

LPP S.A. Group  
Interim condensed financial statements for Q3 FY 2009  
The statements have been created in PLN '000

## **LPP S.A. Group**

Interim condensed financial statements for Q3 FY 2009

Gdańsk  
November 2009

## 1. Selected consolidated financial data of LPP S.A. Capital Group

(in PLN '000)

Selected consolidated financial data	Q3 2009	Q3 2008	Q3 2009	Q3 2008
	01/01/2009- 30/09/2009	01/01/2008- 30/09/2008	01/01/2009- 30/09/2009	01/01/2008- 30/09/2008
	in PLN '000		in EUR '000	
Net revenues from sales of products, goods and materials	1 458 900	1 095 706	331 621	319 942
Operating profit (loss)	58 221	122 926	13 234	35 894
Gross profit (loss)	35 129	114 882	7 985	33 545
Net profit (loss)	22 765	93 580	5 175	27 325
Net cash flow from operations	142 642	48 356	32 424	14 120
Net cash flow from investments	-55 650	-197 351	-12 650	-57 626
Net cash flow from financing activity	-93 236	144 967	-21 193	42 330
Total net cash flow	-6 244	-4 028	-1 419	-1 176

Selected consolidated financial data	Q3 2009	Q3 2008	Q3 2009	Q3 2008
	01/01/2009- 30/09/2009	01/01/2008- 30/09/2008	01/01/2009- 30/09/2009	01/01/2008- 30/09/2008
	in PLN '000		in EUR '000	
Total assets	1 301 050	919 287	308 116	269 720
Long-term payables	381 597	106 567	90 370	31 267
Short-term payables	317 642	357 571	75 224	104 912
Equity	601 811	455 149	142 521	133 541
Share capital	3 501	3 412	829	1 001
Weighted average number of ordinary shares	1 725 718	1 699 124	1 725 718	1 703 500
Earnings (loss) per ordinary share (EPS) (in PLN/EUR)	13,2	55,1	3,4	13,7
Book value per share – BVPS (in PLN/EUR)	348,7	166,1	88,6	40,7

## 2. Consolidated statement of financial position of LPP S.A. Capital Group

In PLN'000

Statement of Financial Position	as at the end of:		
	Q3 2009 30/09/2009	Q3 2008 30/09/2008	previous year 31/12/2008
<b>ASSETS</b>			
Non-current assets (long-term)	760 064	416 169	766 704
1. Tangible fixed assets	460 007	380 432	469 077
2. Intangible assets	13 643	12 653	91 472
3. Goodwill	183 609	0	183 609
4. Trademark	77 508	0	0
5. Shares in subsidiaries	719	719	719
6. Other financial assets			0
7. Receivables and borrowings	1 328	4 909	1 773
8. Assets arising from deferred tax	23 055	17 271	19 857
9. Accruals and deferred income	195	185	197
Current assets (short-term)	540 986	503 118	659 504
1. Inventories	361 690	342 868	462 644
2. Receivables	88 175	104 883	100 895
3. Borrowings	360	2 163	446
4. Income tax receivables	119		
5. Accruals and deferred income	7 055	3 800	5 688
6. Cash and cash equivalents	83 587	49 404	89 831
<b>TOTAL assets</b>	<b>1 301 050</b>	<b>919 287</b>	<b>1 426 208</b>

LIABILITIES

Equity	601 811	455 149	565 235
1. Share capital	3 501	3 412	3 492
2. Treasury shares	-48 748	-48 745	-48 746
3. Share premium reserve	108 123	71 202	108 123
4. Other reserves	512 189	327 904	328 261
5. Foreign exchange differences – units conversion	-1 696	-1 552	-3 069
6. Retained earnings	28 442	102 928	176 860
- profit (loss) carried forward from previous years	5 745	9 348	9 353
- current period net profit (loss)	22 697	93 580	167 507
7. Minority interest	0	0	314
Long-term payables	381 597	106 567	322 316
1. Borrowings (bank credits and loans)	258 581	100 322	306 097
2. Issue of debt securities	115 514		
3. Other financial payables	274	0	359
4. Provisions for employee benefits	1 000	841	874
5. Deferred tax provision	6 192	5 108	14 844
6. Other long-term payables	36	296	142
Short-term payables	317 642	357 571	538 657
1. Trade and other payables	222 971	151 198	248 192
2. Borrowings (bank credits and loans)	86 732	186 312	246 966
3. Issue of debt securities	2 361	0	0
4. Other financial payables	341	0	432
5. Payables related to current income tax	0	16 205	30 848
6. Provisions	3 133	2 243	8 297
7. Special funds	572	236	57
8. Accruals and deferred income	1 532	1 377	3 865
<b>TOTAL liabilities</b>	<b>1 301 050</b>	<b>919 287</b>	<b>1 426 208</b>
Book value	601 811	455 149	565 235
Weighted average number of ordinary shares	1 725 718	1 699 124	1 691 857
Book value per share – BVPS (in PLN)	348,7	166,1	334,09

### 3. Consolidated statement of comprehensive income of LPP S.A. Capital Group

In PLN'000

Statement of comprehensive income	cumulative		Q3 2009	
	current year	previous year	01/01/2009-30/09/2009	01/01/2008-30/09/2008
			01/07/2009-30/09/2009	01/07/2008-30/09/2008
<b>Continuing operations</b>				
Revenues from sales	1 458 900	504 952	1 095 706	397 917
Cost of sales	756 660	279 509	461 621	177 639
Gross profit/loss on sales	702 240	225 443	634 085	220 278
Other operating revenues	21 577	6 090	6 446	3 428
Selling expenses	571 261	183 109	441 537	149 069
Overhead costs	68 433	21 391	63 598	19 774
Other operating expenses	25 902	5 884	12 470	4 091
Operating profit/loss	58 221	21 149	122 926	50 772
Financial revenues	2 531	337	1 907	394
Financial expenses	25 623	17 933	9 951	0
Gross profit/loss	35 129	3 553	114 882	51 166
Taxation	12 364	3 074	21 302	10 354
<b>Net profit/loss from continuing operations</b>	<b>22 765</b>	<b>479</b>	<b>93 580</b>	<b>40 812</b>
<b>Discontinued operations</b>				
Net profit/loss from discontinued operations	-68	6		
<b>Net profit/loss</b>	<b>22 697</b>	<b>485</b>	<b>93 580</b>	<b>40 812</b>
<b>Other comprehensive income</b>				
Foreign exchange differences – units conversion	-1 696	1 864	-1 552	53
<b>Total comprehensive income</b>	<b>21 069</b>	<b>2 343</b>	<b>92 028</b>	<b>40 865</b>
Weighted average number of ordinary shares	1 725 718	1 725 718	1 699 124	1 699 124
Earnings (loss) per ordinary share (EPS) (in PLN)	13,2	0,3	55,1	24,0

Earnings per share (EPS) for each period is calculated by dividing net profit for the reporting period by the weighted average number of shares in this period.

#### 4. Consolidated statement of changes in equity of LPP S.A. Capital Group

Statement of changes in equity	In PLN'000								
	Share capital	Treasury shares	Share premium reserve	Other reserves	Foreign exchange differences – units conversion	Profit (loss) carried forward from previous	Current period net profit/loss	Minority interest	TOTAL share capita
<b>As at 1 January 2008</b>	<b>3 407</b>	<b>0</b>	<b>71 202</b>	<b>203 650</b>	<b>-279</b>	<b>127 682</b>	<b>0</b>	<b>0</b>	<b>405 662</b>
- corrections of errors from previous years									0
As at 1 January 2008 (corrected)	3 407	0	71 202	203 650	-279	127 682	0	0	405 662
Buy-back of treasury shares		-48 745							-48 745
Share capital increase	5								5
<b>Capital transactions with owners</b>	<b>5</b>	<b>-48 745</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-48 740</b>
Profit distribution for FY 2007				118 312		-118 312			0
Payment of share-based remuneration				5 942					5 942
Other						-22			-22
Net profit for Q3 FY 2008							93 580		93 580
Foreign exchange differences after conversion units					-1 273				-1 273
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>124 254</b>	<b>-1 273</b>	<b>-118 334</b>	<b>93 580</b>	<b>0</b>	<b>98 227</b>
<b>As at 30 September 2008</b>	<b>3 412</b>	<b>-48 745</b>	<b>71 202</b>	<b>327 904</b>	<b>-1 552</b>	<b>9 348</b>	<b>93 580</b>	<b>0</b>	<b>455 149</b>

### Consolidated statement of changes in equity of LPP S.A. Capital Group, continued

Statement of changes in equity	In PLN'000								
	Share capital	Treasury shares	Share premium reserve	Other reserves	Foreign exchange differences – units conversion	Profit (loss) carried forward from	Current period net profit/loss	Minority interest	TOTAL share capita
As at 1 January 2009	3 492	-48 746	108 123	328 261	-3 069	176 860	0	314	565 235
- corrections of errors from previous years						-166			-166
<b>As at 1 January 2009 (corrected)</b>	<b>3 492</b>	<b>-48 746</b>	<b>108 123</b>	<b>328 261</b>	<b>-3 069</b>	<b>176 694</b>	<b>0</b>	<b>314</b>	<b>565 069</b>
Costs of buy-back of treasury shares		-2							-2
Share capital increase	9								9
<b>Capital transactions with owners</b>	<b>9</b>	<b>-2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>
Profit distribution for FY 2008				170 949		-170 949			0
Payment of share-based remuneration				1 955					1 955
Capital transactions with minorities				-1 266					-1 266
Measurement of minority interest as at the accounting reference date								-314	-314
Principal of shares				12 290					12 290
Net profit for Q3 FY 2009							22 697		22 697
Foreign exchange differences after conversion of units					1 373				1 373
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>183 928</b>	<b>1 373</b>	<b>-170 949</b>	<b>22 697</b>	<b>-314</b>	<b>36 735</b>
<b>As at 30 September 2009</b>	<b>3 501</b>	<b>-48 748</b>	<b>108 123</b>	<b>512 189</b>	<b>-1 696</b>	<b>5 745</b>	<b>22 697</b>	<b>0</b>	<b>601 811</b>

## 5. Consolidated statement of cash flows of LPP S.A. Capital Group

In PLN'000

Statement of cash flows	cumulative 01/01/2009- 30/09/2009	Q3 2009 01/07/2009- 30/09/2009	cumulative 01/01/2008- 30/09/2008	Q3 2008 01/07/2008- 30/09/2008
<b>A. Cash flow from operations – indirect method</b>				
I. Gross profit (loss)	35 061	3 559	114 882	51 166
II. Total adjustments	107 581	103 478	-66 526	-44 139
1. Depreciation and amortization	72 562	23 088	44 792	15 982
2. Foreign exchange (gains) losses	-3 122	1 652	671	-1 800
3. Interest and profit sharing (dividends)	16 168 -	5 952	6 334	2 668
4. (Profit) loss from investments	2 623	-354	451	1 232
5. Income tax paid	-53 972	-8 206	-31 588	-3 613
6. Change in provisions	-2 669	-1 695	-1 405	-350
7. Change in inventories	92 345	39 235	-62 118	-26 979
8. Change in receivables	16 093	9 969	-31 416	-19 432
9. Change in short-term payables, excluding credits and loans	-23 837	34 149	11 126	-12 449
10. Change in prepaid expenses, accruals and deferred income	-3 988	-235	-1 238	-372
11. Other adjustments	624	-77	-2 135	974
III. Net cash flow from operations	142 642	107 037	48 356	7 027
<b>B. Cash flows from investments</b>				
I. Inflows	14 454	10 411	3 161	1 512
1. Sale of intangible assets and tangible fixed assets	12 918	9 181	1 590	179
2. From financial assets, of which:	1 536	1 230	1 571	1 333
a) in related parties	1 074	1 074	1 239	1 239
- dividends and profit sharing	1 074	1 074	1 239	1 239
b) in other parties	462	156	332	94
- sale of financial assets				
- repayment of short-term loans	391	153	308	89
- interest	71	3	24	5
3. Other inflows from investments				

II. Outflows	70 104	18 020	200 512	48 787
1. Acquisition of intangible assets and tangible fixed assets	68 524	18 020	199 695	48 742
2. On financial assets, of which:		0	817	45
a) in related parties	0	0	0	-348
- acquisition of shares				-348
- short-term loans granted				
- long-term loans granted				
b) in other parties	0	0	817	393
- short-term loans granted		0	28	0
- long-term loans granted		0	789	393
3. Other outflows on investments	1 580	0		
III. Net cash flow from investments	-55 650	-7 609	-197 351	-47 275
<b>C. Cash flow from financing activity</b>				
I. Inflows	164 167	128 216	202 163	44 094
1. Inflows – issue of shares	8	8	5	
2. Credits and loans	36 355	404	202 158	44 094
3. Other financial inflows	127 804	127 804		0
II. Outflows	257 403	192 355	57 196	4 144
1. Buy-back of treasury shares	2	1	48 745	1
2. Repayment of credits and loans	237 506	188 015		
3. Payments related to finance lease agreements	408	131	11	1
4. Interest	19 487	4 208	8 440	4 142
5. Other financial outflows				
III. Net cash flow from financing activity	-93 236	-64 139	144 967	39 950
<b>D. Total net cash flow</b>	<b>-6 244</b>	<b>35 289</b>	<b>-4 028</b>	<b>-298</b>
<b>E. Total cash flow balance including:</b>	<b>-6 244</b>	<b>35 289</b>	<b>-4 028</b>	<b>-298</b>
- change in cash – foreign exchange differences	-1 352	-2 757	-1 115	655
<b>F. Opening cash balance</b>	<b>89 831</b>	<b>48 298</b>	<b>53 432</b>	<b>49 702</b>
<b>G. Closing cash balance, of which:</b>	<b>83 587</b>	<b>83 587</b>	<b>49 404</b>	<b>49 404</b>
- restricted cash	564	564	270	270

## 6. Selected financial data – separate statement of LPP S.A.

Selected financial data	In PLN'000.			
	Q3 2009	Q3 2008	Q3 2009	Q3 2008
	01/01/2009-	01/01/2008-	01/01/2009	01/01/2008
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	in PLN '000		in EUR '000	
Net revenues from sales of products, goods and materials	1 154 668	983 031	262 466	287 041
Operating profit (loss)	81 680	130 571	18 567	38 126
Gross profit (loss)	52 791	114 588	12 000	33 459
Net profit (loss)	42 228	91 640	9 599	26 759
Net cash flow from operations	160 232	-1 548	36 422	- 452
Net cash flow from investments	-26 555	-163 190	-6 036	-47 651
Net cash flow from financing activity	-112 961	149 449	-25 677	43 639
Total net cash flow	20 716	-15 289	4 709	-4 464

Selected financial data	Q3 2009	Q3 2008	Q3 2009	Q3 2008
	01/01/2009-	01/01/2008-	01/01/2009-	01/01/2008-
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	in PLN '000		in EUR '000	
Total assets	1 285 469	886 559	304 426	260 118
Long-term payables	381 185	105 790	90 273	31 039
Short-term payables	291 349	335 573	68 998	98 458
Equity	612 935	445 196	145 156	130 621
Share capital	3 500	3 412	829	1 001
Weighted average number of ordinary shares	1 725 718	1 699 124	1 725 718	1 699 124
Earnings (loss) per ordinary share (EPS) (in PLN/EUR)	24,5	53,9	5,6	15,7
Book value per share – BVPS (in PLN/EUR)	355,2	262,0	84,1	76,9

## 7. Statement of financial position of LPP S.A.

	In PLN'000		
	as at the end of:		
Statement of financial position	Q3 2009 30/09/2009	Q3 2008 30/09/2008	previous year 31/12/2008
<b>ASSETS</b>			
Non-current assets (long-term)	650 788	335 112	675 010
1. Tangible fixed assets	333 203	276 021	281 162
2. Intangible assets	12 744	12 325	13 089
3. Goodwill	179 971	0	0
4. Trademark	77 508	0	0
5. Investments in subsidiaries	22 868	32 746	363 859
6. Receivables	355	358	384
7. Assets arising from deferred tax	23 944	13 477	16 319
8. Accruals and deferred income	195	185	197
 Current assets (short-term)	 634 681	 551 447	 626 584
1. Inventories	289 183	286 066	321 424
2. Receivables	279 723	250 521	259 702
3. Income tax receivables	119		
4. Borrowings	9 019	2 675	11 777
5. Accruals and deferred income	4 271	2 461	2 031
6. Cash and cash equivalents	52 366	9 724	31 650
<b>TOTAL assets</b>	<b>1 285 469</b>	<b>886 559</b>	<b>1 301 594</b>

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<b>LIABILITIES</b>			
Equity	612 935	445 196	555 213
1. Share capital	3 500	3 412	3 492
2. Treasury shares	-48 748	-48 745	-48 746
3. Share premium reserve	108 123	71 202	108 123
4. Other capital	511 530	327 687	327 686
5. Retained earnings	38 530	91 640	164 658
- profit (loss) carried forward from previous years	-3 698	0	0
- current period net profit (loss)	42 228	91 640	164 658
Long-term payables	381 185	105 790	317 381
1. Borrowings (bank credits and loans)	258 582	100 322	304 300
2. Issue of debt securities	115 514	0	0
3. Other financial payables	123	0	0
4. Provisions for employee benefits	999	841	845
5. Deferred income tax provision	5 967	4 627	12 236
Short-term payables	291 349	335 573	429 000
1. Trade and other payables	203 946	135 465	171 057
2. Borrowings (bank credits and loans)	81 095	181 715	227 001
3. Issue of debt securities	2 361		
4. Other financial payables	279	16 043	24 824
5. Provisions	1 985	1 154	3 437
6. Special funds	571	236	57
7. Accruals and deferred income	1 112	960	2 624
<b>TOTAL liabilities</b>	<b>1 285 469</b>	<b>886 559</b>	<b>1 301 594</b>
Book value	612 935	445 196	555 213
Weighted average number of ordinary shares	1 725 718	1 699 124	1 691 857
Book value per share – BVPS (in PLN)	355,2	262,0	328,2

## 8. Statement of comprehensive income of LPP S.A.

	In PLN'000			
	cumulative current year	Q32009 01/07/2009- 30/09/2009	cumulative previous year 01/01/2008- 30/09/2008	Q3. 2008 01/07/2008- 30/09/2008
Statement of comprehensive income				
Revenues from sales	1 154 668	458 915	983 031	361 957
Cost of sales	667 239	275 410	482 060	185 445
Gross profit/loss on sales	487 429	183 505	500 971	176 512
Other operating revenues	40 293	19 261	6 002	2 406
Selling expenses	335 468	133 688	312 506	102 545
Overhead costs	50 820	17 443	44 652	15 308
Other operating expenses	59 754	7 663	19 244	12 421
Operating profit/loss)	81 680	43 972	130 571	48 644
Financial revenues	11 561	-7 481	7 113	5 161
Financial expenses	40 450	16 968	23 096	0
Gross profit/loss	52 791	19 523	114 588	53 805
Taxation	10 563	4 530	22 948	11 622
<b>Net profit/loss</b>	<b>42 228</b>	<b>14 993</b>	<b>91 640</b>	<b>42 183</b>
<b>Total comprehensive income</b>	<b>42 228</b>	<b>14 993</b>	<b>91 640</b>	<b>42 183</b>
Weighted average number of ordinary shares	1 725 718	1 725 718	1 699 124	1 699 124
Earnings (loss) per ordinary share (EPS) (in PLN)	24,5	8,7	53,9	24,8

Earnings per share (EPS) for each period is calculated by dividing net profit for the reporting period by the weighted average number of shares in this period.

### 9. Statement of changes in equity of LPP S.A.

In PLN'000							
Statement of changes in equity	Share capital	Treasury shares	Share premium reserve	Other capital	Profit (loss) carried forward from	Current period net profit/loss	TOTAL share capital
As at 1 January 2008	3 407		71 202	203 433	118 312		396 354
- corrections of errors from previous years							0
As at 1 January 2008 (corrected)	3 407	0	71 202	203 433	118 312		396 354
Buy-back of treasury shares		-48 745					-48 745
Share capital increase	5						5
<b>Capital transactions with owners</b>	<b>5</b>	<b>-48 745</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>-48 740</b>
Net profit distribution for FY 2007				118 312	-118 312		0
Payment of share-based remuneration	0		0	5 942			5 942
Net profit for Q3 FY 2008						91 640	91 640
<b>As at 30 September 2008</b>	<b>3 412</b>	<b>-48 745</b>	<b>71 202</b>	<b>327 687</b>	<b>0</b>	<b>91 640</b>	<b>445 196</b>
As at 1 January 2009	3 492	-48 746	108 123	327 686	164 658		555 213
- corrections of errors from previous years							0
As at 1 January 2009 (corrected)	3 492	-48 746	108 123	327 686	164 658		555 213
Share capital increase	8						8
Costs of buy-back of treasury shares		-2					-2
<b>Capital transactions with owners</b>	<b>8</b>	<b>-2</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>6</b>
Net profit distribution for FY 2008				164 658	-164 658		0
LPP S.A.'s share in profits of Artman S.A. from previous years				6 290			6 290
Principal of shares				12 290			12 290
Revaluation of goodwill reserve				-1 762			-1 762
Payment of share-based remuneration				2 368			2 368
Artman S.A.'s loss for the period between 01.01. - 30.06.2009					-3 698		-3 698
Net profit for Q3 FY 2009						42 228	42 228
<b>As at 30 September 2009</b>	<b>3 500</b>	<b>-48 748</b>	<b>108 123</b>	<b>511 530</b>	<b>-3 698</b>	<b>42 228</b>	<b>612 935</b>

## 10. Statement of cash flows of LPP S.A.

Statement of cash flows	In PLN'000			
	cumulative	Q3 2009	cumulative	Q3 2008
	01/01/2009- 30/09/2009	01/07/2009- 30/09/2009	01/01/2008- 30/09/2008	01/07/2008- 30/09/2008
<b>A. Cash flow from operations – indirect method</b>				
I. Gross profit (loss)	52 791	19 523	114 588	53 805
II. Total adjustments	107 441	84 190	-116 136	-69 520
1. Depreciation and amortization	38 954	14 989	27 923	9 752
2. Foreign exchange (gains) losses	-2 117	1 670	1 155	-1 487
3. Interest and profit sharing (dividends)	14 916	6 001	5 998	2 575
4. (Profit) loss from investments	1 956	446	10 850	9 742
5. Income tax paid	-46 214	-8 021	-30 817	-3 213
6. Change in provisions	-1 808	-1 148	-1 405	-181
7. Change in inventories	78 772	42 511	-36 155	-15 045
8. Change in receivables	19 134	8 981	-100 782	-61 919
9. Change in short-term payables, excluding credits and loans	7 143	19 144	6 869	-9 574
10. Change in prepaid expenses, accruals and deferred income	-3 295	-383	-706	-170
11. Other adjustments	0		934	0
III. Net cash flow from operations	160 232	103 713	-1 548	-15 715
<b>B. Cash flows from investments</b>				
I. Inflows	18 337	10 825	6 813	3 861
1. Sale of intangible assets and tangible fixed assets	10 349	7 817	1 550	148
2. From financial assets, of which:	7 988	3 008	5 263	3 713
a) in related parties	7 583	2 852	4 936	3 622
- interest and dividends	3 600	2 852	2 698	1 984
- repayment of short-term loans granted			2 238	1 638
- repayment of long-term loans granted	3 983	0		0
b) in other parties	405	156	327	91
- interest	14	3	19	3
- repayment of short-term loans granted	391	153	308	88
3. Other inflows from investments				0

II. Outflows	44 892	14 188	170 003	36 086
1. Acquisition of intangible assets and tangible fixed assets				
2. On financial assets, of which:	41 607	14 188	146 128	29 425
a) in related parties	3 285	0	23 875	6 661
- acquisition of shares	3 285	0	23 058	6 268
- short-term loans granted	1 579	0	14 988	3 538
- long-term loans granted				0
b) in other parties	1 706	0	8 070	2 730
- short-term loans granted	0	0	817	393
- long-term loans granted	0	0	28	0
3. Other outflows on investments	0	0	789	393
III. Net cash flow from investments				0
II. Outflows	-26 555	-3 363	-163 190	-32 225
<b>C. Cash flow from financing activity</b>				
I. Inflows	143 173	127 812	206 553	45 368
1. Credits and loans	15 361	0	206 548	45 368
2. Net inflows – issue of shares	8	8	5	0
3. Other financial inflows	127 804	127 804		0
II. Outflows	256 134	193 126	57 104	4 286
1. Buy-back of treasury shares	2	1	48 745	1
2. Repayment of credits and loans	237 459	188 527		0
3. Interest	18 597	4 522	8 359	4 285
4. Other financial outflows – finance lease	76	76		0
III. Net cash flow from financing activity	-112 961	-65 314	149 449	41 082
<b>D. Total net cash flow</b>	<b>20 716</b>	<b>35 036</b>	<b>-15 289</b>	<b>-6 858</b>
<b>E. Total cash flow balance, of which:</b>	<b>20 716</b>	<b>35 036</b>	<b>-15 289</b>	<b>-6 858</b>
- change in cash – foreign exchange differences	-777	-899	87	25
<b>F. Opening cash balance</b>	<b>31 650</b>	<b>17 330</b>	<b>25 013</b>	<b>16 582</b>
<b>G. Closing cash balance, of which:</b>	<b>52 366</b>	<b>52 366</b>	<b>9 724</b>	<b>9 724</b>
- restricted cash	564	564	270	270

## Notes to the condensed consolidated financial statements for Q3 FY 2009

### 1. Description of LPP S.A. Capital Group

LPP S.A. Capital Group (CG) is composed of:

- LPP S.A. – Parent Company,
- 19 Polish subsidiaries and
- 15 foreign subsidiaries.

There is no parent company of LPP S.A.

The complete list of LPP S.A. Capital Group entities is presented below.

No.	Name of the company	Registered office	Date of obtaining control
1.	G&M Sp. z o.o.	Gdańsk, Poland	26.09.2001
2.	M&G Sp. z o.o.	Gdańsk, Poland	26.09.2001
3.	AKME Sp. z o.o.	Gdańsk, Poland	26.09.2001
4.	TORA Sp. z o.o.	Gdańsk, Poland	26.09.2001
5.	P&G Sp. z o.o.	Gdańsk, Poland	26.09.2001
6.	SL&DP Sp. z o.o.	Gdańsk, Poland	26.09.2001
7.	DP&SL Sp. z o.o.	Gdańsk, Poland	26.09.2001
8.	IL&DL Sp. z o.o.	Gdańsk, Poland	26.09.2001
9.	PL&GM Sp. z o.o.	Gdańsk, Poland	26.09.2001
10.	GM&PL Sp. z o.o.	Gdańsk, Poland	26.09.2001
11.	AMA Sp. z o.o.	Gdańsk, Poland	28.05.2002
12.	LIMA Sp. z o.o.	Gdańsk, Poland	22.07.2002
13.	LUMA Sp. z o.o.	Gdańsk, Poland	05.11.2002
14.	KAMA Sp. z o.o.	Gdańsk, Poland	29.10.2002
15.	KUMA Sp. z o.o.	Gdańsk, Poland	05.11.2002
16.	AMUL Sp. z o.o.	Gdańsk, Poland	29.10.2002
17.	AMUK Sp. z o.o.	Gdańsk, Poland	15.05.2003
18.	AMUR Sp. z o.o.	Gdańsk, Poland	09.05.2003
19.	MM&MR Sp. z o.o.	Gdańsk, Poland	09.03.2005
20.	LPP Retail Estonia OU	Tallinn, Estonia	29.04.2002
21.	LPP Czech Republic s.r.o.	Prague, Czech Rep.	16.09.2002
22.	LPP Hungary Kft	Budapest, Hungary	18.10.2002
23.	LPP Retail Latvia Ltd	Riga, Latvia	30.09.2002
24.	UAB LPP	Vilnius, Lithuania	27.01.2003
25.	LPP Ukraina	Peremyshlany, Ukraine	23.07.2003
26.	RE Trading Closed Public Company	Moscow, Russia	12.02.2004
27.	LPP Fashion Distributor SRL	Bucharest, Romania	12.08.2007
28.	ES STYLE	Moscow, Russia	10.03.2008
29.	FASHION POINT	Moscow, Russia	01.04.2008
30.	LPP Retail Bulgaria Ltd.	Sofia, Bulgaria	14.08.2008
31.	Artman Slovakia s.r.o.( GK Artman SA)	Banská Bystrica, Slovakia	30.10.2008
32.	Artman Mode s.r.o.(GK Artman SA)	Ostrava, Czech	30.10.2008
33.	UAB Artman Ltd (GK Artman SA)	Vilnius, Lithuania	30.10.2008
34.	UAB House Plius ( GK Artman SA)	Klaipėda, Lithuania	30.10.2008

LPP S.A. Group

Interim condensed financial statements for Q3 FY 2009

The statements have been created in PLN '000

LPP S.A. holds direct control in its subsidiaries due to the company's 100% share in the subsidiaries' capital and 100% of the total vote.

The consolidated financial statements of LPP S.A. Capital Group covering the period between 1 January and 30 September 2009 covers individual results of LPP S.A. and results of foreign subsidiaries listed below:

- LPP Retail Estonia OU
- LPP Czech Republic s.r.o.
- LPP Hungary Kft
- LPP Retail Latvia Ltd
- UAB LPP
- LPP Ukraina AT
- ZAO Re Trading
- LPP Fashion Distributor srl.
- ES Style
- Fashoin Point
- LPP Retail Bulgaria Ltd.
- Artman Slovakia srl
- Artman Mode s.r.o.
- UAB Artman Ltd
- UAB House Plius

Polish subsidiaries of LPP S.A. were not consolidated as their financial data is immaterial. This is in accordance with the Accounting Policy employed by the Group. Under this Policy, a subsidiary or associate is not consolidated if results disclosed in the financial statements of this entity are immaterial compared to data disclosed in the financial statements of the parent company. In particular, the balance sheet total, net revenues from sales of goods and services and financial transactions of the entity representing less than 10% of the balance sheet total and revenues of the parent company in the reporting period shall be considered immaterial. The total amount of balance sheet totals and revenues of non-consolidated entities must not exceed this level, but established in relation to the corresponding amounts of the consolidated financial statements, based on the assumption that the statements covers all subsidiaries and associates with no exceptions (without non-consolidation).

The share of all non-consolidated Polish subsidiaries in the consolidated results is as follows:

- in the Capital Group's balance sheet total – 0.23%
- in the Capital Group's revenues from sales and financial revenues – 1.77%.

The fact that financial statements of these companies are not consolidated has no negative impact on the true and fair presentation of the Capital Group's assets, financial standing and financial result.

LPP S.A. is a company involved in the design and distribution of clothing in Poland and in Central and Eastern Europe. The consolidated Capital Group companies are involved in the distribution of goods under the Reserved, Cropp and House brands outside of Poland. Clothing is basically the only product sold by the CG companies. This offer is supplemented by footwear, bags and accessories.

Designs of clothing are prepared in the design office located at the registered office of LPP S.A. in Gdańsk (and the design office of House and Mohito brands is located in Kraków), and then sent to the purchasing department, whose task is to outsource the manufacture of individual products to manufacturing plants in Poland and abroad, including in China. Production in China is managed by the Company's trading office in Shanghai.

The Capital Group also generates small revenues from sales of services (these include only revenues generated by the Parent Company – mainly know-how services related to the management of brand stores by Polish contractors and lease of transport vehicles). 19 Polish subsidiaries are involved in the lease of real property where Cropp Town and Reserved outlets are located.

## **2. Legal basis of preparation of the condensed consolidated financial statements and information on changes in the adopted accounting principles**

The report of LPP S.A. Capital Group for Q3 FY09 contains the condensed consolidated financial statements and selected explanations contained in these Notes, as well as the condensed separate financial statements of the Parent Company, in accordance with IAS 34: Interim Financial Statements.

In all its material aspects, the accounting policy adopted in this report is in line with the policy underlying the consolidated annual financial statements of LPP S.A. Capital Group for FY 2008 drawn up as per the International Financial Reporting Standards (IFRS).

The condensed consolidated financial statements should be read together with the consolidated financial statements for the year ended on 31 December 2008.

## **3. Achievements of LPP S.A. Capital Group in the reporting period**

Key achievements of LPP S.A. Capital Group in Q3 FY 09 included:

*(data for Q3 FY09 also covers the results recorded by Artman S.A. Capital Group; data for Q3 FY08 covers the results recorded by LPP S.A. CG only, without Artman S.A. CG)*

1. Revenues from sales in Q3 FY09 totalled PLN 505 million, up by about 26.9% compared to revenues generated in Q3 FY08 (PLN 398 m).
2. In Q3 FY09, LPP S.A. CG made a profit from operating activity of PLN 21.1 m. In the corresponding period of FY08, the Group generated operating profit of PLN 50.8 m. Net profit for Q3 FY09 totalled PLN 479 k (vs. PLN 40.8 m of net profit in Q1 FY08).
3. Sales in Q3 FY09 totalled PLN 277 m in Reserved stores and PLN 93 m in Cropp Town stores. Sales in Q3 FY09 in House stores reached PLN 77 m, and PLN 11 m in Mohito stores.
4. 37 new outlets were opened in Q3 FY09 of the total retail area of about 8 thousand square meters. (6 Reserved, 5 Cropp Town, 6 Esotiq, 11 House, 9 Mohito), increasing the total retail area to about 260 thousand square meters (762 stores), of which 84 thousand sq. meters (177 stores) abroad. At the same time, 50 seasonal Cropp Town and House stores were closed down.
5. Revenues from sales in comparable outlets were down by 16.2% in Q3 FY09 (without taking account of local currency rate changes in countries where LPP Capital Group companies operate).

## **4. Factors and events, especially of extraordinary nature, with significant impact on the consolidated financial results**

The comparison of results generated by LPP SA CG in Q3 FY09 with the previous corresponding period indicates that the Group's efficiency was reduced. The main reasons

behind this drop in performance are as follows:

- a) increase in prices of products – resulting from the considerable increase in USD/PLN exchange rate,
- b) the necessary reduction of gross profit margin (in %) – resulting from the reduced market demand as well as an exceptionally long period of sale of goods at low margin (whole July and August)
- c) little interest in the Fall/Winter Collection in September – due to relatively high temperatures as for this month, which fact did not allow for selling goods at high margin. Transfer of interest in the new collection to October allowed for generating gross profit margin at the level of 63% during month
- a) significant, negative influence of exchange differences, especially of statistical character, on the level of financial expenses (negative exchange rate differences in Q3 amounted to ca. PLN 10 m).

Revenues from sales of products, goods and materials disclosed in the consolidated financial statements were generated by individual Capital Group companies in the following amounts (intercompany sales excluded):

In PLN'000

Name of the company	Country	Revenues from sales in Q3 2009	% share of sales by country in Q3 2009	Revenues from sales in the period 01.01-30.09.2009	% share of sales by country in the period 01.01. - 30.09.2009
LPP S.A.	Poland	385 966	76,40%	1 108 434	76,00%
LPP Retail Estonia OU	Estonia	9 094	1,80%	26 541	1,80%
LPP Retail Latvia Ltd	Latvia	6 326	1,30%	20 075	1,40%
LPP Retail Czech Republic s.r.o.	Czech Rep*	24 620	4,90%	73 585	5,00%
LPP Hungary Kft.	Hungary	4 477	0,90%	15 156	1,00%
UAB"LPP"	Lithuania**	9 391	1,90%	30 794	2,10%
LPP Ukraina AT	Ukraine	6 313	1,30%	21 076	1,40%
ZAO "Re Trading"	Russia***	49 359	9,80%	137 726	9,40%
LPP Fashion Distributor SRL	Romania	4 394	0,90%	15 474	1,10%
LPP Retail Bulgaria Ltd.	Bulgaria	741	0,10%	1 845	0,10%
Artman Slovakia	Slovakia	4 271	0,80%	8 194	0,60%
<b>Total</b>		<b>504 952</b>		<b>1 458 900</b>	

\* total revenues of 2 companies in the Czech Republic: LPP Retail Czech Republic s.r.o., Artman Mode SRO

\*\* total revenues of 3 companies in Lithuania: UAB "LPP", Artman Lit, UAB House Plius

\*\*\* total revenues of 3 companies in Russia: ZAO "Re Trading", Es Style Russia, Fashion Point Russia

## **5. Explanation of the seasonal or cyclical nature of LPP S.A. Capital Group's operations in the reporting period**

Seasonality in sales of clothing is a feature characteristic for the clothing market as a whole – both in Poland and abroad. The third quarter of a calendar year covers two months (July and August) when the spring/summer collection is sold at discount prices. As a result, profit margin (return on sales) before tax is lower than the average annual margin in the entire quarter. Relatively adverse weather conditions in September had additional negative influence on sales results in the reporting period.

## **6. Segment reporting – revenues and results per segments**

LPP S.A. Capital Group is running only one type of business (one primary segment). Two geographical segments have been identified: business within and outside the European Union. Division into geographical segments was based on the criterion of location of the Group's assets.

Revenues and results per segments for Q3 FY09 and for the previous corresponding period are presented in section 23.7.

## **7. Issue, redemption and repayment of debt and equity securities**

During Q3 FY09 the date of adopting the Resolution on issue of convertible bonds and the value of conditional share capital increase were entered in the National Court Register. The non-public offering of series A bonds convertible to series K bearer shares was closed and settled on 23 July 2009.

80 846 bonds at the total of PLN 129 353 600.00 were taken up as a result of the offering. The conversion price was PLN 1 600.00.

The aim behind the issuing of the bonds was raising funds necessary to ensure uninterrupted business operations and further growth of the Issuer.

Any bonds that will not be converted into series K shares shall be bought back by the Company within 36 months of the bonds allocation date.

If all the issued bonds were converted, the total number of votes at the Issuer's GMS would amount to 3 226 913.

On 14 August 2009 the share capital of LPP S.A. has been increased resulting in the registration of 4 210 series I shares at the face per-share value of PLN 2.00. Currently, the share capital of LPP S.A. amounts to PLN 3 500 554.

In Q3 FY 2009 the Issuer did not redeem or repay any debt or equity securities

## **8. Dividend paid (or declared), in total and per one share, broken down into ordinary (common) shares and other shares**

No dividend was paid (or declared) in LPP S.A. Capital Group.

## **9. Date of approval of the financial statements for publication**

These financial statements were approved for publication by the Management Board of the Parent Company on 9 November 2009.

## **10. Events after the balance sheet date not presented in the face of the financial statements, which may have significant impact on the future financial results of LPP S.A. Capital Group**

None.

## **11. Effects of changes in the Capital Group's structure, including business combination (mergers), takeovers or disposals of Capital Group companies, long-term investments, as well as division, restructuring and discontinuation of business operations**

In the current reporting period the Issuer merged with Artman S.A. The companies merged pursuant to Art. 492 point 1 of the Commercial Companies Code (merger through takeover) by means of transferring all Artman's assets (as the Acquiree) to LPP (as the Acquiror) (current report RB 29/2009).

During Q3 winding-up procedure started in a few subsidiaries, but their liquidation had no influence on the amounts presented in the consolidated financial statements due to the fact that the financial statements of the liquidated companies were not subject to consolidation.

## **12. Changes in contingent liabilities or contingent assets after the end of the previous financial year**

In Q3 FY09, LPP S.A. and its subsidiaries used bank guarantees to secure the payment of rent for leased retail premises where brand stores are located.

As at 30 September 2009, the total value of bank guarantees granted at the request and on the responsibility of LPP S.A. and Artman S.A. amounted to PLN 105 473 000, of which:

- a) guarantees granted to secure agreements concluded by LPP S.A. – PLN 44,554 k
- b) guarantees granted to secure agreements concluded by consolidated related parties – PLN 51,361 k
- c) guarantees granted to secure agreements concluded by non-consolidated related parties – PLN 9,558 k

As at 30 September 2009, the total amount of all sureties issued by the Parent Company reached PLN 14,652 k, up by PLN 3,260 k vs. 31 December 2008.

## **13. Estimated future liabilities arising from retail lease agreements**

Capital Group companies are parties to retail lease agreements concerning the use of retail premises where Reserved, Cropp, Esotiq, House, and Mohito brand stores are located.

The total future minimum payments arising from lease agreements, estimated as at 31 December 2008, are as follows:

- payables with the maturity date within 12 months from the balance sheet date	PLN 222 661 k
- payables with the maturity date from 12 months to 5 years from the balance sheet date	PLN 585 267 k
- payables with the maturity date over 5 years from the balance sheet date	PLN 161 324 k

**14. The Management Board's opinion on the feasibility of forecasts of annual consolidated results.**

No forecasts were published by the Company for FY 2009.

**15. Shareholders holding at least 5% of votes at the General Meeting of Shareholders of LPP S.A. as at the date of submission of the quarterly report, directly or indirectly through subsidiaries, and changes in the structure of ownership of large blocks of LPP S.A. shares after the date of submission of the previous quarterly report**

Shareholding structure of the Parent Company as at the date of submission of the report for Q1 FY09 was as follows:

Shareholder	Number of shares held	Number of votes at the General Meeting of Shareholders	Share in the total vote at the General Meeting of Shareholders	Interest in share capital
Marek Piechocki	324 390	1 024 390	32,52%	18,53%
Jerzy Lubianiec	226 338	926 338	29,40%	12,93%
Grangefont Limited	350 000	350 000	11,11%	20,00%

There were no changes in the shareholding structure from the date of submission of the previous report (for Q1 FY09).

**16. Structure of ownership of LPP S.A. shares or rights to shares (options) held by members of the Issuer's Management Board and Supervisory Board as at the date of submission of the quarterly report, including changes in the shareholding structure from the date of submission of the previous quarterly report, separately for each member of the Management Board and the Supervisory Board.**

Shareholder	Number of shares held	Number of votes at the General Meeting of Shareholders
President of the Management Board	324 390	1 024 390
Vice-President of the Management Board	5 954	5 954
Vice-President of the Management Board	2 664	2 664
Vice-President of the Management Board	137	137
Chairman of the Supervisory Board	226 338	926 338

Since the date of submission of the previous report (for Q1 FY09) there were changes in the ownership structure of the LPP S.A.'s shares held by members of Management Board and the Supervisory Board, which resulted from resignation by two Members of the Board from the held positions (RB 44/2009) and appointment of new Members of the Board (RB 45/2009).

## 17. Information on legal proceedings in progress

In the Capital Group, LPP S.A. and Artman S.A. are parties in legal proceedings, claiming the settlement of receivables from its business partners. The total amount claimed does not exceed 10% of the Companies' equity.

## 18. Related-party transaction(s) concluded by the Issuer or its subsidiary – if material (separately or jointly) and concluded not at arm's length

No such transactions were concluded in the reporting period.

## 19. Related party transactions

### 19.1. Key management personnel

The Capital Group's key management personnel include members of the Management Board and Supervisory Board of LPP S.A.

The amount of short-term employee benefits received by the key management personnel in the period from 1 January to 30 September 2009 totalled PLN 1 520 k, of which PLN 1 485 k received by members of the Management Board, PLN 26 k by members of the Supervisory Board for their work in the Supervisory Board, and PLN 9 k by a Supervisory Board member for services other than work in the Supervisory Board.

### 19.2. Related party transactions

In the reporting period, the Issuer did not enter into any related-party transactions related to assignment of rights and obligations.

Transactions between the Parent Company and its foreign subsidiaries were eliminated from the consolidated financial statements and are not presented in the table.

Amounts presented in the table below show only intercompany transactions between LPP S.A. and 19 Polish non-consolidated subsidiaries, and are presented from the perspective of the Parent Company.

The data in the table are presented in PLN '000

No.	related parties	receivables as at 30.09.09	payables as at 30.09.09	revenues for the period	expenses for the period
				January-September 2009	January-September 2009
1	Polish subsidiaries	1	1 537	3 995	25 725
	Total	1	1 537	3 995	25 725

Data presented as payables of LPP S.A. are receivables in related parties, and costs are equivalent to revenues of related parties.

All related-party transactions were concluded at arm's length.

Revenues from Polish companies are generated from the rental of offices where these companies run their businesses.

Expenses related to the Polish subsidiaries are connected with the lease of premises for Cropp Town and Reserved brand stores.

Payment terms adopted for subsidiaries are between 45 and 120 days.

## **20. Information on guarantees and sureties granted**

In the reporting period, the Capital Group companies granted no sureties or guarantees for credits or loans of the total value equalling at least 10% of the Issuer's equity.

## **21. Additional information relevant for the assessment of the financial standing, assets, human resources, and financial result of LPP S.A. Capital Group, and any changes thereof, as well as information relevant for the assessment of Capital Group's repayment ability.**

The report presents basic information relevant for the assessment of the Capital Group's financial standing. According to the Management Board, there are currently no threats for the Capital Group's repayment ability.

## **22. Factors likely to influence results generated by LPP S.A. Capital Group in the next quarter or afterwards (according to LPP S.A.)**

Basic factors likely to influence results generated in the nearest future are as follows:

1. economic slowdown in Poland and in countries where the Capital Group companies operate
2. exchange rate of PLN against USD and EUR,
3. volume of sales in the traditionally best month for the industry – December,
4. development of the Reserved, Cropp Town, House and Mohito networks,
5. actions taken to reduce costs.

## **23. Notes to the condensed consolidated financial statements**

### **23.1 Tangible fixed assets**

The amount of tangible fixed assets presented in the consolidated financial statements drawn up as at 30 September 2009 includes an adjustment for a revaluation write-down totalling PLN 4,237 k.

The amount of payments on account of the acquisition of tangible fixed assets as at 30 September 2009 was PLN 2,568 k

## 23.2 Inventories

The amount of inventories presented in the consolidated financial statements drawn up as at 30 September 2009 includes a revaluation write-down totalling PLN 5,222 k.

## 23.3 Receivables

The amount of receivables presented in the consolidated financial statements drawn up as at 30 September 2009 includes an adjustment for a revaluation write-down totalling PLN 12,206 k.

This write-down includes:

revaluation write-down of receivables and claimed receivables due from customers	PLN 3 582 k
revaluation write-down of the so-called doubtful receivables	PLN 8 446 k
revaluation write-down of receivables from employees and other	PLN 178 k

## 23.4 Provisions

The amount of provisions presented in the consolidated financial statements drawn up as at 30 September 2009 totals PLN 10,325 k and includes:

- provision for retirement severance payments:	PLN 1 000 k
- provision for holiday leaves not taken:	PLN 2 842 k
- provision for unpaid salaries and bonuses	PLN 291 k
- provision for deferred income tax:	PLN 6 192 k

## 23.5 Income tax

Income tax presented in the consolidated P&L Account (Statement of Comprehensive Income) for the period between 1 January and 30 September 2009 amounts to PLN 12,364 k and includes:

- current tax	PLN 23 910 k
- deferred tax	PLN - 11 546 k

The consolidated P&L Account (Statement of Comprehensive Income) drawn up as at 30 September 2009 presents an excess of deductible foreign exchange differences over taxable foreign exchange differences of PLN 5,287 k. (in Q3 the balance of foreign exchange differences was negative and amounted to PLN 9,873 k).

## 23.7 Segment reporting

Revenues and financial results of geographical segments for the period from 1 January 2009 to 30 September 2009, as well as for the previous corresponding period, are presented in the following tables.

FY 2009

In PLN'000.

	EU Member States	Other countries	Consolidation adjustments	Amounts not allocated to segments	Total
External sales	1 300 098	158 802			1 458 900
Intersegment sales	81 128		-81 128		-
Other operating revenues	16 171	568		4 838	21 577
<b>Total revenues</b>	<b>1 397 397</b>	<b>159 370</b>	<b>-81 128</b>	<b>4 838</b>	<b>1 480 477</b>
Total operating expenses, of which,	1 252 326	155 777	-80 182	68 433	1 396 354
Costs of intersegment sales	59 578		-59 578		-
Other operating expenses	22 383	3 519			25 902
<b>Segment result</b>	<b>122 688</b>	<b>74</b>	<b>-946</b>	<b>-63 595</b>	<b>58 221</b>
Financial revenues				2 531	2 531
Financial expenses				25 623	25 623
Profit before tax					35 129
Income tax					12 364
<b>Net profit from continuing operations</b>					<b>22 765</b>
<b>Net loss from discontinued operations</b>	-68				-68
<b>Net profit</b>					<b>22 697</b>

	In PLN'000.				
	EU Member States	Other countries	Consolidation adjustments	Amounts not allocated to segments	Total
External sales	968 785	126 921			1 095 706
Intersegment sales	66 961		-66 961		-
Other operating revenues	6 054	203		190	6 447
<b>Total revenues</b>	<b>1 041 800</b>	<b>127 124</b>	<b>-66 961</b>	<b>190</b>	<b>1 102 153</b>
Total operating expenses, of which:	848 515	106 880	-52 237		903 158
Costs of intersegment sales	50 065		-50 065		-
Other operating expenses	11 860	611		63 598	76 069
<b>Segment result</b>	<b>181 425</b>	<b>19 633</b>	<b>-14 724</b>	<b>-63 408</b>	<b>122 926</b>
Financial revenues				1 907	1 907
Financial expenses				9 951	9 951
Profit before tax					114 882
Income tax					21 302
<b>Net profit</b>					<b>93 580</b>

#### 24. Additional information to the separate financial statements of LPP S.A.

Based on the estimation of the carrying amount of assets invested in foreign subsidiaries, in the period from January to September 2009, changes were introduced to write-downs of the following elements of assets of the separate balance sheet: shares, additional paid-in capital, loans, and receivables. These write-downs were also recognized under financial and operating expenses and revenues in the separate P&L Account (Statement of Comprehensive Income). As a result, assets were down by PLN 70,023 k, considering the amount of deferred tax.

This change was recognized under relevant items of the separate statements of LPP S.A. and has no influence on amounts presented in the consolidated statements.