

BORYSZEW GROUP

Consolidated balance sheet

	30.06.2009	31.12.2008	30.06.2008
ASSETS			
Fixed assets			
Tangible fixed assets	919 840	969 828	1 194 963
Investment real properties	69 314	69 274	71 769
Goodwill	23 464	23 464	23 972
Other intangibles	60 311	71 013	24 406
Stakes and shares in sub-ordinated entities	27 744	27 621	29 894
Financial assets available to sale	642	1 686	2 443
Financial assets maintained to due date	10 600	10 600	0
Other financial instruments	3	0	0
Deferred tax assets	32 763	23 938	28 300
Commercial receivables and others	1 098	564	0
Other assets	338	15	562
Total fixed assets	1 146 117	1 198 003	1 376 309
Current assets			
Inventories	327 577	361 812	476 848
Receivables	458 215	523 207	741 692
Short-term financial assets available to sale	3 043	634	677
Short-term financial assets maintained to due date	3 926	5 597	17 171
Other financial instruments	8 299	3 657	21 320
Current tax assets	2 899	7 630	8 111
Other assets	57 458	54 336	17 438
Cash and cash equivalents	56 153	69 407	88 813
Total current assets	917 570	1 026 280	1 372 070
Fixed assets for sale	93 778	104 637	32
TOTAL ASSETS	2 157 465	2 328 920	2 748 411

LIABILITIES

Equity

Share capital	15 404	15 404	15 404
Own stakes/shares	0	0	0
Capital from share issue above its nominal value	24 435	24 435	24 435
Capital from revaluation	1 304	-4 929	1 020
F/X gains/losses from the valuation of subordinated entities	2 195	-1 574	-10 309
Retained profits	367 195	538 573	544 440
current profit/loss	21 014	-171 378	-26 222

Total **431547** **400531** **548 768**

Equity belonging to the minority shareholders **419 858** **415 686** **483 194**

Total equity **851 405** **816 217** **1 031 962**

Long-term liabilities

Long-term bank loans and credits	115 632	166 116	215 264
Long-term liabilities on debt securities issue	0	0	70 000
Other financial instruments	535	2 067	0
Retirement benefits and similar liabilities	8 382	12 300	
Provision for deferred tax	68 250	50 560	81 917
Provisions on employees services	7 802	8 382	11 618
Other liabilities	7 455	12 551	41 739
Commercial liabilities and others	13 225	15 479	35 674

Total long-term liabilities **212 899** **255 155** **456 212**

Short-term liabilities

Short-term bank loans and credits	642 320	697 971	752 558
Short-term liabilities on debt securities issue	70 210	81 760	21 735
Commercial liabilities and others	247 483	266 026	367 104
Other short-term financial instruments	9 270	37 106	30 394
Current tax liabilities	19	1 678	1 306
Retirement benefits and similar liabilities	5 183	6 644	8 696
Short-term provisions	77 292	115 315	27 514
Deferred income	41 384	51 048	50 930

Total short-term liabilities **1 093 161** **1 257 548** **1 260 237**

Short-term and long-term liabilities **1 306 060** **1 512 703** **1 716 449**

TOTAL LIABILITIES **2 157 465** **2 328 920** **2 748 411**

Consolidated profit and loss account

	01.01.2009- 30.06.2009	01.04.2009- 30.06.2009	01.01.2008 - 30.06.2008	01.04.2008- 30.06.2008
	not audited		not audited	
Continued activity				
Sales of products	888 468	457 459	1 408 935	683 821
Sales of goods and materials	186 211	86 717	428 983	212 422
Total sales	1 074 679	544 176	1 837 918	896 243
Cost of manufacturing of product sold	803 613	411 479	1 320 036	647 850
Value of goods and materials sold	169 921	79 357	390 814	186 723
Cost of products, goods and materials sold	973 534	490 836	1 710 850	834 573
Gross profit (loss) on sales	101 145	53 340	127 068	61 670
Selling and distribution costs	22 730	12 564	28 766	14 403
General and administration costs	71 550	34 671	79 800	40 028
Other operating income	66 040	42 682	16 459	4 912
Other operating costs	13 899	9 196	25 658	13 428
Profit from sale of stakes in consolidated entities	0	0	-41	-41
Operating profit (loss)	59 006	39 591	9 262	-1 318
Financial income	33 380	12 461	29 862	15 775
Financial costs	58 625	20 371	59 699	25 566
Financial activity result	-25 245	-7 910	-29 837	-9 791
Pre-taxed profit (loss)	33 761	31 681	-20 575	-11 109
Income tax	7 790	5 751	4 864	947
Nett profit (loss) from continued activity	25 971	25 930	-25 439	-11 109
Abandoned activity				
Gross profit/loss from abandoned activity	-9295	-4027	-6 416	-8 479
Income tax	0	-19	947	199
Nett profit/loss from abandoned activity	-9 295	-4 008	-7 363	-8 678
NET PROFIT/LOSS	16 676	21 922	-32 802	20 581

Consolidated profit and loss account

	01.01.2009- 30.06.2009	01.04.2009- 30.06.2009	01.01.2008 - 30.06.2008	01.04.2008- 30.06.2008
	not audited	not audited	not audited	not audited
Abandoned activity				
Sales of products	1 460	-176	165 922	79 323
Sales of goods and materials	3 016	2 284	9 041	3 272
Total sales	4 476	2 108	174 963	82 595
Cost of manufacturing of product sold	1 587	122	153 913	73 377
Value of goods and materials sold	2 615	1 549	8 819	3 115
Cost of products, goods and materials sold	4 202	1 671	162 732	76 496
Gross profit (loss) on sales	274	437	12 231	6 103
Selling and distribution costs		0	1 327	847
General and administration costs		0	5 764	2 916
Other operating income	3 368	702	3 450	909
Other operating costs	8 639	2 454	6 803	6 481
Operating profit (loss)	-4 997	-1 315	1 787	-3 232
Financial income	410	344	169	-292
Financial costs	4 708	3 056	8 372	4 955
Financial activity result	-25 245	-7 910	-29 837	-9 791
Pre-taxed profit (loss)	-4 298	-2 712	-9 203	-5 247
Profit (loss) before taxation	-9 295	-4 027	-6 416	-8 479
Income tax	0	-19	947	199
Nett profit (loss) from abandoned activity	-9 295	-4 008	-7 363	-8 678

In connection with the resolution taken on September 26th, 2008 by the Extraordinary General Meeting regarding the liquidation of Huta Metali Nieżelaznych Szopienice S.A. the description on results statement of 2009 I H is the liquidation of Huta Metali Nieżelaznych Szopienice S.A. the description on results statement of 2009 I H is presented as continued activity, i.e. without results of HMN Szopienice S.A. in liquidation (abandoned activity).

In the compared period. i.e. in I H 2008 the abandoned activity contained except the results of HMN Szopienicwe S.A. in liquidation also the result of closed at the beginning of 2009 the Electrolyse Department in Huta Aluminium Konin (Impexmetal SA).

CONSOLIDATED STATEMENT OF TOTAL INCOMES

	01.01.2009 - 30.06.2009	01.04.2009 - 30.06.2009	01.01.2008 - 30.06.2008	01.04.2009 - 30.06.2009
Consolidated nett profit/loss	16 676	21 922	-32 802	-20 581
Other income transferred to capital, total				
Rates differences on foreign activity	6 093	1 844	-6 897	-4 783
Financial assets available to sale	63	98	-1 589	-784
Security of cash flow	12 142	4 150	-12 207	5 554
Income tax from items of other incomes, total (-)	-2 319	-1 518	2 621	-2 489
Total income after taxation	15 979	4 574	-18 072	-2 502
Other income of dominant entity	10 002	2 890	-11 808	-1 496
Other income of minority shareholders	5 977	1 684	-6 264	-1 006
Total income	32 655	26 496	-50 874	-23 083
Total income of majority entity	31 916	26 445	-38 030	-18 149
Total income of minority shareholders	1 639	51	-12 844	-4 934
Total income for 1 share for dominant shareholders	0,49	0,42	-0,61	-0,29

CONSOLIDATED STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Rates differences from foreign activity	Capital from revaluation	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2008	15 404	24 435	8 505	-5 986	544 440	586 798	508 023	1 094 821
Validation of valuation of security instruments			-6 198	0	0	-6 198	-3 690	-9 888
Change of fair value of assets available to sale			-1 287	0	0	-1 287		-1 287
Rates differences			0	-4 323	0	-4 323	-2 574	-6 897
Profit / loss for I H 2008			0	0	-26 222	-26 222	-6 580	-32 802
Total profit for I H 2008	0	0	-7 485	-4 323	-26 222	-38 030	-12 844	-50 874
Payment of dividends							-11 375	-11 375
Change of stakes structure						0	-610	-610
As of 30.06. 2008	15 404	24 435	1 020	-10 309	518 218	548 768	483 194	1 031 962

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Rates differences from foreign activity	Capital from revaluation	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2008	15 404	24 435	8 505	-5 986	544 440	586 798	508 023	1 094 821
								0
Validation of valuation of security instruments			-12 028			-12 028	-7 271	-19 299
Change of fair value of assets available to sale			-1 406			-1 406		-1 406
Rates differences				4 412		4 412	1 706	6 118
Profit / loss for 2008					-171 378	-171 378	-67 448	-238 826
Total profit for 2008	0	0	-13 434	4 412	-171 378	-180 400	-73 013	-253 413
2007 adjustment					-1 665	-1 665	-993	-2 658
Buy-back of shares of Impexmetal					-4 202	-4 202	-2 591	-6 793
Payment of dividends						0	-11 375	-11 375
Change of stakes structure							-4 365	-4 365
As of 31.12. 2008	15 404	24 435	-4 929	-1 574	367 195	400 531	415 686	816 217

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Rates differences from foreign activity	Capital from revaluation	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2009	15 404	24 435	-4 929	-1 574	367 195	400 531	415 686	816 217
Validation of valuation of security instruments			6 182			6 182	3 653	9 835
Change of fair value of assets available to sale			51			51		51
Rates differences				3 769		3 769	2 324	6 093
Profit / loss for I H 2009					21 014	21 014	-4 338	16 676
Total profit for I H 2008	0	0	6 233	3 769	21 014	31 016	1 639	32 655
Payment of dividends							-33	-33
Change of stakes structure							2 566	2 566
As of 30.06. 2009	15 404	24 435	1 304	2 195	388 209	431 547	419 858	851 405

Consolidated cash flow statement

	01.01.2009 - 30.06.2009	01.01.2008 - 30.06.2008
Cash flow from operating activity		
Profit (loss) before tax	24 466	-26 991
Adjustments:		
2008 result adjustment		-1 589
Depreciation	38 647	54 429
F/X gains/losses	4 075	-6 523
Interests costs from financial liabilities accounted and paid	24 680	38 193
Interest and dividends connected with investing activity	0	-3 978
Profit/ loss from investing activities	-34 010	19 789
Profit/loss before change of acting capital	57 858	73 330
Change in working capital:		
Movements in receivables	64458	-24791
Movements in inventories	34 235	139 653
Movements in liabilities	-17 670	16 792
Movements in provisions and between-periods settlements	-54 824	-17 320
Movements in other assets and liabilities	0	12 644
Other items	1 275	343
Cash flow from operating activity	85 332	200 308
Paid interest		-25 737
Paid/returned income tax	-709	-29 376
Net cash flow from operating activity	84 623	145 195
Cash flow from investing activity		
Inflow from disposal of tangible fixed and intangible assets	31 576	987
Inflow from disposal of financial assets	6 397	2 711
Granted dividends and shares in profit	600	1 203
Inflow from paid loans	0	100
Other investment inflows	0	7 475
Cash flow from investing activities	38 573	12 476
Purchase of tangible fixed and intangible assets	9 744	57 771
Purchase of financial assets	-10 859	1 360
Loans granted	0	5 008
Other investment expenses	0	387
Investment activity expenses	-1 115	64 526
Net cash from investment activity	39 688	-52 050
Cash flow from financial activities		
Inflows from credits and loans	99 470	80 813
Issue of debts securities	0	17 152
Other financial inflows	3 700	12 367
Cash inflow from financial activities	103 170	110 332

Dividends paid	33	95
Repayment of loans and credits	205 605	174 774
Paid interest from financial liabilities	24 680	
Buy-back of debts securities	11 550	8 888
Payments on financial leasing	1 742	1 751
Other financial expenses		15 865
Expenses on financial activity	243 610	201 373
Net cash from financial activity	-140 440	-91 041
Total net cash flow	-16 129	2 104
Cash and cash equivalents at the beginning of the period	69 407	89 600
Change of F/X gains/losses to cash and cash equivalents	2 875	-2 891
Cash and cash equivalents at the end of the period	56 153	88 813

BORYSZEW S.A.

BALANCE SHEET

	<u>30.06.2009</u>	<u>31.12.2008</u>	<u>30.06.2008</u>
ASSETS			
Fixed assets			
Tangible fixed assets	23 158	25 504	23 158
Investment real properties	99 902	99 862	102 357
Intangibles	152	175	198
Shares and stakes in subordinated entities	402 034	402 798	414 509
Financial assets available for sale	3	22	0
Deferred tax assets	14 712	11 443	4 098
Commercial receivables and other	64	75	96
Total fixed assets	540 025	539 879	620 919
	-11634	-9115	
Current assets			
Inventories	10 055	21 455	50 513
Receivables	24 184	44 662	81 093
Short-term financial assets available for sale	349	286	443
Current tax assets	0	3 374	3 374
Other assets	509	180	1 968
Cash and cash equivalents	3 014	4 476	1 309
Total current assets	38 111	74 433	138 700
Fixed assets for sale	942	11 583	32
Total assets	579 078	625 895	759 651

LIABILITIES

Equity

Share capital	15 404	15 404	15 404
Capital from share issue above its nominal value	22 346	22 346	22 346
Capital from revaluation	373	323	442
Retained profits from previous years	162 550	259 841	259 841
Profit/loss from the current period	3 384	-97 290	-14 840

Total equity

204 057	200 624	283 193
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Long-term liabilities

Long-term bank loans and credits	34 655	49 992	58 516
Long-term liabilities from debt papers issue	0	0	101 800
Provision on employees services	615	1 028	1 864
Commercial liabilities and others	2 932	2 964	20 175

Total long-term liabilities

38 202	53 984	182 355
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Short-term liabilities

Short-term bank loans and credits	109 109	110 719	117 581
Short-term liabilities from debt securities issue	179 969	191 429	105 929
Commercial liabilities and other liabilities	13 831	34 263	59 111
Current tax liabilities	0	0	0
Provisions on employees services	451	550	1 361
Other short-term provisions	33 180	34 326	10 121
Deferred income	279	0	0

Total short-term liabilities

336 819	371 287	294 103
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Short-term and long-term liabilities

375 921	425 271	476 458
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Total liabilities

579 078	625 895	759 651
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PROFIT AND LOSS ACCOUNT

	01.01.2009- 30.06.2009	01.04.2009- 30.06.2009 not audited	01.01.2008- 30.06.2008	01.04.2008- 30.06.2008 not audited
Continued activity				
Sales of products	38 559	18 483	104 456	43 564
Income from of products, goods and materials sold	5 845	2 861	12 147	6 486
Total income from sale	44 404	21 344	116 603	50 050
Selling and distribution costs	28 273	13 348	100 139	40 145
Value of products and materials sold	5 072	2 132	14 493	8 049
Cost of products, goods and materials sold	33 345	15 480	114 632	48 194
Gross profit/loss on sale	11 059	5 864	1 971	1 856
Costs of sale	820	252	499	-15
General administration costs	13 336	7 064	13 528	8 458
Other operating income	31 535	21 356	28 473	28 093
Other operating costs	14 477	13 554	14 606	11 106
Profit/loss from operating activity	13 961	6 350	1 811	10 400
Financial income	2 045	458	1 629	641
Financial costs	15 826	9 970	14 789	8 234
Result on financial activity	-13 781	-9 512	-13 160	-7 593
Pre-taxed profit/loss	180	-3 162	-11 349	2 807
Income tax	-3 280	-3 781	-4 348	-3 927
Nett profit/loss from continued activity	3 460	619	-7 001	6 734
Abandoned activity				
Nett profit/loss from abandoned activity	-76	0	-7 839	-4 358
Income tax	0	0	0	0
Nett profit/loss from abandoned activity	-76	0	-7 839	-4 358
Net profit/loss	3 384	619	-14 840	2 376
Net profit/loss	3 384	619	-14 840	2 376

STATEMENT OF TOTAL INCOMES

	01.01.2009 - 30.06.2009	01.04.2009 - 30.06.2009	01.01.2008 - 30.06.2008	01.04.2009 - 30.06.2009
Nett profit/loss	3 384	619	-14 840	2 376
Other incomes transferred to capital, total	50	78	-1 287	-635
Financial assets available to sell	63	98	-1 589	-784
Income tax from items of Rother incomes, total (-)	-13	-20	302	149
Total after taxed Rother incomes	50	78	-1 287	-635
Total incomes	3 434	697	-16 127	1 741
Weighted average pieces of shares	62 686 547	62 686 547	62 686 549	62 686 549
Total incomes per 1 share	0,05	0,01	-0,26	0,03

ABANDONED ACTIVITY

	01.01.2009 - 30.06.2009	01.04.2009 - 30.06.2209	01.01.2008 - 30.06.2008	01.04.2008 - 30.06.2208
PROFIT AND LOSS ACCOUNT				
Sales of products	6 096	0	49 599	21 929
Income from of products, goods and materials sold	458	0	2 331	1 307
Total income from sale	6 554	0	51 930	23 236
Selling and distribution costs	5 654	0	56 750	27 322
Value of products and materials sold	758	0	2 021	1 038
Cost of products, goods and materials sold	6 412	0	58 771	28 360
Gross profit (loss) on sale	142	0	-6 841	-5 124
Costs of sale		0		0
General administration costs	218	0	998	-766
Rother operating income		0		0
Rother operating costs		0		0
Profit/loss from operating activity	-76	0	-7 839	-4 358
Financial income		0		0
Financial costs		0		0
Result on financial activity	0	0	0	0
Pre-taxed profit/loss	-76	0	-7 839	-4 358
Income tax	0	0	0	0
Nett profit/loss from abandoned activity	-76	0	-7 839	-4 358

Abandoned activity is connected with closing of the Torlen Department in IQ 2009.

STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Retained profits	Total
As of 1.01.2008	15 404	22 346	1 729	259 841	299 320
Valuation of assets available to sell			-1 287		-1 287
I H 2008 result				-14 840	-14 840
Total incomes as of I H 2008	0	0	-1 287	-14 840	-16 127
As of 30.06.2008	15 404	22 346	442	245 001	283 193

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Retained profits	Total
As of 1.01.2008	15 404	22 346	1 729	259 841	299 320
2008 result				-101 049	-101 049
2008 results' correction				3 759	3 759
Valuation of assets available to sell			-1 406		-1 406
Total incomes as of 2008			-1 406	-97 290	-98 696
As of 31.12. 2008	15 404	22 346	323	162 551	200 624

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Retained profits	Total
As of 1.01. 2009	15 404	22 346	323	162 550	200 623
Valuation of assets available to sell			50		-50
I H 2009 result				3 384	3 384
Total incomes as of I H 2009			50	3 384	3 434
As of 30.06.2009	15 404	22 346	373	165 934	204 057

CASH FLOW STATEMENT

	01.01.2009- 30.06.2009	01.01.2008- 30.06.2008
Cash flow from operating activities		
Profit/loss before tax	104	-19 188
Depreciation	1 615	9 180
Not realized F/X gains(losses) connctd with investment and financial activities	0	95
Interest from financial liabilities accounted and paid	2 680	12 623
Interest and dividends connected with investment activity	7 657	-27 288
Profit (loss) from investing activity	-1 083	1 588
Profit (loss) before change of working capital	10 973	-22 990
Change in working capital:		
Movements in receivables	20 507	9 907
Movements in inventories	11 401	52 098
Movements in liabilities	-13 976	-47 814
Movements in provisions	-1 773	296
Movements in other assets and liabilities	-13 429	18 134
Movements in assets available for sale	-65	-1 590
Cash flow from operating activities	13 638	8 041
Paid interests		-4 163
Paid/returned income tax	694	-803
Net cash flow from operating activities	14 332	3 075
Cash flow from investing activities		
Inflow from disposal of fixed and intangible assets	16 732	170
Receipts from disposal of financial assets	8 419	0
Granted dividends and shares in profits	0	7 229
Inflow from investing activity	25 151	7 399
Purchase of tangible and intangible assets	2 104	329
Purchase of financial assets	0	1 290
Investing activity expenses	2 104	1 619
Net cash from investing activity	23 047	5 780
Cash flow from financial activity		
Inflow from credits and loans	3 372	0
Issue of debts securities	0	17 152
Inflow from financial activity	3 372	17 152
Repayment of credits and loans	23 553	27 862
Paid interests from financial liabilities	7 441	0
Pay-back of debts securities	11 200	0
Other financial liabilities	19	0
Financial lease payments	0	22
Financial activity expenditures	42 213	27 884
Net cash flow from financial activity	-38 841	-10 732
Total net cash flow	-1 462	-1 877

Cash and cash equivalents at the beginning of the period

4 476

3 281

Change of F/X gains/losses to cash

0

-95

Cash and cash equivalents at the end of the period

3 014

1 309