	368 098	367 035	93 528	89 878
X. Liabilities and reserves for liabilities	178 634	234 764	45 388	57 488
XI. Long term liabilities	82 120	81 960	20 865	20 070
XII. Short term liabilities	94 035	144 644	23 893	35 420
XIII. Equity capital.	189 464	132 271	48 140	32 390
XIV. Share capital	88 000	80 000	22 359	19 590
XV. Number of shares	88 000 000	80 000 000	88 000 000	80 000 000
XVI. Profit (loss) per ordinary share (zł / EUR)	-0.02	0.03	0.00	0.01
XVII. Diluted earnings (loss) per ordinary share (zł / EUR)	-0.02	0.03	0.00	0.01
XVIII. Book value per share (zł / EUR)	2.15	1.65	0.55	0.40
XIX. Diluted book value per share (zł / EUR)	2.15	1.65	0.55	0.40
XX. Declared or paid dividend per share (zł / EUR)				

2.3 Mid-year individual balance sheet of Barlinek S.A. (thousands PLN)

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
ASSETS				
I. Fixed assets	229 952	135 648	223 996	206 712
1. Intangible assets	977	1 034	964	988
2. Tangible fixed assets	9 468	10 008	139 632	204 747
3. Long-term receivables	0	0	81 081	0
3.1. From subsidiaries and affiliates	0	0	81 081	0
3.2. From other entities	0	0	0	0
4. Long-term investments	218 828	123 489	646	105
4.1. Real estate	0	0	0	0

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
4.2. Intangible assets	0	0	0	0
4.3. Long-term financial assets	218 828	123 489	646	105
a) in subsidiaries and affiliates	218 815	123 476	605	64
- shares	218 122	122 630	64	64
- granted loans	693	846	541	0
b) in other entities	13	13	41	41
- shares	13	13	41	41
4.4. Other long-term investments	0	0	0	0
5. Long-term deferred charges and accruals	679	1 117	1 673	872
5.1. Assets from deferred taxes	521	940	1 642	841
5.2. Other deferred charges and accruals	158	177	31	31
II. Current assets	138 146	251 704	143 039	147 850
1. Inventory	41 223	48 487	62 792	56 842
2. Short-term receivables	62 718	173 934	74 943	58 335
2.1. From subsidiaries and affiliates	898	120 804	10 527	0
2.2. From other entities	61 820	53 130	64 416	58 335
3. Short-term investments	33 747	28 611	3 948	31 516
3.1. Short-term financial assets	33 747	28 611	3 948	31 516
a) in subsidiaries and affiliates	678	637	155	0
b) in other entities	0	0	0	0
c) cash and other cash assets	33 069	27 974	3 793	31 516
3.2. Other short-term investments	0	0	0	0
4. Short-term deferred charges and accruals	458	672	1 356	1 157
Total assets	368 098	387 352	367 035	354 562
LIABILITIES				
I. Equity capital.	189 464	191 146	132 271	129 610
1. Share capital	88 000	88 000	80 000	80 000
2. Own shares for sale (negative value)	0	0	0	0
3. Reserve capital	94 525	94 525	21 206	21 206
4. Revaluation reserve capital	0	0	0	0
5. Other reserve capital	0	0	0	0
6. Exchange gain (loss) on consolidation	0	0	0	0
a) currency translation gains	0	0	0	0
b) currency translation losses	0	0	0	0
7. Undistributed earnings or uncovered loss of previous periods	8 622	125	28 404	-21
8. Net profit (loss)	-1 683	8 496	2 661	28 425
II. Minority shareholders capital	0	0	0	0
III. Reserve capital from consolidation	0	0	0	0
IV. Liabilities and reserves for liabilities	178 634	196 206	234 764	224 952

Balance	31.03.2006	31.12.2005	31.03.2005	31.12.2004
1. Reserves for liabilities	2 479	2 526	8 160	7 578
1.1. Reserves for income tax	466	449	4 297	3 639
1.2. Social security reserves	69	69	420	420
a) long term	19	19	156	156
b) short term	50	50	264	264
1.3. Other securities	1 944	2 008	3 443	3 519
a) long term	0	0	0	0
b) short term	1 944	2 008	3 443	3 519
2. Long term liabilities	82 120	53 337	81 960	81 960
2.1. To subsidiaries and affiliates	0	0	0	0
2.2. To other entities	82 120	53 337	81 960	81 960
3. Short term liabilities	94 035	140 343	144 644	135 414
3.1. To subsidiaries and affiliates	16 343	0	5 219	0
3.2. To other entities	77 692	140 343	139 425	135 414
3.3. Special funds	0	0	0	0
4. Accruals and deferred income	0	0	0	0
4.1. Negative goodwill	0	0	0	0
4.2. Other deferred charges and accruals	0	0	0	0
a) long term	0	0	0	0
b) short term	0	0	0	0
Total liabilities	368 098	387 352	367 035	354 562

2.5 Mid-year individual profit and loss account of Barlinek S.A. (thousands PLN)

PROFIT AND LOSS ACCOUNT	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
I. Net revenues from sales of products, goods and materials, including:	77 845	81 804
- from subsidiaries and affiliates	6 303	8 200
1. Net revenues from sale of products	10 724	73 594
2. Net revenues from sales of products, goods and materials	67 121	8 210
II. Cost of products, goods and materials sold, including:	67 646	59 815
- from subsidiaries and affiliates	6 069	7 332
1. Cost of production	8 218	53 001
2. Cost of goods and materials sold	59 428	6 814
III. Gross profit (loss) on sales (I-II)	10 199	21 989
IV. Cost of sales	5 457	6 323
V. General administrative expenses	4 828	6 896
VI. Profit (loss) on sales (III-IV-V)	-86	8 770
VII. Other operating income	277	68 035
1. Revenue from sale of non-financial fixed assets	192	67 794

PROFIT AND LOSS ACCOUNT	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
2. Subsidies	0	0
3. Other operating income	85	241
VIII. Other operating costs	285	69 882
1. Cost of non-financial fixed assets sold	148	69 826
2. Revaluation of non-financial fixed assets	0	0
3. Other operating costs	137	56
IX. Profit (loss) on operating activities (VI+VII-VIII)	-94	6 923
X. Financial revenue	2 318	520
1. Share dividends, including:	0	0
- from subsidiaries and affiliates	0	0
2. Interest, including:	132	147
- from subsidiaries and affiliates	13	0
3. Income from sale of investments	0	0
4. Gain on revaluation of investments	0	0
5. Other	2 186	373
XI. Financial costs	3 471	3 334
1. Interest, including:	2 010	2 604
- to subsidiaries and affiliates	0	0
2. Loss on sale of investments	0	0
3. Gain on revaluation of investments	0	0
4. Other	1 461	730
XII. Profit (loss) on sale of shares in subsidiaries and affiliates	0	0
XIII. Profit (loss) on commercial activity (IX+X-XI+/-XII)	-1 247	4 109
XIV. Write off of goodwill on consolidation	0	0
XV. Write off of reserve capital on consolidation	0	0
XVI. Gross profit (loss) (XIII-XIV-XV)	-1 247	4 109
XVII. Income tax	436	1 448
a) current	0	790
b) deferred	436	658
XVIII. Other obligatory decrease of gross profit (increased loss)		0
XIX. Net profit (loss) share of subsidiaries and affiliates consolidated by property law method		0
XX. Profit (loss) of minority shareholders		0
XXI. Net profit (loss) (XVI-XVII-XVIII+/-XX+/-XXI)	-1 683	2 661

Changes in equity of Barlinek S.A. (thousands)

CHANGES IN EQUITY	1st quarter 2006 01.01.2005 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
I. Opening balance of equity	191 146	126 427
a) changes in adopted accounting principles	0	3 183
b) adjustments of fundamental errors	0	0
I.a. Opening balance of equity after adjustments	191 146	129 610
1. Opening balance of share capital	88 000	80 000
1.1. Changes in share capital	0	0
a) increase (due to)	0	0
- issuance of shares	0	0
b) decrease (due to)	0	0
- redemption of shares	0	0
1.2. Closing balance of share capital	88 000	80 000
2. Opening balance of called up share capital	0	0
2.1. Changes in called up share capital	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
2.2. Closing balance of called up share capital	0	0
3. Opening balance of own shares	0	0
3.1. Changes in balance of own shares	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
3.2. Closing balance of own shares	0	0
4. Opening balance of supplementary capital	94 525	21 206
4.1. Changes in supplementary capital	0	0
a) increase (due to)	0	0
- issue of shares above face value	0	0
- from profit distribution (statutory)	0	0
- from profit distribution (above the statutory minimum value)	0	0
b) decrease (due to)	0	0
- loss coverage	0	0
4.2. Closing balance of supplementary capital	94 525	21 206
5. Opening balance of revaluation reserve	0	0
5.1. Changes in revaluation reserve	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
- sale of tangible fixed assets	0	0
5.2. Closing balance of revaluation reserve	0	0
6. Opening balance of other reserve capitals	0	0

CHANGES IN EQUITY	1st quarter 2006 01.01.2005 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
6.1. Changes in other reserve capitals	0	0
a) increase (due to)	0	0
b) decrease (due to)	0	0
6.2. Closing balance of other reserve capitals	0	0
7. Exchange gain (loss) on consolidation	0	0
8. Opening balance of previous years' profit (loss)	8 622	28 404
8.1 Opening balance of previous years' profit	8 622	28 425
a) changes in adopted accounting principles	0	0
b) adjustments of fundamental errors	0	0
8.2 Opening balance of previous years' profit, after adjustments	8 622	28 425
a) increase (due to)	0	0
- distribution of previous years' profit	0	0
b) decrease (due to)	0	0
- distribution of previous years' profit	0	0
8.3. Closing balance of previous years' profit	8 622	28 425
8.4. Opening balance of previous years' loss	0	21
a) changes in adopted accounting principles	0	0
b) adjustments of fundamental errors	0	0
8.5. Opening balance of previous years' loss, after adjustments	0	21
a) increase (due to)	0	0
b) decrease (due to)	0	0
8.6. Closing balance of previous years' loss	0	21
8.7. Closing balance of previous years' profit (loss)	8 622	28 404
9. Net profit	-1 683	2 661
a) net profit	0	2 661
b) net loss	1 683	0
c) write-offs on profit (negative value)	0	0
II. Closing balance of equity (BZ)	189 463	132 271
III. Equity including proposed profit distribution (loss coverage)	189 463	132 271

2.6 Mid-year individual financial statement of cash flow of S.A. (thousands PLN)

CASH FLOW	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
A. Cash flows from operating activities - indirect method		
I. Net profit (loss)	-1 683	2 661
II. Total adjustments	86 673	-3 849
1. Profit (loss) of minority shareholders	0	0
2. Net profit (loss) share of subsidiaries and affiliates consolidated by property law method	0	0
3. Amortisation and depreciation, including:	656	4 375
- Write off of goodwill on consolidation or Write off of reserve capital on consolidation	0	0
4. Exchange gains (losses)	-584	0
5. Interest and profit sharing (dividend)	1 812	2 537
6. Profit (loss) on investment activities	-44	2 031
7. Change in provisions	-46	582
8. Change in inventory	7 264	-5 951
9. Change in receivables	111 216	-16 608
10. Change in short-term liabilities excluding credits and loan	-33 859	10 340
11. Change in prepayments and accruals	652	-999
12. Other adjustments	-394	-156
III. Net cash flows from operating activities (I+/-II)	84 990	-1 188
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		
I. Inflows	345	7
1. Disposal of intangible and tangible fixed assets	192	7
2. Disposal of investments in real property and in intangible assets	0	0
3. From financial assets, including:	153	0
a) in subsidiaries and affiliates	153	0
- sale of financial assets	0	0
- dividend and profit sharing	0	0
- repayment of long-term loans	153	0
- interest	0	0
- other inflows from financial assets	0	0
b) in other entities	0	0
- sale of financial assets	0	0
- dividend and profit sharing	0	0
- repayment of long-term loans	0	0
- interest	0	0
- other inflows from financial assets	0	0

CASH FLOW	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
4. Other inflows from investment activities	0	0
II. Outflows	95 699	26 705
1. Acquisition of intangible and tangible fixed assets	207	12 871
2. Investments in real property and in intangible assets	0	0
3. For financial assets, including:	95 492	541
a) in subsidiaries and affiliates	95 492	541
- acquisition of financial assets	95 492	0
- granted long-term loans	0	541
b) in other entities	0	0
- acquisition of financial assets	0	0
- granted long-term loans	0	0
- granted short-term loans	0	0
4. Dividends and other profit sharing paid out to minority shareholders	0	0
5. Other outflows from investment activities	0	13 293
III. Net cash flows from operating activities (I-II)	-95 354	-26 698
C. CASH FLOWS FROM FINANCIAL ACTIVITIES		
I. Inflows	97 874	9 397
1. Net inflows from issuance of shares and other capital instruments and from capital contributions	0	0
2. Credits and loans	97 874	9 397
3. Issuance of debt securities	0	0
4. Other inflows from financial activities	0	0
II. Outflows	82 999	9 234
1. Purchase of own shares	0	0
2. Dividends and other payments to shareholders	0	0
3. Profit distribution liabilities other than profit distribution payments to shareholders	0	0
4. Repayment of credits and loans	0	6 314
5. Redemption of debt securities	80 873	0
6. Payment of other financial liabilities	0	0
7. Payment of liabilities arising from financial leases	0	383
8. Interest.	314	2 537
9. Other outflows from financial activities	1 812	0
III. Net cash flows from investment activities (I-II)	14 875	163
D. Total net cash flows (A.III+/-B.III+/-C.III)	4 511	-27 723
E. Balance sheet change in cash, including:	5 094	-27 723
- change in cash due to exchange differences	584	0

CASH FLOW	1st quarter 2006 01.01.2006 - 31.03.2006	1st quarter 2005 01.01.2005 - 31.03.2005
F. Cash opening balance	27 974	31 516
G. Closing balance of cash (F+/-D), including	32 485	3 793
- of limited disposability		

3.21. Information regarding revenue and financial results in reference to particular industry or geographical sectors:

1st quarter 2005

	North America	Eastern Europe	Western Europe	Other	Poland	Scandinavia	Total
Revenue from sales	2 199	5 951	20 099	243	28 247	16 865	73 604
Sector result	606	1 001	5 552	89	5 050	4 783	17 081
Unaccounted costs of the whole group							6 967
Group sales result							10 114
Other operating income							248
Other operating costs							60
Result on operating activities							10 302
Financial revenue							520
Financial costs							3 334
Gross profit							7 488
Income tax							1 448
Net profit							6 040

	North America	Eastern Europe	Western Europe	Other	Poland	Scandinavia	Total
Sector's assets	2 892	2 281	14 844	123	28 739	5 728	34 467
Unaccounted assets of the whole group							331 902
Total assets							366 369

1st quarter 2006

	North America	Eastern Europe	Western Europe	Other	Poland	Scandinavia	Total
Revenue from sales	1 967	7 227	15 847	836	31 691	19 400	76 968
Sector result	248	1 761	3 560	202	5 396	5 099	16 266
Unaccounted costs of the whole group							8 260
Group sales result							8 006
Other operating income							105
Other operating costs							268
Result on operating activities							7 843
Financial revenue							2 577
Financial costs							4 215
Gross profit							6 205
Income tax							467
Net profit							5 738

	North America	Eastern Europe	Western Europe	Other	Poland	Scandinavia	Total
Sector's assets	1 625	4 848	7 766	0	34 770	9 940	44 710
Unaccounted assets of the whole group							462 213
Total assets							506 923

Signatures:**The Board:**

Paweł Wrona President of the Management Board

Person responsible for maintaining company ledger:

Anna Kozłowska Chief Accountant

Barlinek, 12th May, 2006