

CONSOLIDATED QUARTERLY REPORT OF THE HOOP GROUP



for the First Quarter of 2007

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WARSAW
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Part A – Consolidated Financial Statements**I. Consolidated Balance Sheet**

CONSOLIDATED BALANCE SHEET	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006	as at Mar 31 2006 end of quarter 2006
Assets			
I. Non-current assets	239 334	243 800	212 772
1. Intangible assets, including:	2047	2148	960
- goodwill			
2. Goodwill of subordinated undertakings	62 749	62 749	35 445
3. Property, plant and equipment	159 952	162 250	161 551
4. Non-current receivables	1 147	1 163	2 008
4.1. From related undertakings			
4.2. From other undertakings	1 147	1 163	2 008
5. Non-current investments	3 939	3 978	2 912
5.1. Property	1 000	1 039	123
5.2. Intangible assets			
5.3. Non-current financial assets	2 939	2 939	2 789
a) in related undertakings			
b) in other undertakings	2 939	2 939	2 789
5.4. Other non-current investments			
6. Non-current prepayments and accrued income	9 500	11 512	9 896
6.1. Deferred tax asset	8 531	10 575	7 430
6.2. Other non-current prepayments and accrued income	969	937	2 466
II. Current assets	217 810	237 301	168 256
1. Inventories	60 317	67 099	36 815
2. Current receivables	138 704	153 097	117 061
2.1. From related undertakings	140	53	1 182
2.2. From other undertakings	138 564	153 044	115 879
3. Current investments	16 336	15 307	13 356
3.1. Current financial assets	16 336	15 307	13 356
a) in related undertakings			
b) in other undertakings	812	930	
c) cash and cash equivalents	15 524	14 377	13 356
3.2. Other current investments			
4. Current prepayments and accrued income	2 453	1 798	1 024
Total assets	457 144	481 101	381 028

CONSOLIDATED BALANCE SHEET	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006	as at Mar 31 2006 end of quarter 2006
Equity and liabilities			
I. Equity	153 854	148 376	121 339
IA Equity attributable to equity holders of the parent	129 071	125 345	105 800
1. Share capital	13 089	13 089	13 089
2. Called-up share capital not paid (negative value)			
3. Treasury shares (negative value)			-22 920
4. Statutory reserve funds	93 184	93 184	112 327
5. Revaluation capital reserve	0	0	0
6. Other capital reserves	4 936	4 936	4 936
7. Currency translation differences on subordinated undertakings	-554	-1 452	-1 121
a) foreign exchange gains			
b) foreign exchange losses	554		1 121
8. Retained earnings (deficit)	14 802	-2 856	37
9. Net profit (loss)	3 614	18 444	-548
10. Distributions from net profit in financial year (negative value)			
IB Minority interests	24 783	23 031	15 539
II. Negative goodwill of subordinated undertakings			
III. Liabilities and provisions for liabilities	303 290	332 725	259 689
1. Provisions for liabilities	11 777	9 720	3 136
1.1. Deferred tax liability	6 747	4 825	2 729
1.2. Provisions for retirement benefits and other benefits	380	500	79
a) non-current	95	87	71
b) current	285	413	8
1.3. Other provisions	4 650	4 395	328
a) non-current		475	
b) current	4 650	3 920	328
2. Non-current liabilities	58 045	38 609	54 166
2.1. To related undertakings			
2.2. To other undertakings	58 045	38 609	54 166
3. Current liabilities	213 867	268 365	186 146
3.1. To related undertakings	1 190	-96	738
3.2. To other undertakings	199 974	257 356	176 132
3.3. Special accounts	12 703	11 105	9 276
4. Accruals and deferred income	19 601	16 031	16 241
4.1. Negative goodwill			
4.2. Other accruals and deferred income	19 601	16 031	16 241
a) non-current	4 547	4 854	6 678
b) current	15 054	11 177	9 563
Total equity and liabilities	457 144	481 101	381 028

OFF-BALANCE-SHEET ITEMS	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006 end of previous quarter 2006	as at Mar 31 2006 end of quarter 2006
1. Contingent receivables		2 000	
1.1. From related undertakings, including:		2 000	
- guarantees and sureties received		2 000	
-			
...			
1.2. From other undertakings, including:			
- guarantees and sureties received			
-			
...			
2. Contingent liabilities	300		
2.1. To related undertakings, including:			
- guarantees and sureties issued			
-			
...			
2.2. To other undertakings, including	300		
- guarantees and sureties issued	300		
- loans advanced			
- lease agreements			
3. Other, including:			
- bottling line			
- pallet wrapping machine			
- conveyor trolley			
Total off-balance-sheet property, plant and equipment			
..			
Total off-balance-sheet items	300	2000	

II. Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT	Q1 2007 cumulative Jan 1 - Mar 31 2007	Q1 2006 cumulative Jan 1 - Mar 31 2006
I. Net sales revenue, including:	164 584	101 104
- from related undertakings	32	1 228
1. Net revenue on sales of products	137 592	93 042
2. Net revenue on sales of goods for resale and materials	26 992	8 062
II. Cost of sales, including:	113 484	74 459
- to related undertakings	18	717
1. Cost of products sold	91 696	68 485
2. Cost of goods for resale and materials sold	21 788	5 974
III. Gross profit (loss) on sales (I-II)	51 100	26 645
IV. Selling costs	32 220	19 449
V. General and administrative expenses	10 822	8 593
VI. Profit (loss) on sales (III-IV-V)	8 058	-1 397
VII. Other operating income	2 415	3 739
1. Gain on disposal of non-financial non-current assets	536	585
2. Subsidies	53	0
3. Other operating income	1 826	3 154
VIII. Other operating expenses	2 426	1 184
1. Loss on disposal of non-financial non-current assets		0
2. Revaluation of non-financial assets	125	126
3. Other operating expenses	2 301	1 058
IX. Operating profit (loss) (VI+VII-VIII)	8 047	1 158
X. Financial income	95	633
1. Dividends and distributions from profit, including:	0	0
- from related undertakings	0	0
2. Interest, including:	42	412
- from related undertakings	0	0
3. Gain on disposal of investments	0	0
4. Investment revaluation	0	0
5. Other	53	221
XI. Financial expenses	2 274	3 033
1. Interest, including:	1 847	2 132
- to related undertakings	0	0
2. Loss on disposal of investments	0	0
3. Investment revaluation	0	0
4. Other	427	901
XII. Gain (loss) on disposal of all or part of shares in subordinated undertakings	0	0
XIII. Pre-tax profit (loss) before extraordinary items (IX+X-XI+/-XII)	5 868	-1 242
XIV. Result on extraordinary items (XIV.1. - XIV.2.)	0	0
1. Extraordinary gains	0	0
2. Extraordinary losses	0	0
XV. Write-off of goodwill of subordinated undertakings	0	0
XVI. Write-off of negative goodwill of subordinated undertakings	0	0
XVII. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)	5 868	-1 242
XVIII. Corporate income tax	1 402	133
a) current	165	0
b) deferred	1 237	133
XIX. Other mandatory decrease of profit (increase of loss)	0	0
XX. Share in net profit (loss) of subordinated undertakings valued with equity method	0	0
XXI. Profit (loss) of minority interests	-852	827
XXII. Net profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)	3 614	-548

III. Statement of Changes in Consolidated Equity

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	Q1 Jan 1 - Mar 31 2007	Q4 cumulative Jan 1 - Dec 31 2006	Q1 Jan 1 - Mar 31 2006
I. Balance of equity at beginning of period	148 376	122 656	121 699
a) changes in adopted accounting policies			
b) correction of fundamental errors			
I.a. Balance of equity at beginning of period, after reconciliation with comparable data	148 376	122 656	121 699
<i>Equity attributable to equity holders of the parent</i>			
II. Balance of equity attributable to equity holders of the parent at beginning of period		106 410	
a) changes in adopted accounting policies			
b) correction of fundamental errors			
II.a. Balance of equity attributable to equity holders of the parent at beginning of period, after reconciliation with comparable data	0	106 410	0
1. Balance of share capital at beginning of period	13 089	13 089	13 089
1.1. Changes in share capital			
a) increase, including:			
- issue of shares			
-			
...			
b) decrease, including:			
- retirement of shares			
-			
...			
1.2. Balance of share capital at end of period	13 089	13 089	13 089
2. Balance of called-up share capital not paid at beginning of period			
2.1. Changes in called-up share capital not paid			
a) increase			
-			
...			
b) decrease			
-			
...			
2.2. Balance of called-up share capital not paid at end of period			
3. Treasury shares at beginning of period	0	-22 920	-22 920
3.1. Changes in treasury shares			
a) increase, including:			
- acquisition of shares			
...			
b) decrease, including:		22 920	
- loss on sale of treasury shares		22 920	
...			
3.2. Treasury shares at end of period	0	0	-22 920
4. Balance of statutory reserve funds at beginning of period	93 184	112 327	112 327
4.1. Changes in statutory reserve funds			
a) increase, including:	0	871	0
- share premium			
- distribution of profit (statutory)			
- distribution of profit (above statutory minimum)		871	
- rounding-offs			
...			
b) decrease, including:	0	20 014	0
- coverage of loss			
-			
...			
4.2. Balance of statutory reserve funds at end of period	93 184	93 184	112 327
5. Balance of revaluation capital reserve at beginning of period	0	0	0
5.1. Changes in revaluation capital reserves			
a) increase, including:			
...			
b) decrease, including:			
- disposal of property, plant and equipment			
- IFRS			
...			
5.2. Balance of revaluation capital reserve at end of period	0	0	0

6. Balance of other capital reserves at beginning of period	4 936	4 936	4 936
6.1. Changes in other capital reserves			
a) increase, including:	0	0	0
- contribution from retained earnings		0	
...			
b) decrease, including:		0	
-			
...			
6.2. Balance of other capital reserves at end of period	4 936	4 936	4 936
7. Currency translation differences on subordinated undertakings	-554	-1 452	-1 121
opening balance			
a) changes in adopted accounting policies			
opening balance, after reconciliation with comparable data	-554	-1 452	-1 121
8. Balance of retained earnings (deficit) at beginning of period	15 588	-6 099	37
8.1. Balance of retained earnings at beginning of period	15 588	8 522	6 209
a) changes in adopted accounting policies			
b) correction of fundamental errors			
8.2. Balance of retained earnings at beginning of period, after reconciliation with comparable data	15 588	8 522	6 209
a) increase, including:	0	0	0
- contribution from retained earnings			
-			
...			
b) decrease, including:	786	3 467	0
- dividend paid		2 596	
- contribution to statutory reserve funds		871	
- adjustment of preliminary result - audit	786	0	
- contribution to capital reserve		0	
8.3. Balance of retained earnings at end of period	14 802	5 055	6 209
8.4. Balance of retained deficit at beginning of period		-7 911	6 172
a) changes in adopted accounting policies			
b) correction of fundamental errors			
8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data	0	-7 911	6 172
a) increase, including:			
- retained deficit brought forward to be covered			
- adjustment of preliminary result after audit			
...			
b) decrease, including:	0		0
- coverage of retained deficit			
- dividend paid			
- contribution to statutory reserve funds			
8.6. Balance of retained deficit at end of period	0	-7 911	6 172
8.7. Balance of retained earnings (deficit) at end of period	14 802	-2 856	37
9. Net profit (loss)	3 614	18 444	-548
a) net profit	3 614	18 444	
b) net loss			548
c) profit distributions			
III. Balance of minority interests at beginning of period	23 031	16 246	15 858
Changes in minority interests			
a) increase, including:	1 752	6 785	508
- profit attributable to minority interests	852	6 608	
- currency translation differences on subordinated undertakings	900	177	508
b) decrease, including:	0	0	827
- loss attributable to minority interests			827
- currency translation differences on subordinated undertakings			
<i>Minority interests at end of period</i>	24 783	23 031	15 539
IV. Balance of equity attributable to equity holders of the parent at end of period	129 071	125 345	105 800
V. Balance of equity at end of period	153 854	148 376	121 339
VI. Equity after proposed distribution of profit (coverage of loss)			

IV. Consolidated Cash-Flow Statement

CONSOLIDATED CASH-FLOW STATEMENT	Q1 2007 Jan 1 - Mar 31 2007	Q1 2006 Jan 1 - Mar 31 2006
A. Cash flows from operating activities – direct method		
I. Cash provided by operating activities		
1. Sales		
2. Other cash provided by operating activities		
II. Cash used in operating activities		
1. Supplies and services		
2. Net salaries and wages		
3. Social and health insurance and other employee benefits		
4. Taxes and public charges		
5. Other cash used in operating activities		
III. Net cash provided by (used in) operating activities (I-II)		
A. Cash flows from operating activities - indirect method		
I. Net profit /(loss)	3 614	-548
II. Total adjustments	5 351	477
1. Profit (loss) attributable to minority interests	852	-827
2. Share in net (profit)/ loss of undertakings valued with equity method		
3. Depreciation and amortisation, including:	7 379	6 947
- write-offs of (negative) goodwill of subordinated undertakings	2 780	
4. Foreign exchange (gains)/ losses	298	119
5. Dividends and interest	1 765	2 158
6. (Gain)/ loss on investing activities	-264	-675
7. Change in provisions	315	-708
8. Change in inventories	9 506	6 378
9. Change in receivables	3 368	-8 119
10. Change in current liabilities, net of loans and borrowings	-26 621	-12 001
11. Change in accruals and deferrals	9 676	8 719
12. Other adjustments	-923	-1 514
III. Net cash provided by (used in) operating activities (I+/-II)	8 965	-71
B. Cash flows from investing activities		
I. Cash provided by investing activities	1 718	924
1. Disposal of intangible assets and property, plant and equipment	1 600	924
2. Disposal of investment property and intangible assets		
3. Cash provided by financial assets, including:	118	0
a) in related undertakings	0	0
- disposal of financial assets		
- dividends and other profit distributions		
- repayment of long-term loans advanced		
- interest		
- other cash provided by financial assets		
b) in other undertakings	118	
- disposal of financial assets		
- dividends and other profit distributions		
- repayment of long-term loans advanced	118	
- interest		
- other cash provided by financial assets		
4. Other cash provided by investing activities		
II. Cash used in investing activities	5 121	2 587
1. Acquisition of intangible assets and property, plant and equipment	5 006	2 587
2. Acquisition of investment property and intangible assets	115	
3. Cash used on financial assets, including:	0	0
a) in related undertakings	0	0
- acquisition of financial assets		
- long-term loans advanced		
b) in other undertakings		
- acquisition of financial assets		
- long-term loans advanced		

4. Dividends and other profit distributions to minority interests		
5. Other cash used in investing activities		
III. Net cash provided by (used in) investing activities (I-II)	-3 403	-1 663
C. Cash flows from financing activities		
I. Cash flows provided by financing activities	81 609	27 106
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		
2. Loans and borrowings	81 597	27 094
3. Issue of debt securities		
4. Other cash provided by financing activities	12	12
II. Cash used in financing activities	86 024	27 251
1. Acquisition of treasury shares		
2. Dividends and other distributions to shareholders		
3. Distributions from profit other than distributions to shareholders		
4. Repayment of loans and borrowings	79 189	20 922
5. Redemption of debt securities		
6. Other financial liabilities		
7. Repayment of financed lease liabilities	4 574	4 397
8. Interest paid	1 778	1 932
9. Other cash used in financing activities	483	
III. Net cash provided by (used in) financing activities (I-II)	-4 415	-145
D. Total net cash flow (A.III+/-B.III+/-C.III)	1 147	-1 879
E. Balance-sheet change in cash, including:	1 147	-1 879
- change in cash resulting from foreign exchange gains/(losses)		
F. Cash at beginning of period	14 377	15 235
G. Cash at end of period (F+/- D), including:	15 524	13 356
- restricted cash	10 372	7 604

Part B - Non-Consolidated Financial Statements**I. Non-Consolidated Balance Sheet**

BALANCE SHEET	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006 end of previous quarter 2006	as at Mar 31 2006
A s s e t s			
I. Non-current assets	195 080	199 718	179 275
1. Intangible assets, including:	1 474	1 517	476
- goodwill			
2. Goodwill of subordinated undertakings			
3. Property, plant and equipment	94 952	97 242	105 448
4. Non-current receivables	1 147	1 163	2 008
4.1. From related undertakings			
4.2. From other undertakings	1 147	1 163	2 008
5. Non-current investments	90 556	90 755	63 922
5.1. Property			
5.2. Intangible assets			
5.3. Non-current financial assets	90 556	90 755	63 922
a) in related undertakings, including:	88 556	88 755	61 922
- shares and other equity interests in subordinated undertakings valued with equity method			
- shares and other equity interests in subsidiary and jointly controlled undertakings not subject to consolidation			
b) in other undertakings	2 000	2 000	2 000
5.4. Other non-current investments			
6. Non-current prepayments and accrued income	6 951	9 041	7 421
6.1. Deferred tax asset	6 951	9 041	7 421
6.2. Other non-current prepayments and accrued income			
II. Current assets	153 045	126 758	117 706
1. Inventories	31 189	22 378	22 692
2. Current receivables	108 413	91 732	84 863
2.1. From related undertakings	31 377	26 594	11 697
2.2. From other undertakings	77 036	65 138	73 166
3. Current investments	12 187	12 031	9 744
3.1. Current financial assets	12 187	12 031	9 744
a) in related undertakings			
b) in other undertakings	800	800	
c) cash and cash equivalents	11 387	11 231	9 744
3.2. Other current investments			
4. Current prepayments and accrued income	1 256	617	407
Total assets	348 125	326 476	296 981

BALANCE SHEET	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006 end of previous quarter 2006	as at Mar 31 2006
Equity and liabilities			
I. Equity	125 350	122 860	108 523
1. Share capital	13 089	13 089	13 089
2. Called-up share capital not paid (negative value)			
3. Treasury shares (negative value)			-22 920
4. Statutory reserve funds	93 197	93 197	112 340
5. Revaluation capital reserve	28	28	28
6. Other capital reserves	1 436	1 436	1 436
8. Retained earnings (deficit)	14 043	0	3 537
9. Net profit (loss)	3 557	15 110	1 013
10. Distributions from net profit in financial year (negative value)			
IV. Liabilities and provisions for liabilities	222 775	203 616	188 458
1. Provisions for liabilities	2 044	1 725	1 174
1.1. Deferred tax liability	1 470	1 172	821
1.2. Provisions for retirement benefits and other benefits	100	79	79
a) non-current	87	79	71
b) current	13	0	8
1.3. Other provisions	474	474	274
a) non-current		474	
b) current	474		274
2. Non-current liabilities	55 864	35 945	54 125
2.1. To related undertakings			
2.2. To other undertakings	55 864	35 945	54 125
3. Current liabilities	146 505	148 919	116 938
3.1. To related undertakings	7 395	1 664	1 542
3.2. To other undertakings	126 664	136 325	106 131
3.3. Special accounts	12 446	10 930	9 265
4. Accruals and deferred income	18 362	17 027	16 221
4.1. Negative goodwill			
4.2. Other accruals and deferred income	18 362	17 027	16 221
a) non-current	4 547	4 854	6 678
b) current	13 815	12 173	9 543
Total equity and liabilities	348 125	326 476	296 981

OFF-BALANCE-SHEET ITEMS	as at Mar 31 2007 end of quarter 2007	as at Dec 31 2006 end of previous quarter 2006	as at Mar 31 2006 end of quarter 2006
1. Contingent receivables			
1.1. From related undertakings, including:			
- guarantees and sureties received			
-			
...			
1.2. From other undertakings, including:			
- guarantees and sureties received			
-			
...			
2. Contingent liabilities	300		
2.1. To related undertakings, including:			
- guarantees and sureties issued			
-			
...			
2.2. To other undertakings, including	300		
- guarantees and sureties issued	300		
- lease agreements			
...			
3. Other, including:	0	0	0
- bottling line			
- pallet wrapping machine			
- conveyor trolley			
- vehicles			
Total off-balance-sheet property, plant and equipment	0	0	0
..			
Total off-balance-sheet items	300	0	0

II. Non-Consolidated Income Statement

INCOME STATEMENT	Q1 Jan 1 - Mar 31 2007	Q1 Jan 1 - Mar 31 2006
I. Net sales revenue, including:	94 210	65 136
- from related undertakings	12 489	3 670
1. Net revenue on sales of products	86 519	63 403
2. Net revenue on sales of goods for resale and materials	7 691	1 733
II. Cost of sales, including:	60 914	44 321
- to related undertakings	7 176	2 141
1. Cost of products sold	55 014	42 683
2. Cost of goods for resale and materials sold	5 900	1 638
III. Gross profit (loss) on sales (I-II)	33 296	20 815
IV. Selling costs	23 308	14 854
V. General and administrative expenses	5 055	4 878
VI. Profit (loss) on sales (III-IV-V)	4 933	1 083
VII. Other operating income	1 916	2 363
1. Gain on disposal of non-financial non-current assets	515	604
2. Subsidies		
3. Other operating income	1 401	1 759
VIII. Other operating expenses	496	289
1. Loss on disposal of non-financial non-current assets		
2. Revaluation of non-financial assets	125	125
3. Other operating expenses	371	164
IX. Operating profit (loss) (VI+VII-VIII)	6 353	3 157
X. Financial income	69	655
1. Dividends and distributions from profit, including:		
- from related undertakings		
2. Interest, including:	16	434
- from related undertakings		
3. Gain on disposal of investments		
4. Investment revaluation		
5. Other	53	221
XI. Financial expenses	1 796	2 407
1. Interest, including:	1 388	1 506
- to related undertakings		
2. Loss on disposal of investments		
3. Investment revaluation		
4. Other	408	901
XIII. Pre-tax profit (loss) before extraordinary items (IX+X-XI+/-XII)	4 626	1 405
XIV. Result on extraordinary items (XIV.1. - XIV.2.)	0	0
1. Extraordinary gains		
2. Extraordinary losses		
XVII. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)	4 626	1 405
XVIII. Corporate income tax	1 069	392
a) current		
b) deferred	1 069	392
XXII. Pre-tax profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)	3 557	1 013

III. Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY	Q1	Jan	2006	Q1	Jan
	1 - Mar 31 2007	1 - Mar 31 2007		1 - Mar 31 2006	1 - Mar 31 2006
I. Balance of equity at beginning of period		122 860		107 439	107 510
a) changes in adopted accounting policies					
b) correction of fundamental errors					
I.a. Balance of equity at beginning of period, after reconciliation with comparable data		122 860		107 439	107 510
1. Balance of share capital at beginning of period		13 089		13 089	13 089
1.1. Changes in share capital					
a) increase, including:					
- issue of shares					
-					
...					
b) decrease, including:					
- retirement of shares					
-					
...					
1.2. Balance of share capital at end of period		13 089		13 089	13 089
2. Balance of called-up share capital not paid at beginning of period					
2.1. Changes in called-up share capital not paid					
a) increase					
-					
b) decrease					
-					
...					
2.2. Balance of called-up share capital not paid at end of period					
3. Treasury shares at beginning of period		0		-22 920	-22 920
3.1. Changes in treasury shares					
a) increase, including:					
- acquisition of shares					
...					
b) decrease, including:					
- sale of shares				22 920	
...					
3.2. Treasury shares at end of period		0		0	-22 920
4. Balance of statutory reserve funds at beginning of period		93 197		112 340	112 340
4.1. Changes in statutory reserve funds					
a) increase, including:		0		871	0
- share premium					
- distribution of profit (statutory)					
- distribution of profit (above statutory minimum)				871	
- transfer from revaluation capital reserve					
- rounding-offs					
b) decrease, including:		0		20 014	0
- coverage of loss					
- sale of treasury shares				20 014	
...					
4.2. Balance of statutory reserve funds at end of period		93 197		93 197	112 340
5. Balance of revaluation capital reserve at beginning of period		28		28	28
5.1. Changes in revaluation capital reserves					
a) increase		0		0	0
...					
b) decrease, including:		0		0	0
- disposal of property, plant and equipment					
- rounding-offs					
- transfer to statutory reserve funds					
5.2. Balance of revaluation capital reserve at end of period		28		28	28
6. Balance of other capital reserves at beginning of period		1 436		1 436	1 436
6.1. Changes in other capital reserves					
a) increase					

-			
...			
b) decrease			
-			
...			
6.2. Balance of other capital reserves at end of period	1 436	1 436	1 436
7. Currency translation differences on subordinated undertakings			
8. Balance of retained earnings (deficit) at beginning of period	15 110	3 466	3 537
8.1. Balance of retained earnings at beginning of period	15 110	3 466	3 537
a) changes in adopted accounting policies			
b) correction of fundamental errors			
8.2. Balance of retained earnings at beginning of period, after reconciliation with comparable data	15 110	3 466	3 537
a) increase, including:	0	0	0
- contribution from retained earnings			
...			
b) decrease, including:	1 067	3 466	0
- adjustment of preliminary result - audit	1 067		
- dividend paid		2 595	
- contribution to statutory reserve funds		871	
8.3. Balance of retained earnings at end of period	14 043	0	3 537
8.4. Balance of retained deficit at beginning of period		0	
a) changes in adopted accounting policies			
b) correction of fundamental errors			
8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data	0	0	0
a) increase, including:			
- retained deficit brought forward to be covered			
- adjustment of preliminary result after audit			
...			
b) decrease, including:	0	0	0
- retained deficit covered			
-			
8.6. Balance of retained deficit at end of period	0	0	0
8.7. Balance of retained earnings (deficit) at end of period	14 043	0	3 537
9. Net profit (loss)	3 557	15 110	1 013
a) net profit	3 557	15 110	1 013
b) net loss			
c) profit distributions			
II. Balance of equity at end of period	125 350	122 860	108 523
III. Equity after proposed distribution of profit (coverage of loss)			

IV. Non-Consolidated Cash-Flow Statement

CASH-FLOW STATEMENT	Q1 Jan 1 - Mar 31 2007	Q1 Jan 1 - Mar 31 2006
A. Cash flows from operating activities – direct method		
I. Cash provided by operating activities		
1. Sales		
2. Other cash provided by operating activities		
II. Cash used in operating activities		
1. Supplies and services		
2. Net salaries and wages		
3. Social and health insurance and other employee benefits		
4. Taxes and public charges		
5. Other cash used in operating activities		
III. Net cash provided by (used in) operating activities (I-II)		
A. Cash flows from operating activities - indirect method		
I. Net profit / (loss)	3 557	1 013
II. Total adjustments	-1 606	-181
1. Profit (loss) attributable to minority interests		
2. Share in net (profit)/ loss of undertakings valued with equity method		
3. Depreciation and amortisation, including:	5 104	4 952
- write-offs of (negative) goodwill of subordinated undertakings		
4. Foreign exchange (gains)/ losses	395	936
5. Dividends and interest	1 372	1 503
6. Gain/ loss on investing activities	-515	-604
7. Change in provisions	319	14
8. Change in inventories	-8 811	3 859
9. Change in receivables	-16 858	-4 057
10. Change in current liabilities, net of loans and borrowings	14 403	-10 432
11. Change in accruals and deferrals	2 786	4 477
12. Other adjustments	199	-829
III. Net cash provided by (used in) operating activities (I+/-II)	1 951	832
B. Cash flows from investing activities		
I. Cash provided by investing activities	1 567	892
1. Disposal of intangible assets and property, plant and equipment	1 567	892
2. Disposal of investment property and intangible assets		
3. Cash provided by financial assets, including:	0	0
a) in related undertakings	0	0
- disposal of financial assets		
- dividends and other profit distributions		
- repayment of long-term loans advanced		
- interest		
- other cash provided by financial assets		
b) in other undertakings		
- disposal of financial assets		
- dividends and other profit distributions		
- repayment of long-term loans advanced		
- interest		
- other cash provided by financial assets		
4. Other cash provided by investing activities		
II. Cash used in investing activities	3 630	2 395
1. Acquisition of intangible assets and property, plant and equipment	3 630	2 395
2. Acquisition of investment property and intangible assets		
3. Cash used on financial assets, including:	0	0
a) in related undertakings	0	0
- acquisition of financial assets		
- long-term loans advanced		
b) in other undertakings		0
- acquisition of financial assets		
- long-term loans advanced		
4. Dividends and other profit distributions to minority interests		
5. Other cash used in investing activities		
III. Net cash provided by (used in) investing activities (I-II)	-2 063	-1 503
C. Cash flows from financing activities		
I. Cash flows provided by financing activities	9 389	16 093

1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		
2. Loans and borrowings	9 389	16 093
3. Issue of debt securities		
4. Other cash provided by financing activities		
II. Cash used in financing activities	9 121	15 437
1. Acquisition of treasury shares		
2. Dividends and other distributions to shareholders		
3. Distributions from profit other than distributions to shareholders		
4. Repayment of loans and borrowings	3 411	9 581
5. Redemption of debt securities		
6. Other financial liabilities		
7. Repayment of financed lease liabilities	4 338	4 397
8. Interest paid	1 372	1 459
9. Other cash used in financing activities		
III. Net cash provided by (used in) financing activities (I-II)	0	656
D. Total net cash flow (A.III+/-B.III+/-C.III)	156	-15
E. Balance-sheet change in cash, including:	156	-15
- change in cash resulting from foreign exchange gains/(losses)		
F. Cash at beginning of period	11 231	9 759
G. Cash at end of period (F+/- D), including:	11 387	9 744
- restricted cash	10 363	7 592

I. Accounting Policies

These Q1 2007 consolidated financial statements of the HOOP Group, as well as the consolidated financial statements for the comparable period were prepared in accordance with the International Financial Reporting Standards (IAS/IFRS), with the exception of the following:

- In accordance with the regulations of IAS/IFRS, immediately upon acquisition of 100% of PAOLA S.A. shares, work commenced to determine the fair value of the acquired company's assets as at the date of acquisition. However, since this task is time-consuming, it had not been completed as at the date of publication of this report, and therefore the resultant adjustments, if any, were not taken into account. The total scope of the adjustments required under IAS/IFRS, verified by auditors, will be disclosed in the Group's consolidated annual financial statements for 2006.

The Q1 2007 condensed financial statements of the parent undertaking - HOOP S.A.- as well as the financial statements for the comparable period were prepared in accordance with the relevant provisions of the Polish Accountancy Act of September 29th 1994 (Dz.U. No. 121, item 591, as amended); Regulation of the Minister of Finance on detailed rules governing preparation of consolidated financial statements by entities other than banks and insurance companies, dated December 12th 2001 (Dz.U. No. 152, item 1729); and Par. 98 of the Polish Council of Ministers' Regulation on current and periodic information to be published by issuers of securities, dated October 19th 2005 (Dz.U. No. 209, item 1744).

The consolidated financial statements for Q1 2007 include data on PPWM Woda Grodziska Sp. z o.o., Pomorskie Centrum Dystrybucji HOOP Sp. z o.o., the Megpack Group, Bobmark International Sp. z o.o., Maxpol Sp. z o.o. and Paola S.A., all of which are consolidated with the full method. They also include data on Transport-Spedycja-Handel-Sulich Sp. z o.o. (jointly controlled undertaking), consolidated with the equity method.

The 2006 comparable data presented in these consolidated financial statements for Q1 2007 is the consolidated data prepared in accordance with the IAS/IFRS. They do not include Bobmark International Sp. z o.o. and Maxpol Sp. z o.o., acquired in Q2 2006, or Paola S.A., acquired in Q4 2006.

The valuation allowances for non-financial assets made in Q1 2007 amount to PLN 125 thousand.

In the period January-March 2007, changes in the deferred tax asset and liability resulted in a reduction of the Company's net profit for the period by PLN 1,237 thousand.

II. Consolidated Companies of the HOOP Group

1. Parent undertaking - **HOOP S.A.**, registered office at ul. Jana Olbrachta 94, 01-102 Warsaw, Poland;

2. Subsidiary undertaking - **Przedsiębiorstwo Produkcji Wód Mineralnych Woda Grodziska Sp. z o.o.**, registered office at ul. St. Mikołajczyka 8, 62-065 Grodzisk Wielkopolski, Poland, in which HOOP holds 99.88% of shares, conferring the right to 99.88% of the total vote at the General Shareholders Meeting. The business of PPWM Woda Grodziska Sp. z o.o. consists mainly in leasing out its production assets.

3. Subsidiary undertaking - **Pomorskie Centrum Dystrybucji HOOP Sp. z o.o.**, registered office at ul. BoWiD 9e, 75-209 Koszalin, Poland, in which HOOP holds 75% shares, conferring the right to 75% of the total vote at the General Shareholders Meeting. The core business of PCD HOOP Sp. z o.o. is wholesale of beverages.

4. Subsidiary undertaking - **Megpack Group**, with **OOO Megapack** as the parent undertaking, with registered office in Promozno, Vidnoye, Leninskiy District, Moscow Region, Russian Federation, in which HOOP holds an interest representing 50% of the share capital. The core business of the Megpack Group is provision of bottling services, licence-based production of own beverages, including HOOP and Arctic brand beverages, and their distribution in the Russian Federation.

5. Subsidiary undertaking - **Bobmark International Sp. z o.o.** of Warsaw, Poland, in which HOOP S.A. holds 100% of shares. The core business of Bobmark International Sp. z o.o. is wholesale of beverages.

6. Subsidiary undertaking - **Maxpol Sp. z o.o.** of Sufczyn, Poland, in which HOOP S.A. holds 100% of shares. The core business of Maxpol Sp. z o.o. is wholesale of beverages.

7. Subsidiary undertaking - **Paola S.A.** of Bielany Wrocławskie, near Wrocław, in which HOOP S.A. holds 100% of shares. PAOLA S.A.'s core business is the production and sale of high-sugar fruit juices and syrups.

8. Jointly controlled undertaking - **Transport-Spedycja-Handel-Sulich Sp. z o.o.** of Bielsk Podlaski, Poland. Its core business is road transport.

In Q1 2007, the structure of the HOOP Group did not change relative to the situation as at December 31st 2006.

III. Financial Results

1. Consolidated Balance Sheet

Balance sheet of the HOOP Group	Q1 2007		Q1 2006		Difference	Change
	PLN '000	% of the balance-sheet total	PLN '000	% of the balance-sheet total		
	/A/	/B/	/C/	/D/		
Assets						
Non-current assets	239,334	52.4%	212,772	55.8%	26,562	12.5%
Current assets	217,810	47.6%	168,256	44.2%	49,554	29.5%
Total assets	457,144	100.0%	381,028	100.0%	76,116	20.0%
Equity and liabilities						
Equity	153,854	33.7%	121,339	31.8%	32,515	26.8%
<i>Equity attributable to equity holders of the parent</i>	129,071	83.9%	105,800	87.2%	23,271	22.0%
Minority interests	24,783	16.1%	15,539	12.8%	9,244	59.5%
Liabilities and provisions for liabilities	303,290	66.3%	259,689	68.2%	43,601	16.8%
Provisions for liabilities	11,777	3.9%	3,139	1.2%	8,638	275.2%
Non-current liabilities	58,045	19.1%	54,166	20.9%	3,879	7.2%
Current liabilities	213,867	70.5%	186,146	71.7%	27,721	14.9%
Accruals and deferred income	19,601	6.5%	16,241	6.3%	3,360	20.7%
Total equity and liabilities	457,144	100.0%	381,028	100.0%	76,116	20.0%

Non-Current Assets

A 12.5% increase in non-current assets was primarily due to the inclusion of Bobmark Sp. z o.o. and Maxpol Sp. z o.o., distribution companies, and PAOLA S.A., all purchased in 2006, in the consolidated balance sheet as at March 31st 2007.

Current Assets

Growth of PLN 49.6m (29.5%) in the Group's current assets was caused by a PLN 35.3m increase in the current assets of HOOP S.A., which followed from a significant year-on-year improvement in sales in Q1 2007 and the inclusion of Bobmark, Maxpol and PAOLA in the balance sheet as at March 31st 2007; these companies were not consolidated in Q1 2006.

Liabilities and Provisions for Liabilities

The provisions and non-current liabilities rose by PLN 8.6m and PLN 3.9m, respectively, primarily as a result of the consolidation of three new companies in Q1 2007, which were not included in the Q1 2006 balance sheet.

Current Liabilities

Principal changes to current liabilities in Q1 2007 relative to Q1 2006:

- a) PLN 29.6m rise in current liabilities of HOOP S.A. caused by an increase in sales revenue,
- b) PLN 22.5m reduction in current liabilities of the Megpack Group, and
- c) an increase in current liabilities resulting from the consolidation of new companies, in particular of PAOLA S.A., which increased current liabilities by PLN 18.7m.

2. Consolidated Income Statement

Income Statement	Q1 2007	Q1 2006	Difference (PLN'000)	Change (%)
	PLN'000	PLN'000		
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	164,584	101,104	63,480	63%
Net revenue on sales of products	137,592	93,042	44,550	48%
Cost of sales, including:	113,484	74,459	39,025	52%
Cost of products sold	91,696	68,485	23,211	34%
Gross profit/(loss) on sales	51,100	26,645	24,445	92%
Selling costs	32,220	19,449	12,771	66%
General and administrative expenses	10,822	8,593	2,229	26%
Profit (loss) on sales	8,058	-1,397	9,455	
Profit/(loss) on other operating activities	-11	2,555	-2,566	
Operating profit/(loss)	8,047	1,158	6,889	595%
Profit/(loss) on financing activities	-2,179	-2,400	221	
Result on extraordinary items				
Pre-tax profit/(loss)	5,868	-1,242	7,110	
Corporate income tax	1,402	133	1,269	
Profit/(loss) attributable to minority interests	-852	827	-1,679	
Net profit/(loss)	3,614	-548	4,162	



Q1 2007 Report

Selected items of the HOOP Group companies' income statements (PLN '000)

(non-consolidated data without consolidation adjustments)

(for companies which were not consolidated in Q1 2006, data is provided only for Q1 2007)

	HOOP S.A.		Megpack Group		Paola S.A.		PPWM Woda Grodziska Sp. z o.o.		PCD HOOP Sp. z o.o.		Bobmark International Sp. z o.o.		Maxpol Sp. z o.o.	
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006
Net sales revenue, including:	94,210	65,136	43,100	31,993	19,044		768	694	8,350	6,081	7,474		11,000	
Profit/(loss) on operating activities (EBIT)	6,353	3,157	2,147	-963	2,501		-72	89	-221	-396	-83		-687	
Pre-tax profit/(loss)	4,626	1,405	1,843	-1,630	2,380		-68	99	-210	-387	-85		-721	
Net profit/(loss)	3,557	1,013	1,704	-1,459	2,164		-68	99	-210	-387	-85		-721	

Net Sales Revenue

In Q1 2007, the HOOP Group generated PLN 164,584 thousand in net sales revenue, compared with PLN 101,104 thousand, which represents year-on-year growth of 63%

In Q1 2007, the revenue on sales of products totalled PLN 137,592 thousand, having increased by 48% from PLN 93,042 thousand in Q1 2006.

The following main factors contributed to the increase in the Group's revenue in Q1 2007 compared with Q1 2006:

a) An increase in the revenue of the parent undertaking - HOOP S.A., whose net sales revenue reported for Q1 2007 amounted to PLN 94,210 thousand, that is 45% more than in Q1 2006 (PLN 65,136 thousand), while the revenue on sales of products in Q1 2007 amounted to PLN 86,519 thousand, and was 37% higher than in the corresponding period of 2006 (PLN 63,403 thousand).

b) A PLN 11,107 thousand (35%) increase in the revenue of the Megpack Group in Q1 2007 relative to Q1 2006, including growth of the revenue on sales of products by 23%.

c) Q1 2007 consolidation of Bobmark International Sp. z o.o., acquired on May 31st 2006, which increased the Group's revenue by PLN 1,621 thousand (after exclusion of intra-group transactions).

d) Q1 2007 consolidation of MAXPOL Sp. z o.o., acquired on May 31st 2006, which increased the Group's revenue by PLN 9,507 thousand.

e) Q1 2007 consolidation of PAOLA S.A., acquired on October 31st 2006, which increased the Group's revenue by PLN 12,624 thousand.

Financial Results of the HOOP Group

In Q1 2007, the HOOP Group recorded a net profit of PLN 3,614 thousand, which is an improvement of PLN 4,162 thousand on the net loss of PLN 548 thousand recorded in Q1 2006.

Key factors with a bearing on the HOOP Group's financial results in Q1 2007 relative to Q1 2006:

a) Net profit of PLN 3,557 thousand earned by the parent undertaking in Q1 2007, representing PLN 2,544 thousand improvement on the net profit posted in Q1 2006 (PLN 1,013 thousand).

b) Net profit of PLN 1,704 thousand posted in Q1 2007 by the Megpack Group, which was a PLN 3,163 thousand improvement on the Megpack Group's net loss of PLN 1,459 thousand reported for Q1 2006. Given the 50% equity interest held in Megapack by HOOP S.A., this means a PLN 1,581 thousand year-on-year increase in the HOOP Group's net profit for Q1 2007.

- c) First-time consolidation of the distribution companies BOBMARK International Sp. z o.o. and Maxpol Sp. z o.o., acquired on May 31st 2006. Their aggregate contribution to the Group's net result was a loss of -PLN 1,364 thousand, comprising a total net loss of PLN 806 thousand posted by the distribution companies in Q1 2007, and consolidation adjustments of -PLN 558 thousand. In the case of companies which are engaged mainly in the distribution of non-alcoholic and low-alcohol beverages, a negative result for the first quarter is common. Similarly, negative consolidation adjustments related to a reduction of the Group's net result by the amount of unrealized margin, which results from the increase in warehouse stock before the approaching high season. In the following quarters, we expect that the distribution companies will contribute positively to the HOOP Group's results.
- d) First-time consolidation of PAOLA S.A., acquired on October 31st 2006. The contribution of that company to the Group's net result was PLN 1.599 thousand, comprising PAOLA S.A.'s net profit of PLN 2,164 thousand for Q1 2007 and consolidation adjustments of -PLN 565 thousand.

Other differences between the Q1 2007 and Q1 2006 net financial results are attributable to the differences in the net profits and the value of consolidation adjustments made for PCD Sp. z o.o. and PPMW Woda Grodziska Sp. z o.o., as well as the differences in adjustments made with a view to adapting the data presented in the report to the IAS/IFRS.

3. Selected Financial Ratios for the HOOP Group

	Q1 2007	Q1 2006	Past four quarters	2006
	PLN '000	PLN '000		
EBIT*	8,047	1,158	43,797	36,908
EBITDA*	15,426	8,105	75,528	68,207
Profitability ratios				
Gross sales margin *	31.0%	26.4%	19.4%	13.6%
Net margin	2.2%	-.05%	3.1%	2.8%

* The ratio includes 100% of the Megpack Group's results.

In Q1 2007, EBIT rose almost seven-fold from the analogous period of 2006. Compared with Q1 2006, all the key profitability ratios improved considerably as well. Notwithstanding the seasonality of sales typical of the beverages industry, which traditionally makes the first quarter one of the weakest periods during the year, the HOOP Group's net margin for Q1 2007 amounted to 2.2%, which was only slightly lower than the margin for the entire 2006 year.

IV. Information on the Operating Activities of the HOOP Group

Sales Revenue

Sales of individual products relative to the corresponding period of 2006.

Type of product	Q1 2007			Q1 2006	
	Sales (PLN '000)	Share of total sales	Change 2006/ 2007	Sales (PLN '000)	Share of total sales
Carbonated beverages	53,743	62.1%	36.8%	39,295	62.0%
Non-carbonated beverages	18,232	21.1%	13.9%	16,004	25.2%
Water	14,075	16.3%	85.0%	7,608	12.0%
Syrups	124	0.1%	-	-	-
Services	345	0.4%	-30.9%	499	0.8%
Total products	86,519	91.8%	36.5%	63,406	97.3%
<i>including private-label beverages</i>	27,925	32.3%	50.6%	18,546	29.2%
Revenue on sales of goods for resale and materials	7,691	8.2%	343.8%	1,733	2.7%
<i>including syrups and other PAOLA products</i>	6,814	88.6%	-	-	-
Total sales revenue	94,210	100.0%	44.6%	65,139	100.0%

In Q1 2007, HOOP S.A.'s net sales revenue rose by 44.6% compared with Q1 2006, with revenue on sales of products going up by 36.5%. Such a considerable rise in the sales of products was due to high growth in sales across all the main groups of the Company's products, including carbonated beverages, non-carbonated beverages and water, which was a result of increased promotional efforts and continued investments in the key sales channels.

Syrups and other products included in the Company's portfolio after the acquisition of PAOLA S.A., represent a significant portion of the Company's total sales revenue. In Q1 2007, a considerable part of PAOLA S.A.'s output was distributed through the intermediation of HOOP S.A., as a result of which the Company recognised revenue of PLN 6.8m, attributable to sales of PAOLA S.A.'s products, under "sales of goods for resale and materials".

In March 2007, under a licence agreement executed between PAOLA S.A. and HOOP S.A., HOOP S.A. launched the production of syrups at one of its production plants. The sales of those syrups are recognised under "revenue on sales of products". In Q1 2007, this item was not significant: it stood at only PLN 124 thousand, but as the consolidation of production, logistics and distribution segments within the HOOP Group advances, the share of syrups and other PAOLA products distributed and produced by HOOP S.A. in the total revenue will grow steadily.

HOOP S.A. vs. the Market

Market shares of HOOP S.A.'s products in Poland by segments (quarterly average)

Type of product	Q1 2007		Q1 2006		Q1 2007 vs. Q1 2005
	% share of volume	% share of value	% share of volume	% share of value	Change in market share
Carbonated beverages	11.72	8.39	11.91	8.69	+20.9%
Non-carbonated beverages	9.06	7.03	11.70	9.94	+31.7%
Water	2.99	3.86	1.69	2.39	+32.4%

Source: HOOP S.A., based on AC Nielsen Polska.

When analysing Hoop's shares in particular market segments it should be borne in mind that the reported market shares cover only beverages and water sold under the Company's trademarks, to the exclusion of private label products produced by HOOP S.A. for retail chains. A quickly expanding share of private labels in the total domestic market of beverages and water is resulting in a reduction of the market shares of the majority of products sold under own trademarks. Due to high flexibility in terms of production and sales, combined with the Company's production capacity, HOOP S.A. is well-positioned to follow the market trends and dynamically increase its sales of private label beverages (a 50.6% rise in Q1 2007 from Q1 2006).

The presented data indicates that as far as the products sold under the Company's own trademarks are concerned, over the past 12 months HOOP S.A.'s share in the market of carbonated beverages remained flat, its share in the segment of non-carbonated beverages declined, while in the segment of water HOOP S.A. recorded a significant increase in its market share.

A decline in the market share in the non-carbonated segment is not surprising if we take into account the fact that this market segment includes also all beverages in cartons, which are not 100% juices. A rapid development of this segment of the non-carbonated beverage market, where HOOP S.A. is not present, reduces the share of beverages packaged in PET bottles in the entire non-carbonated beverages segment. In the category of PET bottled beverages, the Company remains an undisputed leader.

In the segment of carbonated beverages, the Company continued to expand the market shares of its fruit-flavoured beverages (constant growth at a rate above the market average) and cola-flavoured drinks (stable growth). Consequently, in terms of volume, HOOP S.A. ranked second in Poland, outperforming Pepsi Cola.

A marked increase in market shares for water, from 1.69% to 2.99%, was a consequence of consistent implementation of the marketing and distribution policies aimed at restoring the position of the Arctic brand.

Financial Results of HOOP S.A.

Income statement	Q1 2007	Q1 2006	Difference	Change (%)
	(PLN '000)	(PLN '000)	(PLN '000)	
	/A/	/B/	/A/-/B/	$\frac{/A/-/B/}{B}$
Net sales revenue, including:	94,210	65,136	29,074	44.6%
Net revenue on sales of products	86,519	63,403	23,116	36.5%
Cost of sales, including:	60,914	44,321	16,593	37.4%
Cost of products sold	55,014	42,683	12,331	28.9%
Gross profit/(loss) on sales	33,296	20,815	12,481	60.0%
Selling costs	23,308	14,854	8,454	56.9%
General and administrative expenses	5,055	4,878	177	3.6%
Profit (loss) on sales	4,933	1,083	3,850	355.5%
Profit/(loss) on other operating activities	1,420	2,074	-654	-31.5%
Operating profit/(loss)	6,353	3,157	3,196	101.2%
Profit/(loss) on financing activities	-1,757	-1,752	25	
Result on extraordinary items				
Pre-tax profit/(loss)	4,626	1,405	3,221	229.3%
Corporate income tax	1,069	392	677	172.7%
Net profit/(loss)	3,557	1,013	2,544	251.1%

The Company's financial results for Q1 2007, considerably higher than for Q1 2006, were largely fuelled by a dynamic growth in sales revenue and strict control of the Company's operating expenses. Relative to Q1 2006, in Q1 2007 the increase in the cost of products sold (by 28.9%) was lower than the growth in revenue on sales of products (up by 36.5%), while general and administrative expenses rose by just 3.6%.

Only the increase in selling costs (up by 56.9%) was higher than the growth in the sales revenue, but this followed from the execution of planned marketing and promotional activities and increased investments in the development of distribution channels.

Due to the above factors, in Q1 2007 HOOP S.A. had a profit on sales of PLN 4,933 thousand, up by PLN 3,850 thousand (355%) from the profit generated in Q1 2006.

Q1 2007 profit on other operating activities (PLN 1,420 thousand) was lower by PLN 654 thousand than the corresponding figure for Q1 2006. This difference was largely due to the compensation received in Q1 2006 from an

insurance company on account of a stolen car, as well as an increase in the costs of liquidation of defective or useless materials and products.

The Q1 2007 pre-tax profit, amounting to PLN 4,626 thousand, was higher by PLN 3,221 thousand (229.3%) than the figure posted for Q1 2006. The Q1 2007 net profit (PLN 3,557 thousand) was higher by PLN 2,544 (251.1%) than the net profit for Q1 2006 (PLN 1,013 thousand).

Looking at the results achieved by HOOP S.A. in Q1 2007, we conclude that it was a successful quarter. The large increase in sales revenue and higher figures at all levels of the income statement relative to Q1 2006 are evidence of a clear improvement over the past 12 months, and bode well for equally good results in subsequent quarters of 2007.

Financial Highlights of HOOP S.A.

	Q1 2007	Q1 2006	Past four quarters	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
EBIT	6,353	3,157	24,874	21,678
EBITDA	11,457	8,109	45,169	41,821
Profitability ratios				
Gross sales margin	35.3%	32.0%	35.5%	34.9%
Net margin	3.8%	1.6%	4.2%	3.8%

V. Information on the Operating Activities of the Megapack Group

Income statement	Q1 2007	Q1 2006	Difference	Change (%)
	(PLN '000)	(PLN '000)	(PLN '000)	%
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	43,100	31,993	11,107	35%
Net revenue on sales of products	38,712	31,542	7,170	23%
Cost of sales, including:	32,548	27,002	5,546	21%
Cost of products sold	28,221	26,667	1,554	6%
Gross profit (loss) on sales	10,552	4,991	5,561	111%
Selling costs	2,977	3,070	-93	-3%
General and administrative expenses	3,965	3,224	741	23%
Profit/(loss) on sales	3,610	-1,304	4,913	
Profit/(loss) on other operating activities	-1,463	340	-1,803	
Operating profit/(loss)	2,147	-963	3,110	
Profit/(loss) on financing activities	-304	-667	363	
Result on extraordinary items				
Pre-tax profit/(loss)	1,843	-1,630	3,473	
Corporate income tax	139	-171	310	
Net profit/(loss)	1,704	-1,459	3,163	

In Q1 2007, the Megapack Group reported a significant increase in sales revenue and a noticeable improvement in its pre-tax and net profit. The growth in sales revenue was due to many factors, including favourable weather conditions prevailing in Russia at the beginning of 2007; for the sake of comparison, in January and February 2006, Russia was hit by extremely cold weather.

Due to the higher excise tax rate on low-alcohol beverages introduced with effect from January 1st 2007, the sales of products which had been produced at the end of 2006, when the previous, lower excise tax rate applied, had a positive impact on the sales and financial results of the Megapack Group.

Financial Highlights of the Megapack Group

	Q1 2007	Q1 2006	Past four quarters	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
EBIT	2,147	-963	22,818	19,708
EBITDA	3,490	310	28,469	25,289
Profitability ratios				
Gross sales margin	24.5%	15.6%	27.9%	26.7%
Net margin	4.0%	-4.6%	7.5%	6.4%

VI. SUPPLEMENTARY INFORMATION

1. Description of factors and events subsequent to the date of the quarterly financial statements, which have not been included in these statements and which may significantly affect the future performance of the HOOP Group

On April 12th 2007, HOOP S.A. and Megapack, its subsidiary undertaking based in Russia, executed the following agreements whereby HOOP S.A. sold trademarks to OOO Megapack:

The agreement on the sale of protection rights to the "Hoop" trademark, registered with the International Bureau for the Protection of Intellectual Property on October 8th 2002, pursuant to registration certificate No. 789050. Under the registration certificate, OOO Megapack may use the "Hoop" trademark in Armenia, Azerbaijan, Byelorussia, Kazakhstan, Russia, Uzbekistan and Ukraine, for a gross consideration of USD 1,652,000.00, payable by April 30th 2007.

Under the agreement, HOOP S.A. has the pre-emptive right to purchase the trademark if OOO Megapack intends to dispose of it to an entity not related to OOO Megapack or all of OOO Megapack's shareholders.

The agreement on the sale of the protection right to the "Arctic" trademark in the territory of Russia, registered with the Federal Bureau for the Protection of Intellectual Property, Patents and Trademarks (Rospatent) on August 16th 2004, pursuant to registration certificate No. 273545, and the protection right to the "Arctic" trademark, registered with the International Bureau for the Protection of Intellectual Property on December 6th 2002, pursuant to registration certificate No. 796899. Under the registration certificate, OOO Megapack may use the trademarks in Armenia, Azerbaijan, Byelorussia, Kazakhstan and Ukraine, for a gross consideration of USD 1,109,200.00, payable by April 30th 2007.

Under the agreement, HOOP S.A. has the pre-emptive right to purchase each of the trademarks of OOO Megapack intends to dispose of them to an entity not related to OOO Megapack or all of OOO Megapack's shareholders.

The agreement on the sale of protection rights to the following trademarks:

the "Arctic Polar" trademark, which may be used in the territory of Russia, registered with the Federal Bureau for the Protection of Intellectual Property, Patents and Trademarks (Rospatent) on August 25th 1994, pursuant to registration certificate No. 119371,

the "Arctic Polar Beverages" trademark, which may be used in the territory of Russia, registered with the Federal Bureau for the Protection of Intellectual Property, Patents and Trademarks (Rospatent) on August 25th 1994, pursuant to registration certificate No. 119372,

the "Arctica" trademark (written in the Cyrillic alphabet) in the territory of Russia, registered with the Federal Bureau for the Protection of

Intellectual Property, Patents and Trademarks (Rospatent) on April 11th 2006, pursuant to registration certificate No. 304642,

for a total gross consideration of USD 999.00, payable within 30 days from the registration by Rospatent of the protection rights to the trademarks for the benefit of OOO Megapack.

Under the agreement, HOOP S.A. has the pre-emptive right to purchase each of the trademarks if OOO Megapack intends to dispose of them to an entity not related to OOO Megapack or all of OOO Megapack's shareholders.

OOO Megapack notified HOOP S.A. that the acquisition of the protection rights to the trademarks was financed with a loan advanced by ZAO RAIFFEISENBANK AUSTRIA of Moscow, Russia, under a loan agreement of April 25th 2007; the total loan amount is USD 8,000,000.00.

Furthermore, OOO Megapack notified HOOP S.A. of the acquisition, for USD 5.7m, of the protection right to the "Hooch" trademark, which was financed with the remaining portion of the loan.

The acquisition of the protection right to the "Hooch" trademark will have a positive effect on the Megpack Group's financial results, as the company will not have to pay licence fees for the use of the trademark. The fees for the use of the "Hooch" trademark amounted to USD 1.5m annually. The annual costs related to the acquisition of the trademark (financing costs plus amortisation) will be significantly lower than the licence fees.

2. Management Board's position on the feasibility of meeting the targets of the 2006 financial forecasts published earlier, in the light of the results presented in this quarterly report in comparison with the forecast results

The Company did not publish any official financial forecast for 2006.

3. Information on the shareholders holding, directly or indirectly through subsidiaries, 5% or more of the total vote at the General Shareholders Meeting of HOOP S.A. as at the date of this quarterly report, specifying the numbers of shares held by these shareholders, their interests in the Company's share capital, the resulting number of votes at the General Shareholders Meeting and their share in the total vote at the General Shareholders Meeting, and any changes in the ownership structure of major holdings of the Company shares after the publication of the previous quarterly report

To the best of the Company's knowledge as at the date of release of this quarterly report, the following persons held shares conferring the right to 5% or more of the total vote at the General Shareholders Meeting of HOOP S.A.:

1. Dariusz Wojdyga

4,421,801 shares, representing 33.78% of HOOP's share capital;

4,421,801 votes, representing 33.78% of the total vote at the General Shareholders Meeting of HOOP S.A.

2. Marek Jutkiewicz

3,825,756 shares, representing 29.23% of HOOP's share capital;
3,825,756 votes, representing 29.23% of the total vote at the General Shareholders Meeting of HOOP S.A.

3. ING Towarzystwo Funduszy Inwestycyjnych

Based on a notification of August 10th 2006 sent by ING Towarzystwo Funduszy Inwestycyjnych S.A., following the acquisition, on August 8th 2006, of further HOOP shares by investment funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A., these funds collectively hold:

1,412,669 shares, representing 10.79% of HOOP S.A.'s share capital;
1,412,669 votes, representing 10.79% of the total vote at the General Shareholders Meeting of HOOP S.A.

4. KSM Investment S.A.

Based on a notification of April 30th 2007 sent by KSM Investment S.A. of Luxembourg, following the acquisition of HOOP shares, KSM Investment S.A. holds 1,307,548 HOOP shares, representing 9.99% of the Company's share capital and conferring the right to 1,307,548 votes at the General Shareholders Meeting, or 9.99% of the total vote at the General Shareholders Meeting of HOOP S.A.

4. Presentation of changes in the number of HOOP shares and share-related rights (options) held by management and supervisory personnel

According to the information available to the Company, the following members of the Company's management and supervisory personnel held the Company shares as at the date of release of this consolidated report for Q1 2007:

Shareholder	Number of shares		Share in the share capital		Votes at the General Shareholders Meeting	
	May 15 2007	Mar 1 2007	May 15 2007	Mar 1 2007	May 15 2007	Mar 1 2007
Dariusz Wojdyga	4,421,801	5,729,349	33.78%	43.77%	33.78%	44.39%
Marek Jutkiewicz	3,825,756	3,825,756	29.23%	29.23%	29.23%	29.64%

5. Information on any court, arbitration or administrative proceedings

In Q1 2007, no court, arbitration or administrative proceedings were pending, which would relate to liabilities or claims of HOOP S.A. or its subsidiary with the total value amounting to 10% or more of the Company's equity.

6. Information on the conclusion, by the Company or its subsidiary undertakings, of a single transaction or a series of transactions with related undertakings, where the transaction value (total value of all transactions concluded since the commencement of the accounting year) exceeds the PLN equivalent of EUR 500,000, the transaction is not a typical or routine transaction concluded at arms' length within the Group, or a transaction whose nature and terms follow from the day-to-day operations conducted by the Company or its subsidiary

In Q1 2007, HOOP S.A. and its subsidiary undertakings did not conclude any transactions with related undertakings other than typical or routine transactions concluded at arms' length within the Group, whose nature and terms follow from the current operations of the Company or its subsidiary.

7. Information on any sureties for loans or guarantees issued by the Company or its subsidiary undertakings, jointly to one entity or its subsidiary, where the total amount of the outstanding sureties or guarantees represents 10% or more of the Company's equity

In Q1 2007, neither HOOP S.A. nor any of its subsidiary undertakings issued any sureties for loans or guarantees, jointly to one entity or its subsidiary, whose total amount would represent the equivalent of 10% or more of the Company's equity.

9. Factors which will have a bearing on the HOOP Group's results in the next quarter and beyond

In addition to typical factors, such as weather conditions, fluctuations in foreign exchange rates (mainly EUR/PLN), and fluctuations in prices of ingredients and materials (mainly sugar and crude oil), the Company's results will be mostly affected by the following factors:

- a) Continued assimilation of PAOLA S.A. (producing chiefly high-sugar fruit juices and syrups), acquired on October 31st 2006, which, as a result of synergies, should improve both HOOP S.A.'s and the Group's results;
- b) Possible acquisitions of other Polish companies operating on the beverages market;
- c) Development of the activities of the Megpack Group on the Russian market;
- d) Future growth in sales revenue on the domestic market, following from investments implemented and planned in order to increase HOOP's production capacity, as well as higher market development expenditure on promotion and marketing campaigns, and development and strengthening of the sales representatives network;
- e) Growth in exports, especially to the euro zone, which should facilitate generation of higher revenue and margins, contribute to a more effective utilisation of HOOP's production assets, and limit the effect of fluctuations in the EUR/PLN exchange rate on the Company's financial results.

The higher revenue on domestic and export sales should help the Group to further improve profitability of its sales.

HOOP S.A.'s financial performance in Q2 2007 will be influenced by the transactions referred to in Section VI.1, concerning sale by HOOP S.A. of trademarks to OOO Megapack.

HOOP S.A.'s and the Group's future results will be heavily influenced by the planned merger of HOOP S.A. with KOFOLA Holding A.S., as announced by the Company in Current Report No. 11/2007 of March 13th 2007.

Apart from the effects related to the acquisition of PAOLA S.A., a matter of particular importance for the entire HOOP Group will be the development of the Megpack Group - particularly the growth of private label sales offered by the Russian company. Growth of private label sales will lead to a more effective utilisation of the Group's production capacity, and therefore to an increase in profitability. As a result of certain contracts executed by the company, in 2005 and 2006 this revenue grew considerably. The contracts can be expected to bring further improvement in profitability by offering higher sales margins; however, in the case of low-alcohol beverages, the sales and profits may be affected by the higher excise tax rate for low-alcohol beverages, effective since January 1st 2007.

Apart from dynamic development of the production and sales of the Company's private brands, steps have also been taken to increase the revenue on beverage bottling services in subsequent years.

Signatures of persons representing the Company

May 15th 2007	Dariusz Wojdyga	President of the Management Board	
<i>date</i>	<i>name</i>	<i>position</i>	<i>signature</i>

May 15th 2007	Marek Jutkiewicz	Vice-President of the Management Board	
<i>date</i>	<i>name</i>	<i>position</i>	<i>signature</i>

May 15th 2007	Tomasz Jankowski	CFO	
<i>date</i>	<i>name</i>	<i>position</i>	<i>signature</i>

May 15th 2007	Katarzyna Balcerowicz	Chief Accountant	
<i>date</i>	<i>name</i>	<i>position</i>	<i>signature</i>