

CONSOLIDATED QUARTERLY REPORT OF THE HOOP GROUP



for the Second 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 Jun 30 2007 end of Q2 2007	as at Mar 31 2007 end of Q1 2007	as at Dec 31 end of 2006	as at Jun 30 2006 end of Q2 2006
A s s e t s				
I. Non-current assets	264 875	239 334	244 781	222 424
1. Intangible assets, including:	47 528	2047	32 337	1494
- goodwill				
2. Goodwill of subordinated undertakings	37 531	62 749	37 531	37 730
3. Property, plant and equipment	159 904	159 952	161 062	168 686
4. Non-current receivables	1 073	1 147	1 089	2 080
4.1. From related undertakings				
4.2. From other undertakings	1 073	1 147	1 089	2 080
5. Non-current investments	3 939	3 939	3 939	3 417
5.1. Property	1 000	1 000	1 000	628
5.2. Intangible assets			0	
5.3. Non-current financial assets	2 939	2 939	2 939	2 789
a) in related undertakings, including:				
- 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	2 939	2 939	2 939	2 789
5.4. Other non-current investments				
6. Non-current prepayments and accrued income	14 900	9 500	8 823	9 017
6.1. Deferred tax asset	14 745	8 531	8 668	8 884
6.2. Other non-current prepayments and accrued income	155	969	155	133
II. Current assets	294 267	217 810	236 984	226 825
1. Inventories	69 978	60 317	65 483	50 973
2. Current receivables	201 144	138 704	151 814	146 259
2.1. From related undertakings	151	140	51	35
2.2. From other undertakings	200 993	138 564	151 763	146 224
3. Current investments	20 045	16 336	15 483	22 701
3.1. Current financial assets	20 045	16 336	15 483	22 701
a) in related undertakings				
b) in other undertakings	812	812	930	800
c) cash and cash equivalents	19 233	15 524	14 553	21 901
3.2. Other current investments				
4. Current prepayments and accrued income	3 100	2 453	4 204	6 892
Total assets	559 142	457 144	481 765	449 249
E q u i t y a n d l i a b i l i t i e s				
I. Equity	166 218	153 854	145 663	138 388
IA Equity attributable to equity holders of the parent	136 350	129 071	121 485	117 595
1. Share capital	13 089	13 089	13 089	13 089
2. Called-up share capital not paid (negative value)				
3. Treasury shares (negative value)	0		0	-22 920
4. Statutory reserve funds	97 907	93 184	93 184	113 198
5. Revaluation capital reserve		0	0	
6. Other capital reserves	4 936	4 936	4 936	4 936
7. Currency translation differences on subordinated undertakings	-2 938	-554	-2 332	-11
a) foreign exchange gains				
b) foreign exchange losses	2 938	554	2 332	11
8. Retained earnings (deficit)	-101	14 802	-2 641	-2 856
9. Net profit (loss) attributable to shareholders of the parent	23 457	3 614	15 249	12 159
10. Distributions from net profit in financial year (negative value)				
IB Minority interests	29 868	24 783	24 178	20 793
III. Negative goodwill of subordinated undertakings				
IV. Liabilities and provisions for liabilities	392 924	303 290	336 102	310 861
1. Provisions for liabilities	17 591	11 777	17 862	3 915
1.1. Deferred tax liability	12 051	6 747	12 952	3 344
1.2. Provisions for retirement and similar benefits	538	380	423	217
a) non-current	95	95	141	80
b) current	443	285	282	137
1.3. Other provisions	5 002	4 650	4 487	354
a) non-current				
b) current	5 002	4 650	4 487	354
2. Non-current liabilities	53 082	58 045	61 151	45 078
2.1. To related undertakings				
2.2. To other undertakings	53 082	58 045	61 151	45 078
3. Current liabilities	296 144	213 867	244 615	237 645
3.1. To related undertakings	1 474	1 190	49	1 439
3.2. To other undertakings	281 349	199 974	233 240	225 757
3.3. Special accounts	13 321	12 703	11 326	10 449
4. Accruals and deferred income	26 107	19 601	12 474	24 223
4.1. Negative goodwill				
4.2. Other accruals and deferred income	26 107	19 601	12 474	24 223
a) non-current	4 159	4 547	4 952	6 108
b) current	21 948	15 054	7 522	18 115
Total equity and liabilities	559 142	457 144	481 765	449 249
Book value	136 350	129 071	121 485	117 595
Number of shares	13 088 576	13 088 576	13 088 576	12 976 800
Book value per share (PLN)	10,42	9,86	9,28	9,06

OFF-BALANCE-SHEET ITEMS	as at Jun 30 2007 end of quarter 2007	as at Mar 31 2007 end of previous quarter 2006	as at Dec 31 2006 end of 2006	as at Jun 30 2006 end of quarter 2006
1. Contingent receivables	2000	2 000	2 000	2000
1.1. From related undertakings, including:		0	0	
- guarantees and sureties received				
-				
...				
1.2. From other undertakings, including:	2000	2000	2000	2000
- guarantees and sureties received				
-				
...				
2. Contingent liabilities	300	300		9534
2.1. To related undertakings, including:				9534
- guarantees and sureties issued				9534
-				
...				
2.2. To other undertakings, including	300	300		
- guarantees and sureties issued	300	300		
- loans advanced				
- lease agreements				
3. Other, including:	22	22	56	
- bottling line				
- pallet wrapping machine				
- roller conveyor				
- vehicles	22	22	56	
Total off-balance-sheet property, plant and equipment				
..				
Total off-balance-sheet items	2322	2322	2056	11534

II. Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	Q2 2006 cumulative Jan 1 - Jun 30 2006	Q2 2006 Apr 1 - Jun 30 2006
I. Net sales revenue, including:	445 429	280 845	303 299	202 195
- from related undertakings	23	23	0	
1. Net revenue on sales of products	379 790	242 198	278 982	185 940
2. Net revenue on sales of goods for resale and materials	65 639	38 647	24 317	16 255
II. Cost of sales, including:	298 060	184 576	202 826	128 367
- to related undertakings	12	12	0	
1. Cost of products sold	245 252	153 556	182 367	113 882
2. Cost of goods for resale and materials sold	52 808	31 020	20 459	14 485
III. Gross profit (loss) on sales (I-II)	147 369	96 269	100 473	73 828
IV. Selling costs	85 768	53 548	61 268	41 819
V. General and administrative expenses	21 738	10 916	18 998	10 405
VI. Profit (loss) on sales (III-IV-V)	39 863	31 805	20 207	21 604
VII. Other operating income	6 831	4 416	13 250	9 511
1. Gain on disposal of non-financial non-current assets	1 108	572	1 263	678
2. Subsidies	100	47	0	0
3. Other operating income	5 623	3 797	11 987	8 833
VIII. Other operating expenses	6 606	4 180	7 607	6 423
1. Loss on disposal of non-financial non-current assets		0		0
2. Revaluation of non-financial assets	495	370	3 458	3 332
3. Other operating expenses	6 111	3 810	4 149	3 091
IX. Operating profit (loss) (VI+VII-VIII)	40 088	32 041	25 850	24 692
X. Financial income	430	335	1 044	411
1. Dividends and distributions from profit, including:		0		0
- from related undertakings		0		0
2. Interest, including:	158	116	682	270
- from related undertakings		0		0
3. Gain on disposal of investments		0		0
4. Investment revaluation		0		0
5. Other	272	219	362	141
XI. Financial expenses	3 847	1 573	5 910	2 877
1. Interest, including:	3 598	1 751	4 066	1 934
- to related undertakings		0		0
2. Loss on disposal of investments		0		0
3. Investment revaluation		0		0
4. Other	249	-178	1 844	943
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)	36 671	30 803	20 984	22 226
XIV. Result on extraordinary items (XIV.1. - XIV.2.)	0	0	0	0
1. Extraordinary gains		0		0
2. Extraordinary losses		0		0
XV. Write-off of goodwill of subordinated undertakings		0	-2 780	-2 780
XVI. Write-off of negative goodwill of subordinated undertakings		0	599	599
XVII. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)	36 671	30 803	18 803	20 045
XVIII. Corporate income tax	6 918	5 516	3 714	3 581
a) current	11 565	11 400	4 481	4 481
b) deferred	-4 647	-5 884	-767	-900
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. Net profit (loss) (XVII-XVIII-XIX+/-XX)	29 753	25 287	15 089	16 464
XXII. Profit (loss) of minority interests	6 296	5 444	2 930	3 757
XXIII. Net profit (loss) attributable to equity holders of the parent	23 457	19 843	12 159	12 707

III. Statement of Changes in Consolidated Equity

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	2 006	Q2 2006 Apr 1 - Jun 30 2006
I. Balance of equity at beginning of period	145 663	153 854	122 656	115 521
a) changes in adopted accounting policies				
b) correction of fundamental errors			425	
I.a. Balance of equity at beginning of period, after reconciliation with comparable data	145 663	153 854	123 081	115 521
<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	121 485	129 071	106 410	99 489
a) changes in adopted accounting policies				
b) correction of fundamental errors			213	
II.a. Balance of equity attributable to equity holders of the parent at beginning of period, after reconciliation with comparable data	121 485	129 071	106 623	99 489
1. Balance of share capital at beginning of period	13 089	13 089	13 089	13 089
1.1. Changes in share capital			0	
a) increase, including:			0	
- issue of shares			0	
-			0	
...			0	
b) decrease, including:			0	
- retirement of shares			0	
-			0	
...			0	
1.2. Balance of share capital at end of period	13 089	13 089	13 089	13 089
2. Balance of called-up share capital not paid at beginning of period			0	
2.1. Changes in called-up share capital not paid			0	
a) increase			0	
-			0	
...			0	
b) decrease			0	
-			0	
...			0	
2.2. Balance of called-up share capital not paid at end of period			0	
3. Treasury shares at beginning of period	0	0	-22 920	-22 920
3.1. Changes in treasury shares			0	
a) increase, including:			0	
- acquisition of shares			0	
...			0	
b) decrease, including:			22 920	
- sale of shares			22 920	
...			0	
3.2. Treasury shares at end of period	0	0	0	-22 920
4. Balance of statutory reserve funds at beginning of period	93 184	93 184	112 327	113 198
4.1. Changes in statutory reserve funds			0	
a) increase, including:	4 723	4 723	871	0
- share premium			0	
- distribution of profit (statutory)	4 723	4 723	871	
- distribution of profit (above statutory minimum)				
- rounding-offs			0	
...			0	
b) decrease, including:	0	0	20 014	0
- coverage of loss				
- sale of treasury shares			20 014	
...			0	
4.2. Balance of statutory reserve funds at end of period	97 907	97 907	93 184	113 198
5. Balance of revaluation capital reserve at beginning of period	0	0	0	0
5.1. Changes in revaluation capital reserves			0	
a) increase, including:			0	
...				
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	4 936

6.1. Changes in other capital reserves			0	0
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	4 936
7. Currency translation differences on subordinated undertakings	-2 938	-2 938	-2 332	-11
opening balance				
a) changes in adopted accounting policies				
opening balance, after reconciliation with comparable data	-2 938	-2 938	-2 332	-11
8. Balance of retained earnings (deficit) at beginning of period	12 608	12 608	826	-2 856
8.1. Balance of retained earnings at beginning of period	15 249	15 249	14 818	
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	15 249	15 249	14 818	0
a) increase, including:	0	0	0	0
- contribution from retained earnings				
- adjustment of post-audit financial result with pre-audit result			0	
...			0	
b) decrease, including:	12 707	12 707	3 466	0
- dividend paid	7 984	7 984	2 595	
- contribution to statutory reserve funds	4 723	4 723	871	
- adjustment of preliminary result - audit				
- contribution to capital reserve				
8.3. Balance of retained earnings at end of period	2 542	2 542	11 352	0
8.4. Balance of retained deficit at beginning of period	-2 641	-2 641	13 992	-2 856
a) changes in adopted accounting policies				
b) correction of fundamental errors			0	
8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data	-2 641	-2 641	13 992	-2 856
a) increase, including:	-2	-2	1	
- retained deficit brought forward to be covered				
- adjustment of post-audit financial result with pre-audit result			0	
- rounding-offs	-2	-2	1	
b) decrease, including:	0	0		
- coverage of retained deficit				
- dividend paid			0	
- contribution to statutory reserve funds			0	
- adjustment of post-audit financial result with pre-audit result			0	
8.6. Balance of retained deficit at end of period	-2 643	-2 643	13 993	-2 856
8.7. Balance of retained earnings (deficit) at end of period	-101	-101	-2 641	-2 856
9. Net profit (loss) attributable to shareholders of the parent	23 457	23 457	15 249	12 159
a) net profit attributable to shareholders of the parent	23 457	23 457	15 249	12 159
b) net loss attributable to shareholders of the parent				
c) profit distributions attributable to shareholders of the parent				
III. Balance of minority interests at beginning of period	24 178	24 783	16 458	20 793
Changes in minority interests				
a) increase, including:	6 296	7 469	8 420	0
- profit attributable to minority interests	6 296	7 469	8 420	
- currency translation differences on subordinated undertakings	0			
b) decrease, including:	606	2 384	700	0
- loss attributable to minority interests				
- currency translation differences on subordinated undertakings	606	2 384	700	
<i>Minority interests at end of period</i>	29 868	29 868	24 178	20 793
	136 350	136 350		117 595
IV. Balance of equity attributable to equity holders of the parent at end of period			121 485	
V. Balance of equity at end of period	166 218	166 218	145 663	138 388
VI. Equity after proposed distribution of profit (coverage of loss)			0	

IV. Consolidated Cash-Flow Statement

CONSOLIDATED CASH-FLOW STATEMENT	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	Q2 2006 cumulative Jan 1 - Jun 30 2006	Q2 2006 Apr 1 - Jun 30 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)	23 457	19 843	12 159	12 707
II. Total adjustments	20 214	14 863	15 512	15 035
1. Profit (loss) attributable to minority interests	6 296	5 444	2 930	3 757
2. Share in net (profit)/ loss of undertakings valued with equity method		0		0
3. Depreciation and amortisation, including:	16 450	9 071	15 640	8 693
- write-offs of (negative) goodwill of subordinated undertakings		-2 780	2 780	2 780
4. Foreign exchange (gains)/ losses	-112	-410	591	472
5. Dividends and interest	3 411	1 646	-119	-2 277
6. (Gain)/ loss on investing activities	-720	-456	-1 268	-593
7. Change in provisions	-322	-637	-51	657
8. Change in inventories	-2 704	-12 210	4 801	-1 577
9. Change in receivables	-59 513	-62 881	-66 865	-58 746
10. Change in current liabilities, net of loans and borrowings	43 324	69 945	50 554	62 555
11. Change in accruals and deferrals	14 558	4 882	7 775	-944
12. Other adjustments	-454	469	1 524	3 038
III. Net cash provided by (used in) operating activities (I+/-II)	43 671	34 706	27 671	27 742
B. Cash flows from investing activities		0		0
I. Cash provided by investing activities	2 649	931	1 869	945
1. Disposal of intangible assets and property, plant and equipment	1 600	0	1 428	504
2. Disposal of investment property and intangible assets		0		0
3. Cash provided by financial assets, including:	118	0	18	18
a) in related undertakings	0	0	18	18
- disposal of financial assets		0		0
- dividends and other profit distributions		0		0
- repayment of long-term loans advanced		0		0
- interest		0	18	18
- other cash provided by financial assets		0		0
b) in other undertakings	118	0	0	0
- disposal of financial assets		0		0
- dividends and other profit distributions		0		0
- repayment of long-term loans advanced	118	0	0	0
- interest		0		0
- other cash provided by financial assets		0		0
4. Other cash provided by investing activities	931	931	423	423
II. Cash used in investing activities	28 820	23 699	2 615	28
1. Acquisition of intangible assets and property, plant and equipment	28 705	23 699	1 783	-804
2. Acquisition of investment property and intangible assets	115	0	-12	-12
3. Cash used on financial assets, including:	0	0	0	0
a) in related undertakings	0	0	0	0
- acquisition of financial assets		0		0
- long-term loans advanced		0		0
b) in other undertakings		0		0
- acquisition of financial assets		0		0
- long-term loans advanced		0		0
4. Dividends and other profit distributions to minority interests		0		0
5. Other cash used in investing activities		0	844	844
III. Net cash provided by (used in) investing activities(I-II)	-26 171	-22 768	-746	917

C. Cash flows from financing activities			0	0
I. Cash flows provided by financing activities	125 433	43 824	67 580	40 474
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		0		0
2. Loans and borrowings	125 023	43 426	67 599	40 505
3. Issue of debt securities		0		0
4. Other cash provided by financing activities	410	398	-19	-31
II. Cash used in financing activities	138 253	52 229	84 306	57 055
1. Acquisition of treasury shares		0		0
2. Dividends and other distributions to shareholders		0		0
3. Distributions from profit other than distributions to shareholders		0		0
4. Repayment of loans and borrowings	125 475	46 286	70 259	49 337
5. Redemption of debt securities		0		0
6. Other financial liabilities		0		0
7. Repayment of financed lease liabilities	8 637	4 063	10 017	5 620
8. Interest paid	3 658	1 880	2 836	904
9. Other cash used in financing activities	483	0	1 194	1 194
III. Net cash provided by (used in) financing activities (I-II)	-12 820	-8 405	-16 726	-16 581
D. Total net cash flow (A.III+/-B.III+/-C.III)	4 680	3 533	6 666	8 545
E. Balance-sheet change in cash, including:	4 680	3 533	6 666	8 545
- change in cash resulting from foreign exchange gains/(losses)		0		0
F. Cash at beginning of period	14 553	15 524	15 235	13 356
G. Cash at end of period (F+/- D), including:	19 233	19 057	21 901	21 901
- restricted cash	11 917	11 917	9 457	9 457

Part B - Non-Consolidated Financial Statements

I. Non-Consolidated Balance Sheet

BALANCE SHEET	as at Jun 30 2007 end of Q2 2007	as at Mar 31 2007 end of Q1 2007	as at Dec 31 2006 end of 2006	as at Jun 30 2006 end of Q2 2006
Assets				
I. Non-current assets	198 941	195 080	197 378	180 131
1. Intangible assets, including :	1 372	1 474	1 517	442
- goodwill				
2. Goodwill of subordinated undertakings				
3. Property, plant and equipment	97 653	94 952	97 235	104 013
4. Non-current receivables	1 073	1 147	1 089	2 980
4.1. From related undertakings				900
4.2. From other undertakings	1 073	1 147	1 089	2 080
5. Non-current investments	90 556	90 556	90 556	64 422
5.1. Property				
5.2. Intangible assets				
5.3. Non-current financial assets	90 556	90 556	90 556	64 422
a) in related undertakings, including:	88 556	88 556	88 556	62 422
- 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	2 000
5.4. Other non-current investments				
6. Non-current prepayments and accrued income	8 287	6 951	6 981	8 728
6.1. Deferred tax asset	8 287	6 951	6 981	8 274
6.2. Other non-current prepayments and accrued income				
II. Current assets	216 148	153 045	124 820	177 967
1. Inventories	36 750	31 189	22 011	25 467
2. Current receivables	164 423	108 413	90 055	131 665
2.1. From related undertakings	42 402	31 377	24 792	33 473
2.2. From other undertakings	122 021	77 036	65 263	98 192
3. Current investments	14 112	12 187	12 209	19 072
3.1. Current financial assets	14 112	12 187	12 209	19 072
a) in related undertakings				
b) in other undertakings	800	800	800	800
c) cash and cash equivalents	13 312	11 387	11 409	18 272
3.2. Other current investments				
4. Current prepayments and accrued income	863	1 256	545	1 763
Total assets	415 089	348 125	322 198	358 098
Equity and liabilities				
I. Equity	138 473	125 350	120 457	115 269
1. Share capital	13 089	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	97 920	93 197	93 197	113 211
5. Revaluation capital reserve	28	28	28	28
6. Other capital reserves	1 436	1 436	1 436	1 436
8. Retained earnings (deficit)		14 043	0	
9. Net profit (loss)	26 000	3 557	12 707	10 425
10. Distributions from net profit in financial year (negative value)				
IV. Liabilities and provisions for liabilities	276 616	222 775	201 741	242 829
1. Provisions for liabilities	2 211	2 044	2 341	1 640
1.1. Deferred tax liability	1 637	1 470	1 767	1 287
1.2. Provisions for retirement and similar benefits	100	100	100	79
a) non-current	87	87	87	71
b) current	13	13	13	8
1.3. Other provisions	474	474	474	274
a) non-current				
b) current	474	474	474	274
2. Non-current liabilities	50 628	55 864	58 915	43 950
2.1. To related undertakings				
2.2. To other undertakings	50 628	55 864	58 915	43 950
3. Current liabilities	198 135	146 505	128 949	172 985
3.1. To related undertakings	4 936	7 395	2 307	2 375
3.2. To other undertakings	180 096	126 664	115 492	160 228
3.3. Special accounts	13 103	12 446	11 150	10 382
4. Accruals and deferred income	25 642	18 362	11 536	24 254
4.1. Negative goodwill				
4.2. Other accruals and deferred income	25 642	18 362	11 536	24 254
a) non-current	4 159	4 547	4 952	6 108
b) current	21 483	13 815	6 584	18 146
Total equity and liabilities	415 089	348 125	322 198	358 098
Book value	138 473	125 350	120 457	115 269
Number of shares	13 088 576	13 088 576	13 088 576	12 976 800
Book value per share (PLN)	10,58	9,58	9,20	8,88

OFF-BALANCE-SHEET ITEMS	as at Jun 30 2007 end of quarter 2007	as at Mar 31 2007 end of previous quarter 2006	as at Dec 31 2006 end of 2006	as at Jun 30 2006 end of quarter 2006
1. Contingent receivables				
1.1. From related undertakings, including:		0	0	
- guarantees and sureties received				
-				
...				
1.2. From other undertakings, including:				
- guarantees and sureties received				
-				
...				
2. Contingent liabilities	300	300		9534
2.1. To related undertakings, including				9534
- guarantees and sureties issued				9534
-				
...				
2.2. To other undertakings, including	300	300		
- guarantees and sureties issued	300	300		
- loans advanced				
- lease agreements				
3. Other, including:				
- bottling line				
- pallet wrapping machine				
- roller conveyor				
- vehicles				
Total off-balance-sheet property, plant and equipment				
..				
Total off-balance-sheet items	300	300	0	9534

II. Non-Consolidated Income Statement

INCOME STATEMENT	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	Q2 2006 cumulative Jan 1 - Jun 30 2006	Q2 2006 Apr 1 - Jun 30 2006
I. Net sales revenue, including:	261 147	166 937	196 456	131 320
- from related undertakings	30 765	18 276	11 570	7 900
1. Net revenue on sales of products	244 192	157 673	191 263	127 860
2. Net revenue on sales of goods for resale and materials	16 955	9 264	5 193	3 460
II. Cost of sales, including:	160 617	99 703	124 437	80 116
- to related undertakings	16 613	9 437	6 454	4 313
1. Cost of products sold	147 332	92 318	119 712	77 029
2. Cost of goods for resale and materials sold	13 285	7 385	4 725	3 087
III. Gross profit (loss) on sales (I-II)	100 530	67 234	72 019	51 204
IV. Selling costs	66 603	43 295	48 034	33 180
V. General and administrative expenses	10 964	5 909	10 622	5 744
VI. Profit (loss) on sales (III-IV-V)	22 963	18 030	13 363	12 280
VII. Other operating income	12 418	10 502	5 292	2 929
1. Gain on disposal of non-financial non-current assets	970	455	1 190	586
2. Subsidies		0		0
3. Other operating income	11 448	10 047	4 102	2 343
VIII. Other operating expenses	1 531	1 035	1 831	1 542
1. Loss on disposal of non-financial non-current assets		0		0
2. Revaluation of non-financial assets	690	565	1 300	1 175
3. Other operating expenses	841	470	531	367
IX. Operating profit (loss) (VI+VII-VIII)	33 850	27 497	16 824	13 667
X. Financial income	346	277	1 003	348
1. Dividends and other profit distributions, including:		0		0
- from related undertakings		0		0
2. Interest, including:	74	58	640	206
- from related undertakings		0		0
3. Gain on disposal of investments		0		0
4. Investment revaluation		0		0
5. Other	272	219	363	142
XI. Financial expenses	3 053	1 257	4 692	2 285
1. Interest, including:	2 831	1 443	2 848	1 342
- to related undertakings		0		0
2. Loss on disposal of investments		0		0
3. Investment revaluation		0		0
4. Other	222	-186	1 844	943
		0		0
XIII. Pre-tax profit (loss) before extraordinary items (IX+X-XI+/-XII)	31 143	26 517	13 135	11 730
XIV. Result on extraordinary items (XIV.1. - XIV.2.)	0	0	0	0
1. Extraordinary gains		0		0
2. Extraordinary losses		0		0
		0		0
		0		0
XVII. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)	31 143	26 517	13 135	11 730
XVIII. Corporate income tax	5 143	4 074	2 710	2 318
a) current	6 579	6 579	2 939	2 939
b) deferred	-1 436	-2 505	-229	-621
		0		0
		0		0
		0		0
XXII. Net profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)	26 000	22 443	10 425	9 412

III. Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	2 006	Q2 2006 Apr 1 - Jun 30 2006
I. Balance of equity at beginning of period	120 457	122 860	107 439	108 523
a) changes in adopted accounting policies				0
b) correction of fundamental errors				0
I.a. Balance of equity at beginning of period, after reconciliation with comparable data	120 457	122 860	107 439	105 523
1. Balance of share capital at beginning of period	13 089	13 089	13 089	13 089
1.1. Changes in share capital				0
a) increase, including:			0	0
- issue of shares				0
-				0
...				0
b) decrease, including:				0
- retirement of shares				0
-				0
...				0
1.2. Balance of share capital at end of period	13 089	13 089	13 089	13 089
2. Balance of called-up share capital not paid at beginning of period				0
2.1. Changes in called-up share capital not paid				0
a) increase				0
-				0
b) decrease				0
-				0
...				0
2.2. Balance of called-up share capital not paid at end of period				0
3. Treasury shares at beginning of period	0	0	-22 920	-22 920
3.1. Changes in treasury shares				0
a) increase, including:				0
- acquisition of shares				0
...				0
b) decrease, including:			22 920	0
- sale of shares			22 920	0
...				0
3.2. Treasury shares at end of period	0	0	0	-22 920
4. Balance of statutory reserve funds at beginning of period	93 197	93 197	112 340	112 340
4.1. Changes in statutory reserve funds				0
a) increase, including:	4 723	4 723	871	871
- share premium				0
- distribution of profit (statutory)	4 723	4 723		871
- distribution of profit (above statutory minimum)			871	
- transfer from revaluation capital reserve				
- rounding-offs				0
b) decrease, including:	0	0	20 014	0
- coverage of loss				0
- sale of treasury shares			20 014	0
...				0
4.2. Balance of statutory reserve funds at end of period	97 920	97 920	93 197	113 211
5. Balance of revaluation capital reserve at beginning of period	28	28	28	28
5.1. Changes in revaluation capital reserves				0
a) increase	0	0		0
...				0
b) decrease, including:	0	0	0	0
- disposal of property, plant and equipment				0
- rounding-offs				0
- transfer to statutory reserve funds				
5.2. Balance of revaluation capital reserve at end of period	28	28	28	28
6. Balance of other capital reserves at beginning of period	1 436	1 436	1 436	1 436
6.1. Changes in other capital reserves				0
a) increase				0
-				0
...				0
b) decrease				0

-				0
...				0
6.2. Balance of other capital reserves at end of period	1 436	1 436	1 436	1 436
7. Currency translation differences on subordinated undertakings				0
8. Balance of retained earnings (deficit) at beginning of period	12 707	14 043	3 466	3 537
8.1. Balance of retained earnings at beginning of period	12 707	14 043	3 466	3 537
a) changes in adopted accounting policies				0
b) correction of fundamental errors				0
8.2. Balance of retained earnings at beginning of period, after reconciliation with comparable data	12 707	14 043	3 466	3 537
a) increase, including:	0	0		0
- contribution from retained earnings				0
- adjustment of preliminary result - audit				0
...				0
b) decrease, including:	12 707	14 043	3 466	3 537
- adjustment of preliminary result - audit		1 336		71
- dividend paid	7 984	7 984	2 595	2 595
- contribution to statutory reserve funds	4 723	4 723	871	871
8.3. Balance of retained earnings at end of period	0	0	0	0
8.4. Balance of retained deficit at beginning of period				
a) changes in adopted accounting policies				0
b) correction of fundamental errors				0
8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data	0	0	0	0
a) increase, including:			0	0
- retained deficit brought forward to be covered				0
- adjustment of preliminary result after audit				0
...				0
b) decrease, including:	0	0	0	0
- retained deficit covered				0
-				0
8.6. Balance of retained deficit at end of period	0	0	0	0
8.7. Balance of retained earnings (deficit) at end of period	0	0	0	0
9. Net profit (loss)	26 000	26 000	12 707	10 425
a) net profit	26 000	26 000	12 707	10 425
b) net loss				
c) profit distributions				0
II. Balance of equity at end of period	138 473	138 473	120 457	115 269
III. Equity after proposed distribution of profit (coverage of loss)				

IV. Non-Consolidated Cash-Flow Statement

CASH-FLOW STATEMENT	Q2 2007 cumulative Jan 1 - Jun 30 2007	Q2 2007 Apr 1 - Jun 30 2007	Q2 2006 cumulative Jan 1 - Jun 30 2006	Q2 2006 Apr 1 - Jun 30 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)	26 000	22 443	10 425	9 412
II. Total adjustments	-17 244	-15 638	8 479	8 660
1. Profit (loss) attributable to minority interests		0		0
2. Share in net (profit)/ loss of undertakings valued with equity method		0		0
3. Depreciation and amortisation, including:	10 312	5 208	9 881	4 929
- write-offs of (negative) goodwill of subordinated undertakings		0		0
4. Foreign exchange (gains)/ losses	124	-271	1 896	960
5. Dividends and interest	2 757	1 385	2 836	1 333
6. (Gain)/ loss on investing activities	-970	-455	-1 190	-586
7. Change in provisions	-130	-449	-195	-209
8. Change in inventories	-14 739	-5 928	972	-2 887
9. Change in receivables	-74 466	-57 608	-51 798	-47 741
10. Change in current liabilities, net of loans and borrowings	53 889	39 486	35 143	45 575
11. Change in accruals and deferrals	12 482	9 696	10 934	6 457
12. Other adjustments	-6 503	-6 702	0	829
III. Net cash provided by (used in) operating activities (I+/-II)	8 756	6 805	18 904	18 072
B. Cash flows from investing activities		0		0
I. Cash provided by investing activities	7 606	6 039	1 385	493
1. Disposal of intangible assets and property, plant and equipment	1 567	0	1 385	493
2. Disposal of investment property and intangible assets		0		0
3. Cash provided by financial assets, including:	0	0	0	0
a) in related undertakings	0	0	0	0
- disposal of financial assets		0		0
- dividends and other profit distributions		0		0
- repayment of long-term loans advanced		0		0
- interest		0		0
- other cash provided by financial assets		0		0
b) in other undertakings		0		0
- disposal of financial assets		0		0
- dividends and other profit distributions		0		0
- repayment of long-term loans advanced		0		0
- interest		0		0
- other cash provided by financial assets		0		0
4. Other cash provided by investing activities	6 039	6 039	0	0
II. Cash used in investing activities	7 578	3 948	4 688	2 293
1. Acquisition of intangible assets and property, plant and equipment	7 578	3 948	3 388	993
2. Acquisition of investment property and intangible assets		0		0
3. Cash used on financial assets, including:	0	0	500	500
a) in related undertakings	0	0	500	500
- acquisition of financial assets	0	0	500	500
- long-term loans advanced		0		0
b) in other undertakings	0	0	0	0
- acquisition of financial assets		0		0
- long-term loans advanced		0		0
4. Dividends and other profit distributions to minority interests		0		0
5. Other cash used in investing activities		0	800	800
III. Net cash provided by (used in) investing activities (I-II)	28	2 091	-3 303	-1 800
C. Cash flows from financing activities		0		0

I. Cash flows provided by financing activities	11 886	2 497	22 611	6 518
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		0		0
2. Loans and borrowings	11 886	2 497	22 611	6 518
3. Issue of debt securities		0		0
4. Other cash provided by financing activities		0		0
II. Cash used in financing activities	18 767	9 646	29 699	14 262
1. Acquisition of treasury shares		0		0
2. Dividends and other distributions to shareholders		0		0
3. Distributions from profit other than distributions to shareholders		0		0
4. Repayment of loans and borrowings	7 835	4 424	17 344	7 763
5. Redemption of debt securities		0		0
6. Other financial liabilities		0		0
7. Repayment of financed lease liabilities	8 175	3 837	9 519	5 122
8. Interest paid	2 757	1 385	2 836	1 377
9. Other cash used in financing activities		0		0
III. Net cash provided by (used in) financing activities (I-II)	-6 881	-7 149	-7 088	-7 744
D. Total net cash flow (A.III+/-B.III+/-C.III)	1 903	1 747	8 513	8 528
E. Balance-sheet change in cash, including:	1 903	1 747	8 513	8 528
- change in cash resulting from foreign exchange gains/(losses)		0		0
F. Cash at beginning of period	11 409	11 387	9 759	9 744
G. Cash at end of period (F+/- D), including:	13 312	13 134	18 272	18 272
- restricted cash	11 896	11 896	9 442	9 442

Part C - Directors' Report - Q2 2007

I. Accounting Policies

These Q2 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).

The Q2 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 Q2 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 Q2 2007 is the consolidated data prepared in accordance with the IAS/IFRS, which in the case of Bobmark International Sp. z o.o. and Maxpol Sp. z o.o., acquired on May 31st 2006, includes only the results for the period June 1st - June 30th 2006 and does not include the figures of Paola S.A., acquired in Q4 2006.

The valuation allowances for non-financial assets made in Q1 and Q2 2007 amount to PLN 495 thousand.

In the period January - June 2007, changes in the deferred tax asset and liability resulted in an increase of the Company's net profit for the period by PLN 4,647 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 Q2 2007, the structure of the HOOP Group did not change relative to the situation as at March 31st 2007.

III. Financial Results

1. Consolidated Balance Sheet

Balance sheet of the HOOP Group	Q2 2007		Q2 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	264,875	47.4%	222,424	49.5%	42,451	19.1%
Current assets	294,267	52.6%	226,825	50.5%	67,442	29.7%
Total assets	559,142	100.0%	449,249	100%	109,893	24.5%
Equity and liabilities						
Equity	166,218	29.7%	138,388	30.8%	27,830	20.1%
Equity attributable to equity holders of the parent	136,350	24.4%	117,595	26.2%	18,755	15.9%
Minority interests	29,868	5.3%	20,793	4.6%	9,075	43.6%
Liabilities and provisions for liabilities	392,924	70.3%	310,861	69.2%	82,063	26.4%
Provisions for liabilities	17,591	3.1%	3,915	0.9%	13,676	349.3%
Non-current liabilities	53,082	9.5%	45,078	10.0%	8,004	17.8%
Current liabilities	296,144	53.0%	237,645	52.9%	58,499	24.6%
Accruals and deferred income	26,107	4.7%	24,223	5.4%	1,884	7.8%
Total equity and liabilities	559,142	100.0%	449,249	100.0%	109,893	24.5%

Non-Current Assets

A 19.1% increase in non-current assets was primarily due to the inclusion of PAOLA S.A., acquired in Q4 2006, in the consolidated balance sheet prepared as at June 30th 2007 and the purchase of the Hooch trademark by Megapack for PLN 16.2m.

Current Assets

Growth of PLN 67.4m (29.7%) in the Group's current assets was caused primarily by the increase in the current assets of HOOP S.A. and the Megapack Group, which followed from a significant year-on-year improvement in sales in Q2 2007 and the inclusion of PAOLA S.A. in the balance sheet prepared as at June 30th 2007, which was not consolidated in Q2 2006.

Liabilities and Provisions for Liabilities

A PLN 13.7m increase in provisions for liabilities resulted primarily from the consolidation of PAOLA S.A. in Q2 2007 and the increase in deferred tax liability at other Group companies.

A PLN 8.0m increase in non-current liabilities was mainly the effect of higher non-current liabilities at HOOP S.A., which rose by PLN 6.7m.

Current Liabilities

Principal changes to current liabilities in Q2 2007 relative to Q2 2006:

- a) PLN 25.2m rise in current liabilities of HOOP S.A. caused by an increase in sales revenue,
- b) PLN 24.0m rise in current liabilities of the Megpack Group caused by an increase in sales revenue, and
- c) an increase in current liabilities resulting from the consolidation of PAOLA S.A., which was not consolidated as at June 30th 2006.

2. Consolidated Income Statement

Income Statement	Q2 2007	Q2 2006	Difference (PLN '000)	Change (%)
	PLN '000	PLN '000		
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	280,845	202,195	78,650	38.9%
Net revenue on sales of products	242,198	185,940	56,258	30.3%
Cost of sales, including:	184,576	128,367	56,209	43.8%
Cost of products sold	153,556	113,882	39,674	34.8%
Gross profit/(loss) on sales	96,269	73,828	22,441	30.4%
Selling costs	53,548	41,819	11,729	28.0%
General and administrative expenses	10,916	10,405	511	4.9%
Profit (loss) on sales	31,805	21,604	10,201	47.2%
Profit/(loss) on other operating activities	236	3,088	-2,852	-92.4%
Operating profit/(loss)	32,041	24,692	7,349	29.8%
Profit/(loss) on financing activities	-1,238	-2,466	1,228	
Result on extraordinary items	0	0	0	
Write-off of (negative) goodwill of subordinated undertakings	0	-2,181	2,181	-100.0%
Pre-tax profit/(loss)	30,803	20,045	10,728	53.7%
Corporate income tax	5,516	3,581	1,935	54.0%
Profit/(loss) attributable to minority interests	5,444	3,757	1,687	44.9%
Net profit/(loss)	19,843	12,707	7,136	56.2%

Selected items of the income statements of the HOOP Group companies consolidated with the full method (PLN '000)
 (non-consolidated data without consolidation adjustments)
 (for companies which were not consolidated for the full Q2 2006, data is provided only for Q2 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.	
	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006	Q2 2007	Q2 2006
Net sales revenue	166,937	131,320	87,294	58,836	11,667		673	1,001	12,460	10,907	9,747		18,064	
Profit/(loss) on operating activities (EBIT)	27,497	13,667	14,866	9,219	-76		135	40	502	-377	83		-138	
Pre-tax profit/(loss)	26,517	11,730	14,676	8,695	-99		141	40	497	-367	84		-185	
Net profit/(loss)	22,443	9,412	10,888	7,318	-363		141	40	497	-340	46		-152	

Net Sales Revenue

In Q2 2007, the HOOP Group generated PLN 280,845 thousand in net sales revenue, compared with PLN 202,195 thousand in the corresponding period of the previous year, which represents year-on-year growth of 39%

In Q2 2007, the revenue on sales of products totalled PLN 242,198 thousand, having increased by 30% from PLN 185,940 thousand in Q2 2006.

The following main factors contributed to the increase in the Group's revenue in Q2 2007 compared with Q2 2006:

a) An increase in the revenue of the parent undertaking - HOOP S.A., whose revenue on sales of products, goods for resale and materials reported for Q2 2007 amounted to PLN 166,937 thousand, that is 27% more than in Q2 2006 (PLN 131,320 thousand); the revenue on sales of products in Q2 2007 amounted to PLN 157,673 thousand, and was 23% higher than in the corresponding period of 2006 (PLN 127,860 thousand).

b) A PLN 28,458 thousand (48%) increase in the revenue of the Megpack Group in Q2 2007 relative to Q2 2006, including growth of the revenue on sales of products by 34%.

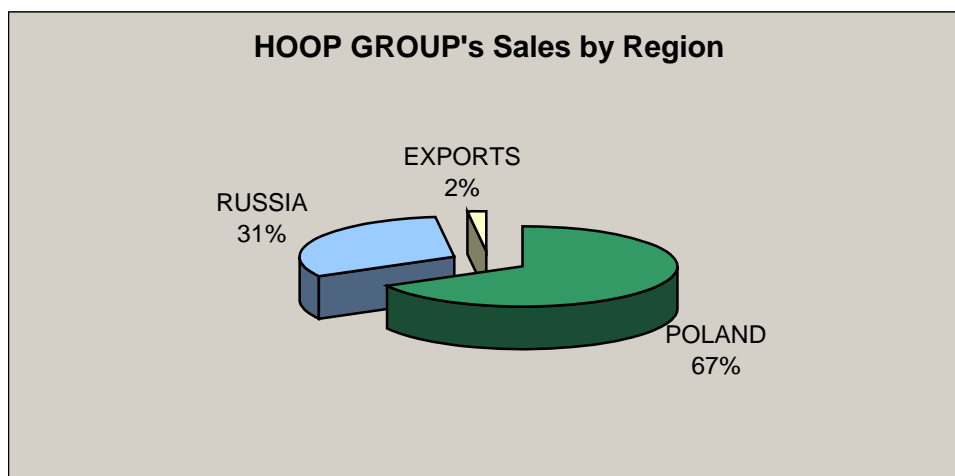
c) inclusion in consolidation in Q2 2007 of PAOLA S.A., acquired on October 31st 2006, which increased the Group's revenue by PLN 5,311 thousand (after exclusion of intra-group transactions). In Q2 2007, the total sales of syrups and other PAOLA products, including sales by HOOP S.A., amounted to PLN 15.6m.

d) Consolidation for the full Q2 2007 of Bobmark International Sp. z o.o. and MAXPOL Sp. z o.o., acquired on May 31st 2006, which in Q2 2006 were consolidated only for the period June 1st - June 30th 2006.

HOOP Group's Sales by Region

The operations of the HOOP Group are concentrated on two main markets: Poland and Russia.

The chart below presents the sales of the HOOP Group on the individual markets.



Financial Results of the HOOP Group

In Q2 2007, the HOOP Group reported a net profit of PLN 19,843 thousand, which represented an over 56% increase relative to the net profit of PLN 12,707 thousand posted by the Group in Q2 2006.

Key factors with a bearing on the HOOP Group's financial results in Q2 2007 relative to Q2 2006:

- a) Net profit of PLN 22,443 thousand earned by the parent undertaking in Q2 2007, including PLN 6,217 earned on the sale of the rights to the Arctic and HOOP trademarks to OOO MEGAPACK, which, as an intra-Group transaction, is not included in the consolidated financial statements. Net of the financial effect of the above transaction, HOOP S.A.'s net profit for Q2 2007 amounted to PLN 16,226 thousand and was 72% higher (PLN 6,814 thousand) than the net profit of PLN 9,412 thousand reported in Q2 2006.
- b) Net profit of PLN 10,888 thousand posted in Q2 2007 by the Megapack Group, which was 49% (PLN 3,570 thousand) higher relative to the net profit of PLN 7,318 thousand reported for Q2 2006. Given the 50% equity interest held in Megapack by HOOP S.A., this means a PLN 1,785 thousand year-on-year increase in the HOOP Group's net profit for Q2 2007.
- c) Noticeable improvement in the financial performance of PCD HOOP Sp. z o.o., which in Q2 2007 earned a net profit of PLN 497 thousand; this means a PLN 837 thousand increase on the net loss of PLN 340 thousand reported in Q2 2006.
- d) Negative effect of PLN 1,635 thousand of the acquisition on May 31st 2006 of the distribution companies BOBMARK International Sp. z o.o. and Maxpol Sp. z o.o. on the Hoop Group's Q2 2007 net profit. This amount includes: an aggregate net loss of PLN 106 thousand reported by the companies in Q2 2007 and consolidation adjustments of PLN -1,529 thousand, related mainly to a reduction of the Group's net

result by the amount of unrealised margin due to an increase in warehouse stock during the high season. In Q2 2006, the effect of the two companies on the net profit of the Capital Group was +PLN 451 thousand, including mainly one-off consolidation adjustments as at the acquisition date totalling PLN +943 thousand and resulting from the cancellation of valuation allowances for receivables, write-off of the negative goodwill of Maxpol and negative adjustment of the goodwill of Bobmark.

- e) First-time consolidation of PAOLA S.A., acquired on October 31st 2006. The company's contribution to the Group's net result was - PLN 330 thousand, comprising PAOLA S.A.'s net loss of PLN 363 thousand for Q2 2007 and consolidation adjustments totalling +PLN 33 thousand.

Other differences between the Q2 2007 and Q2 2006 net financial results are attributable to the differences in the net financial results of PPWM Woda Grodziska Sp. z o.o. 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

	Q2 2007	Q2 2006	Past four quarters	2006
	PLN '000	PLN '000		
EBIT*	32,041	24,692	53,707	39,469
EBITDA*	41,112	33,385	87,550	72,502
Net financial debt*	104,315	97,191	104,315	96,704
Profitability ratios				
Gross sales margin*	34.3%	36.5%	31.3%	30.9%
Net margin	7.1%	6.3%	3.3%	2.3%

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

Both EBIT and EBITDA rose significantly relative to Q2 2007. The net margin also grew considerably compared with Q2 2006.

IV. Information on the Operating Activities of HOOP S.A.

Sales Revenue

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

Type of product	Q2 2007			Q2 2006	
	Sales (PLN '000)	Share of total sales	Change 2006/ 2007	Sales (PLN '000)	Share of total sales
Carbonated beverages	78,923	50.1%	17.1%	67,405	52.7%
Non-carbonated beverages	36,583	23.2%	0.2%	36,497	28.5%
Water	38,607	24.5%	63.6%	23,594	18.5%
Syrups	2,564	1.6%			0.0%
Services	997	0.6%	173.9%	364	0.3%
Total products	157,673	94.5%	23.3%	127,860	97.4%
<i>including private-label beverages</i>	49,049	31.1%	30.3%	37,643	29.4%
Revenue on sales of goods for resale and materials	9,264	5.5%	167.7%	3,460	2.6%
<i>including syrups and other PAOLA products</i>	7,708	83.2%			
Total sales revenue	166,937	100.0%	27.1%	131,320	100.0%

In Q2 2007, HOOP S.A.'s revenue on sales of products, goods for resale and materials rose by 27.1% compared with Q2 2006, with the revenue on sales of products going up by 23.3%, driven mainly by increases in sales of carbonated beverages (by 17.1%) and water (by 63.6%) relative to Q2 2006

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 Q2 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 7.7m, attributable to sales of PAOLA S.A.'s products, under "sales of goods for resale and materials". At the same time, in accordance with the licence agreement of March 2007 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 syrups are recognised under "revenue on sales of products". In Q2 2007, the value of the sales was PLN 2,564 thousand. 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	Q2 2007		Q2 2006		Q2 2007 vs. Q2 2006
	% share of volume	% share of value	% share of volume	% share of value	% change in market share
Carbonated beverages	11.1	8.1	11.0	8.1	26.4
Non-carbonated beverages	9.1	6.9	10.4	8.7	31.2
Water	2.4	3.6	1.9	2.4	42.4
Syrups	20.3	22.3	18.9	22.5	6.4

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

Hoop S.A. closed Q2 2007 with higher sales, both in volume and value terms, relative to Q2 2006. Favourable market conditions, which started in summer 2006, are still present. The upward trends in sales of beverages (other than syrups) continued in the second half of 2007 at two-digit rates, both in volume and value terms.

Hoop S.A. as the largest producer of beverages in PET packaging takes advantage of the trend, reporting higher sales in subsequent quarters. The higher sales allow the Company to retain its shares in the fast-growing markets.

Carbonated beverages

- Maintaining the market share in the strongly growing segment of carbonated beverages (+26% increase in value terms relative to Q1 2006), ranking third after Coca Cola and Pepsi.
- Establishing a stable position and a base for further growth through sales and marketing investments in the key brands, including intensive advertising campaigns of Hoop Cola and Hoop Fruti brands.
- Strengthening the position of Hoop Cola in the cola segment. Hoop Cola is the only brand in the segment whose market share increased in the past six months relative to H1 2006.
- Rebuilding the position in the orangeade market - after overtaking Coca Cola, Hoop is the leader of the market.
- Strengthening the position in the economy beverage segment.

Non-carbonated beverages

- Dynamic growth of the market due to rising popularity of carton-packaged beverages other than 100% juices.
- Loss of market share to beverages in cartons resulting from the development of health-oriented trends.

Water

- The largest and the fastest growing beverage category in value terms.

Q2 2007 Report

- Hoop S.A. is rebuilding its market share in this product category thanks to the successful re-launch of the Arctic brand, which has received a new design and intensive advertising and sales support.
- Growing flavoured water segment, in which Hoop maintains its No. 2 position with no major threats from competition.

Syrups

- Stable market on which Hoop S.A., with its Paola brand, is the second biggest player.
- The first effects of the portfolio restructuring, refreshing of the offering and the advertising campaign are becoming visible - the market share in this product category has grown relative to Q1.

On the beverage market, the fastest growing segments in each product category are the so-called private label products produced for retail chains. They are not included in the Company's total market shares and Hoop S.A., as the largest producer of private label beverages in Poland, is steadily increasing its sales and revenue from this type of activity.

Financial Results of HOOP S.A.

Income statement	Q2 2007	Q2 2006	Difference	Change
	(PLN '000)	(PLN '000)	(PLN '000)	%
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	166,937	131,320	35,617	27.1%
Net revenue on sales of products	157,673	127,860	29,813	23.3%
Cost of sales, including:	99,703	80,116	19,587	24.4%
Cost of products sold	92,318	77,029	15,289	19.8%
Gross profit/(loss) on sales	67,234	51,204	16,030	31.3%
Selling costs	43,295	33,180	10,115	30.5%
General and administrative expenses	5,909	5,744	165	2.9%
Profit (loss) on sales	18,030	12,280	5,750	46.8%
Profit/(loss) on other operating activities	9,467	1,387	8,080	582.6%
Operating profit/(loss)	27,497	13,667	13,830	101.2%
Profit/(loss) on financing activities	-980	-1,937	937	
Result on extraordinary items				
Pre-tax profit/(loss)	26,517	11,730	14,787	126.1%
Corporate income tax	4,074	2,318	1,756	75.8%
Net profit/(loss)	22,443	9,412	13,031	138.5%

The Company's financial results for Q2 2007, considerably higher than for Q2 2006, were largely fuelled by a dynamic growth in sales revenue and strict control of the Company's operating expenses. Relative to Q2 2006, in Q2 2007 the increase in the cost of products sold (by 19.8%) was lower than the growth in revenue on sales of products (up by 23.3%), while general and administrative expenses rose by just 2.9%.

Only the increase in selling costs (up by 30.5%) 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 Q2 2007 HOOP S.A. achieved profit on sales of PLN 18,030 thousand, up by PLN 5,750 thousand (46.8%) from the profit generated in Q2 2006.

The Q2 2007 profit on other operating activities (PLN 9,467 thousand) was higher by PLN 8,080 thousand than the corresponding figure for Q2 2006. The difference was largely due to the sale, for PLN 7,676 thousand, of the rights to the "Arctic" and "HOOP" trademarks to OOO MEGAPACK for the territory of Russia and other members of the Commonwealth of Independent States, and a PLN 610 thousand decrease in the costs of revaluation of non-financial assets.

Compared with Q2 2006, the Q2 2007 loss on financing activities was lower by PLN 937 thousand, largely due to foreign exchange differences resulting primarily from the level of the EUR/PLN exchange rate. The differences benefited the Q2 2007 financial results by PLN 469 thousand, while in Q2 2006 their impact was negative at PLN -714 thousand.

Relative to Q2 2006, the Q2 2007 pre-tax profit was higher by PLN 14,787 thousand (126.1%), while the net profit rose by 13,031 thousand (138.5%).

After restatement of the Q2 2007 pre-tax and net profit for the purposes of comparability with the Q2 2006 figures - by eliminating the sale of the rights to the "Arctic" and "HOOP" trademarks - the financial results are as follows:

Income statement	Q2 2007	Q2 2006	Difference	Change
	(PLN '000)	(PLN '000)	(PLN '000)	%
	/A/	/B/	/A/-/B/	$\frac{/A/-/B/}{B}$
Pre-tax profit/(loss)	18,841	11,730	7,111	60.6%
Net profit/(loss)	16,226	9,412	6,814	72.4%

Looking at the results achieved by HOOP S.A. in Q2 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 Q2 2006 are evidence of a clear improvement over the past 12 months, and bode well for subsequent quarters of 2007.

Financial Highlights of HOOP S.A.

(to ensure data comparability, the financial effects of the sale of the rights to the "Arctic" and "HOOP" trademarks to OOO Megapack were eliminated)

	Q2 2007	Q2 2006	Past four quarters	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
EBIT	19,821	13,667	31,248	21,898
EBITDA	25,029	18,596	51,822	42,041
Net financial debt	94,405	84,224	94,405	89,491
Profitability ratios				
Gross sales margin	40.3%	39.0%	36.4%	35.1%
Net margin	9.7%	7.2%	5.1%	3.2%

V. Information on the Operating Activities of the Megapack Group

Financial Results of the Megapack Group

Income statement	Q2 2007	Q2 2006	Difference	Change
	(PLN '000)	(PLN '000)	(PLN '000)	%
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	87,294	58,836	28,458	48.4%
Net revenue on sales of products	77,984	58,095	19,889	34.2%
Cost of sales, including:	63,005	38,672	24,333	62.9%
Cost of products sold	53,876	38,111	15,765	41.4%
Gross profit (loss) on sales	24,289	20,164	4,125	20.5%
Selling costs	3,725	6,330	2,605	-41.2%
General and administrative expenses	3,453	3,445	8	0.2%
Profit/(loss) on sales	17,111	10,389	6,722	64.7%
Profit/(loss) on other operating activities	-2,245	-1,170	-1,075	
Operating profit/(loss)	14,866	9,219	5,647	61.3%
Profit/(loss) on financing activities	-190	-524	334	
Result on extraordinary items				
Pre-tax profit/(loss)	14,676	8,695	5,981	68.8%
Corporate income tax	3,788	1,377	2,411	175.1%
Net profit/(loss)	10,888	7,318	3,570	48.8%

In Q2 2007, the Megapack Group reported a significant increase in sales revenue and a noticeable improvement in its pre-tax and net profit.

The largest increase in the revenue of the segment of beverages sold under own brands was reported for the Arctic water (a 59% rise between Q2 2006 and Q2 2007, in RUR) and for the HOOP beverages (growth of 38%).

The Q2 2007 revenue from sales of HOOCH low-alcohol beverages declined by 9% from the level reported in Q2 2006, mainly due to a higher excise tax rate on low-alcohol beverages introduced in Russia with effect from the beginning of 2007 and the related decrease in the value of the market of low-alcohol beverages. A reduced rate of excise tax on low-alcohol beverages, approved by the authorities of the Russian Federation and due to take effect from the beginning of 2008, should significantly boost the sales of low-alcohol beverages.

The segment of non-alcoholic beverage bottling services reported a strong increase (by 30%) in sales revenue.

The highest increase in sales revenue, amounting to 132%, was posted by the segment of low-alcohol beverage bottling services.

Financial Highlights of the Megpack Group

	Q2 2007	Q2 2006	Past four quarters	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
EBIT	14,866	9,219	32,533	23,776
EBITDA	16,595	10,097	39,035	29,357
Net financial debt	9,014	13,131	9,014	9,388
Profitability ratios				
Gross sales margin	27.8%	34.3%	25.7%	26.0%
Net margin	12.5%	12.4%	9.7%	8.3%

Both EBIT and EBITDA reported strong year-on-year improvement in Q2 2007. The lower gross sales margin follows from a different structure of sales revenue compared with Q2 2006, due to an increase in the share of low-alcohol beverage bottling services, whose gross sales margin is lower than the margin on sales of beverages under own brands or on non-alcoholic beverage bottling services.

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 August 6th 2007 a letter of intent was signed between HOOP S.A., Fructo-Maj Sp. z o.o., and Mr Andrzej Gogółka (the sole shareholder in Fructo-Maj Sp. z o.o.). The letter of intent concerns the determination of terms and conditions of an investment agreement whereby HOOP S.A. will acquire at least 80% of shares in the increased share capital of Fructo-Maj Sp. z o.o. The pre-conditions for the conclusion of the investment agreement include placement of Fructo-Maj Sp. z o.o. in liquidation with an option for arrangement and execution of debt restructuring agreements by Fructo-Maj Sp. z o.o. and its creditors. Pursuant to the letter of intent, HOOP S.A. has exclusive rights to conduct the negotiations.

Fructo-Maj Sp. z o.o. is a popular producer of goods labelled with the Milejów brand. The company's business consists in fruit and vegetable processing, including production of juices and beverages.

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 2007.

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

3,896,949 shares representing 29.77% of HOOP S.A.'s share capital;
3,896,949 votes representing 29.77% 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 July 13th 2007 sent by ING Towarzystwo Funduszy Inwestycyjnych S.A., following the acquisition of further HOOP S.A. shares by investment funds managed by ING Towarzystwo Funduszy Inwestycyjnych S.A., these funds collectively hold:

1,655,092 shares representing 12.64% of HOOP S.A.'s share capital;
1,655,092 votes representing 12.64 % of the total vote at the General Shareholders Meeting of HOOP S.A.

4. KSM Investment S.A.

1,832,400 shares representing 14.00% of HOOP S.A.'s share capital;
1,832,400 votes representing 14.00% 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 Q2 2007:

Shareholder	Number of shares		% of share capital		Votes at the General Shareholders Meeting	
	Aug 14 2007	May 15 2007	Aug 14 2007	May 15 2007	Aug 14 2007	May 15 2007
Dariusz Wojdyga	3,896,949	4,421,801	29.77%	33.78%	29.77%	33.78%
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 Q2 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

On April 12th 2007, HOOP S.A. and OOO Megapack, its subsidiary undertaking based in Russia, executed agreements whereby HOOP S.A. sold OOO Megapack the rights to the "Arctic" and "HOOP" trademarks for the territory of Russia and other members of the Commonwealth of Independent States (for details see the Q1 2007 Report).

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 Q2 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 in the beverage or a similar industry. An example of such a transaction is the planned acquisition of by HOOP S.A. of 80% of shares in Fructo-Maj Sp. z o.o., whose business consists in fruit and vegetable processing, including production of juices and beverages (for details see Current Report No. 37/2007 of August 7th 2007).
- 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 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 sales of own brands offered by the Russian company. Growth of such sales will lead to a more effective utilisation of the Group's production capacity and higher profitability thanks to offering higher sales margins; however, in the case of low-alcohol beverages, the sales and profits may be affected by higher excise tax rates for low-alcohol beverages, effective since January 1st 2007, and the reduction in the excise tax rates, approved by the government of the Russian Federation, due to take effect from the beginning of 2008. Apart from dynamic development of the production and sales of the Company's own brands in the Russian market, steps have also been taken to increase the revenue from beverage bottling services. As a result of these efforts, the Company has executed contracts which enabled it achieve considerably higher revenue from sales of bottling services in 2005 and 2006 and can be expected to further increase this type of revenue in subsequent years.

Signatures of persons representing the Company

August 14th 2007 <i>date</i>	Dariusz Wojdyga <i>name</i>	President of the Management Board <i>position</i>	<i>signature</i>
August 14th 2007 <i>date</i>	Marek Jutkiewicz <i>name</i>	Vice-President of the Management Board <i>position</i>	<i>signature</i>
August 14th 2007 <i>date</i>	Tomasz Jankowski <i>name</i>	CFO <i>position</i>	<i>signature</i>
August 14th 2007 <i>date</i>	Katarzyna Balcerowicz <i>name</i>	Chief Accountant <i>position</i>	<i>signature</i>