

# **CONSOLIDATED QUARTERLY REPORT OF THE HOOP GROUP**



**for the Third Quarter of 2007**

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WARSAW  
November 14th 2007

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## I.A. Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET	as at Sep	as at Jun	as at Dec	as at Sep
	30 2007	30 2007	31 2006	30 2006
	end of quarter	end of		end of quarter
	2007	previous		2006
		quarter		
		2007		
<b>Assets</b>				
<b>I. Non-current assets</b>	255 426	261 574	244 781	218 852
Property, plant and equipment	155 926	159 951	161 062	164 179
Goodwill	37 531	37 531	37 531	37 730
Intangible assets	45 419	47 142	32 337	2 304
Non-current receivables under deposits	1 147	1 042	1 089	1 163
Financial assets available for trade	2 068	2 000	2 000	2 000
Deferred tax asset	9 697	11 929	8 668	8 576
Other non-current assets	3 638	1 979	2 094	2 900
<b>II. Current assets</b>	259 001	297 588	236 984	190 421
Inventories	68 008	69 722	65 483	50 707
Trade receivables	156 248	190 448	129 664	106 022
Receivables from the state budget, including:	4 261	6 557	11 062	5 328
<i>under income tax</i>	445	485	5 152	2 207
Other receivables	5 352	7 653	11 088	9 093
Prepayments and accrued income	2 705	3 086	4 204	2 708
Other financial assets	812	812	930	800
Cash and cash equivalents	21 615	19 310	14 553	15 763
<b>Total assets</b>	514 427	559 162	481 765	409 273
<b>Equity and liabilities</b>				
<b>Total equity, including:</b>	175 143	165 001	145 663	146 132
<i>equity attributable to equity holders of the parent</i>	142 681	135 296	121 485	123 711
<i>minority interests</i>	32 462	29 705	24 178	22 421
Share capital	13 089	13 089	13 089	13 089
Treasury shares (negative value)		0		-22 920
Statutory reserve funds	97 907	97 907	93 184	113 198
Other capital reserves	4 936	4 936	4 936	4 936
Currency translation differences on subordinated undertakings	-3 414	-2 935	-2 332	-134
Retained earnings (deficit)	-99	-99	-2 641	-2 856
Net profit (loss)	30 262	22 398	15 249	18 398
Minority interests	32 462	29 705	24 178	22 421
<b>Non-current liabilities</b>	67 290	69 519	79 196	52 406
Provisions for liabilities	95	141	141	88
Deferred tax liability	12 650	12 517	12 952	5 382
Non-current loans and borrowings	40 981	40 431	42 570	19 766
Liabilities under lease agreements	9 804	12 271	18 581	21 927
Deferred income	3 759	4 159	4 952	5 243
Other non-current liabilities	1	0		0
<b>Current liabilities</b>	271 994	324 642	256 906	210 735
Current loans and borrowings	50 516	47 563	47 082	37 180
Liabilities under lease agreements	12 500	13 354	13 839	16 208
Trade payables	143 573	166 970	127 833	98 861
Accrued expenses	15 798	21 356	5 200	13 950
Payables to the state budget, including:	21 766	33 036	26 012	17 779
<i>under income tax</i>	538	3 483	103	0
Provisions	4 859	5 048	4 769	646
Other liabilities	21 179	35 176	29 849	23 287
Deferred income	1 803	2 139	2 322	2 824
<b>Total equity and liabilities</b>	514 427	559 162	481 765	409 273
<b>OFF-BALANCE-SHEET ITEMS</b>				
Property, plant and equipment		22	56	0
Contingent receivables	2 000	2 000	2 000	2 000
Contingent liabilities		300		9 534
Other, including:				
<b>Total off-balance-sheet items</b>	2 000	2 322	2 056	11 534

**I.B. Consolidated Income Statement**

<b>CONSOLIDATED INCOME STATEMENT</b>	<b>Q3 Jul 1-Sep 30 2007</b>	<b>Q3 cumulative Jan 1-Sep 30 2007</b>	<b>Q3 Jul 1-Sep 30 2006</b>	<b>Q3 cumulative Jan 1-Sep 30 2006</b>
<b>Operating activity</b>				
<b>Sales revenue</b>	<b>221 869</b>	<b>669 201</b>	<b>187 460</b>	<b>490 759</b>
Net revenue on sales on products and services	192 625	575 631	156 612	435 594
Net revenue on sales of goods for resale and materials	29 244	93 570	30 848	55 165
<b>Cost of sales, including:</b>	<b>156 941</b>	<b>456 464</b>	<b>125 316</b>	<b>328 142</b>
Cost of products and services sold	134 195	381 674	99 444	281 811
Cost of goods for resale and materials sold	22 746	74 790	25 872	46 331
	0			
<b>Gross profit (loss) on sales</b>	<b>64 928</b>	<b>212 737</b>	<b>62 144</b>	<b>162 617</b>
	0			
Selling and marketing costs	39 322	124 356	41 573	102 841
General and administrative expenses	10 173	32 403	11 018	30 016
Other operating income	4 651	12 506	3 649	16 899
Other operating expenses	3 658	12 270	24	7 631
	0			
<b>Operating profit (loss)</b>	<b>16 426</b>	<b>56 214</b>	<b>13 178</b>	<b>39 028</b>
	0			
Financial income	762	1 321	180	1 224
Financial expense	2 263	6 110	1 483	7 393
	0			
<b>Pre-tax profit (loss)</b>	<b>14 925</b>	<b>51 425</b>	<b>11 875</b>	<b>32 859</b>
	0			
<b>Corporate income tax</b>	<b>3 825</b>	<b>11 797</b>	<b>4 157</b>	<b>7 871</b>
a) current	1 559	13 128	2 297	6 778
b) deferred	2 266	-1 331	1 860	1 093
	0			
<b>Net profit (loss) before extraordinary items</b>	<b>11 100</b>	<b>39 628</b>	<b>7 718</b>	<b>24 988</b>
	0			
<b>Write-off of goodwill/ negative goodwill</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2 181</b>
	0			
<b>Share in net profit (loss) of subordinated undertakings valued with equity method</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	0			
<b>Net profit (loss) for the financial year</b>	<b>11 100</b>	<b>39 628</b>	<b>7 718</b>	<b>22 807</b>
Attributable to:	0			
Equity holders of the parent	7 864	30 262	6 239	18 398
Minority interests	3 236	9 366	1 479	4 409
Earnings/(loss) per ordinary share (PLN)	0,85	3,03	0,59	1,76
Number of shares	13 088 576	13 088 576	12 976 800	12 976 800

<b>CONSOLIDATED INCOME STATEMENT</b>	<b>Q3 Jul 1-Sep 30 2007</b>	<b>Q3 cumulative Jan 1-Sep 30 2007</b>	<b>Q3 Jul 1-Sep 30 2006 (according to the IFRS)</b>	<b>Q3 cumulative Jan 1-Sep 30 2006</b>
<b>Supplementary information</b>				
<b>Other operating income</b>	<b>4 651</b>	<b>12 506</b>	<b>3 649</b>	<b>16 899</b>
1. Gain on disposal of non-financial non-current assets	678	1 790	633	1 896
2. Subsidies	27	84	0	
3. Other operating income	3 946	10 632	3 016	15 003
	-			
<b>Other operating expenses</b>	<b>3 658</b>	<b>12 270</b>	<b>24</b>	<b>7 631</b>
1. Loss on disposal of non-financial non-current assets	-		0	
2. Revaluation of non-financial assets	97	5 065	0	3 458
3. Other operating expenses	3 561	7 205	24	4 173
	-			
<b>Financial income</b>	<b>762</b>	<b>1 321</b>	<b>180</b>	<b>1 224</b>
1. Dividends and distributions from profit	-		0	
2. Interest	705	863	23	705
3. Gain on disposal of investments	-		0	
4. Investment revaluation	-		0	
5. Other	57	458	157	519
	-			
<b>Financial expenses</b>	<b>2 263</b>	<b>6 110</b>	<b>1 483</b>	<b>7 393</b>
1. Interest	1 819	5 417	1 483	5 549
2. Loss on disposal of investments	-		0	
3. Investment revaluation	-		0	
4. Other	444	693	0	1 844
	-			

**III. Statement of Changes in Consolidated Equity**

Statement of Changes in Consolidated Equity in Jul 1-Sep 30 2007										
Equity attributable to equity holders of the parent									Minority interests	Total equity
Type of change	Share capital	Treasury shares	Statutory reserve funds	Other capital reserves	Revaluation deficit	Retained earnings (deficit)	Net profit for the current period	Total equity attributable to equity holders of the parent		
As at July 1st 2007	13 089	-	97 907	4 936	- 2 935	- 99	22 398	135 296	29 705	165 001
Contribution of profit to statutory reserve funds								-		-
Dividend paid								-		-
Currency translation differences					- 479			- 479	- 479	
Profit/(loss) for the financial year							7 864	7 864	3 236	11 100
As at September 30th 2007	13 089	-	97 907	4 936	- 3 414	- 99	30 262	142 681	32 462	175 143

Statement of Changes in Consolidated Equity in Jan 1-Sep 30 2007										
Equity attributable to equity holders of the parent									Minority interests	Total equity
Type of change	Share capital	Treasury shares	Statutory reserve funds	Other capital reserves	Revaluation deficit	Retained earnings (deficit)	Net profit for the current period	Total equity attributable to equity holders of the parent		
As at January 1st 2007	13 089		93 184	4 936	- 2 332	12 608		121 485	24 178	145 663
Contribution of profit to statutory reserve funds	-		4 723			- 4 723		-		-
Dividend paid	-					- 7 984		- 7 984		- 7 984
Currency translation differences					- 1 082			- 1 082	- 1 082	- 2 164
Profit/(loss) for the financial year							30 262	30 262	9 366	39 628
As at September 30th 2007	13 089	-	97 907	4 936	- 3 414	- 99	30 262	142 681	32 462	175 143

Statement of Changes in Consolidated Equity in Jan 1 - Dec 31 2006										
Equity attributable to equity holders of the parent									Minority interests	Total equity
Type of change	Share capital	Treasury shares	Statutory reserve funds	Other capital reserves	Revaluation deficit	Retained earnings (deficit)	Net profit for the current period	Total equity attributable to equity holders of the parent		
<b>As at January 1st 2006</b>	<b>13 089</b>	<b>- 22 920</b>	<b>112 327</b>	<b>4 936</b>	<b>- 1 635</b>	<b>825</b>		<b>106 622</b>	<b>16 458</b>	123 080
Contribution of profit to statutory reserve funds			871			- 871		-		-
Dividend paid						- 2 595		- 2 595		- 2 595
Currency translation differences					- 697			- 697	- 700	- 1 397
Disposal of treasury shares		22 920	- 20 014					2 906		2 906
Profit/(loss) for the financial year							15 249	15 249	8 420	23 669
<b>As at December 31st 2006</b>	<b>13 089</b>	<b>-</b>	<b>93 184</b>	<b>4 936</b>	<b>- 2 332</b>	<b>- 2 641</b>	<b>15 249</b>	<b>121 485</b>	<b>24 178</b>	<b>145 663</b>

Statement of Changes in Consolidated Equity in Jul 1 - Sep 30 2006										
Equity attributable to equity holders of the parent									Minority interests	Total equity
Type of change	Share capital	Treasury shares	Statutory reserve funds	Other capital reserves	Revaluation deficit	Retained earnings (deficit)	Net profit for the current period	Total equity attributable to equity holders of the parent		
<b>As at July 1st 2006</b>	<b>13 089</b>	<b>- 22 920</b>	<b>113 198</b>	<b>4 936</b>	<b>- 11</b>	<b>- 2 856</b>	<b>12 159</b>	<b>117 595</b>	<b>20 793</b>	<b>138 388</b>
Contribution of profit to statutory reserve funds			-			-		-		-
Dividend paid						-		-		-
Currency translation differences					- 123			- 123	359	236
Profit/(loss) for the financial year							6 239	6 239	1 269	7 508
<b>As at September 30th 2006</b>	<b>13 089</b>	<b>- 22 920</b>	<b>113 198</b>	<b>4 936</b>	<b>- 134</b>	<b>- 2 856</b>	<b>18 398</b>	<b>123 711</b>	<b>22 421</b>	<b>146 132</b>

**I.D. – Consolidated Cash-Flow Statement**

<b>CONSOLIDATED CASH-FLOW STATEMENT</b>	<b>Q3 2007 Jul 1-Sep 30 2007</b>	<b>Q3 2007 cumulative Jan 1-Sep 30 2007</b>	<b>Q3 2006 Jul 1-Sep 30 2006</b>	<b>Q3 2006 cumulative Jan 1-Sep 30 2006</b>
<b>A. Cash flows from operating activities – indirect method</b>				
<b>I. Pre-tax profit (loss)</b>	<b>14 925</b>	<b>51 425</b>	<b>11 875</b>	<b>32 859</b>
<b>II. Total adjustments</b>	<b>7 483</b>	<b>14 483</b>	<b>11 245</b>	<b>17 487</b>
1. Share in net (profit)/ loss of undertakings valued with equity method	0		0	0
2. Depreciation and amortisation	8 256	25 316	8 592	22 051
3. Foreign exchange (gains)/ losses	141	-73	-1 628	-1 037
4. Interest and profit distributions (dividends)	1 801	5 212	4 911	4 792
5. (Gain)/ loss on investing activities	-460	-1 180	816	-452
6. Change in provisions (excluding deferred tax provision)	-348	64	-3 012	-3 063
7. Change in inventories	1 115	-3 280	4 229	9 030
8. Change in receivables	31 058	-29 066	70 560	3 695
9. Change in current liabilities, net of loans and borrowings, accruals and deferrals, and income tax paid)	-33 243	6 203	-75 772	-28 059
10. Change in accruals and deferrals (excluding corporate income tax asset)	-4 685	16 535	7 938	16 480
11. Income tax on pre-tax profit	-1 559	-13 128	-2 297	-6 778
12. Income tax paid	5 353	8 538	4 462	7 303
13. Other adjustments	54	-658	-7 554	-6 475
<b>III. Net cash provided by (used in) operating activities (I+/-II)</b>	<b>22 408</b>	<b>65 908</b>	<b>23 120</b>	<b>50 346</b>
<b>B. Cash flows from investing activities</b>	<b>0</b>			
<b>I. Cash provided by investing activities</b>	<b>417</b>	<b>3 066</b>	<b>953</b>	<b>3 248</b>
1. Disposal of intangible assets and property, plant and equipment	413	1 675	889	2 317
2. Disposal of investment property and intangible assets	0			
3. Cash provided by financial assets, including:	0	118	0	0
4. Other cash provided by investing activities	4	1 273	64	931
<b>II. Cash used in investing activities</b>	<b>10 315</b>	<b>38 719</b>	<b>6 912</b>	<b>13 060</b>
1. Acquisition of intangible assets and property, plant and equipment	10 315	38 518	6 762	12 078
2. Acquisition of investment property and intangible assets	0	201	0	0
3. Cash used on financial assets	0		150	150
4. Dividends and other profit distributions to minority interests	0			
5. Other cash used in investing activities	0	0	0	832
<b>III. Net cash provided by (used in) investing activities(I-II)</b>	<b>-9 898</b>	<b>-35 653</b>	<b>-5 959</b>	<b>-9 812</b>
<b>C. Cash flows from financing activities</b>	<b>0</b>			
<b>I. Cash flows provided by financing activities</b>	<b>51 491</b>	<b>176 433</b>	<b>36 798</b>	<b>104 397</b>
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity	0	0	5 998	5 998
2. Loans and borrowings	51 491	176 056	30 756	98 355
3. Issue of debt securities	0			
4. Other cash provided by financing activities	0	377	44	44
<b>II. Cash used in financing activities</b>	<b>61 696</b>	<b>199 625</b>	<b>60 097</b>	<b>144 403</b>
1. Acquisition of treasury shares	0			
2. Dividends and other distributions to shareholders	7 984	7 984	2 595	2 595
3. Distributions from profit other than distributions to shareholders	0			
4. Repayment of loans and borrowings	48 447	174 060	52 590	122 849
5. Redemption of debt securities	0			
6. Other financial liabilities	0			
7. Repayment of financed lease liabilities	3 505	12 140	4 107	14 124
8. Interest paid	1 735	5 416	805	4 835
9. Other cash used in financing activities	25	25		
<b>III. Net cash provided by (used in) financing activities (I-II)</b>	<b>-10 205</b>	<b>-23 192</b>	<b>-23 299</b>	<b>-40 006</b>
<b>D. Total net cash flow (A.III+/-B.III+/-C.III)</b>	<b>2 305</b>	<b>7 063</b>	<b>-6 138</b>	<b>528</b>
<b>E. Balance-sheet change in cash, including:</b>	<b>2 305</b>	<b>7 063</b>	<b>-6 138</b>	<b>528</b>
- change in cash resulting from foreign exchange gains/(losses)	0			
<b>F. Cash at beginning of period</b>	<b>19 310</b>	<b>14 552</b>	<b>21 901</b>	<b>15 235</b>
<b>G. Cash at end of period (F+/- D), including:</b>	<b>21 615</b>	<b>21 615</b>	<b>15 763</b>	<b>15 763</b>
- restricted cash	1 189	13 106	7 421	10 278



## II.A. Non-Consolidated Balance Sheet

<b>BALANCE SHEET</b>	as at Sep 30 2007 end of quarter 2007	as at Jun 30 2007 end of previous quarter 2007	as at Dec 31 2006	as at Sep 30 2006 end of quarter 2006
<b>Assets</b>				
<b>I. Non-current assets</b>	<b>194 553</b>	<b>199 093</b>	<b>197 378</b>	<b>181 795</b>
1. Intangible assets, including :	1 446	1648	1 517	1 597
2. Goodwill of subordinated undertakings				
3. Property, plant and equipment	95 217	97653	97 235	100 595
4. Non-current receivables	1 147	1 042	1 089	1 163
4.1. From related undertakings		0		
4.2. From other undertakings	1 147	1042	1 089	1 163
5. Non-current investments	90 427	90 556	90 556	70 420
5.1. Property				
5.2. Intangible assetsne				
5.3. Non-current financial assets	90 427	88 556	88 556	70 420
a) in related undertakings, including:	88 427	88 556	88 556	68 420
- 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	2000	2 000	2 000
5.4. Other non-current investments				
6. Non-current prepayments and accrued income	6 316	8 194	6 981	8 020
6.1. Deferred tax asset	6 316	8 194	6 981	8 020
6.2. Other non-current prepayments and accrued income				
<b>II. Current assets</b>	<b>181 862</b>	<b>217 448</b>	<b>124 820</b>	<b>143 165</b>
1. Inventories	39 622	38 501	22 011	26 252
2. Current receivables	127 137	163 875	90 055	102 134
2.1. From related undertakings	41 533	41 705	24 792	24 847
2.2. From other undertakings	85 604	122 170	65 263	77 287
3. Current investments	14 719	14 240	12 209	13 747
3.1. Current financial assets	14 719	14 240	12 209	13 747
a) in related undertakings				
b) in other undertakings	800	800	800	800
c) cash and cash equivalents	13 919	13 440	11 409	12 947
3.2. Other current investments				
4. Current prepayments and accrued income	384	832	545	1 032
<b>Total assets</b>	<b>376 415</b>	<b>416 541</b>	<b>322 198</b>	<b>324 960</b>
<b>Equity and liabilities</b>				
<b>I. Equity</b>	<b>143 408</b>	<b>138 265</b>	<b>120 457</b>	<b>120 789</b>
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	0	-22 920
4. Statutory reserve funds	97 920	97 920	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)	0		0	0
9. Net profit (loss)	30 935	25 792	12 707	15 945
10. Distributions from net profit in financial year (negative value)				
<b>IV. Liabilities and provisions for liabilities</b>	<b>233 007</b>	<b>278 276</b>	<b>201 741</b>	<b>204 171</b>
1. Provisions for liabilities	1 879	1 878	2 341	1 822
1.1. Deferred tax liability	1 489	1 489	1 767	1 470
1.2. Provisions for retirement and smilar benefits	100	100	100	78
a) non-current	87	87	87	78
b) current	13	13	13	0
1.3. Other provisions	290	289	474	274

a) non-current				
b) current	290	289	474	274
2. Non-current liabilities	48 947	50 628	58 915	40 092
2.1. To related undertakings				
2.2. To other undertakings	48 947	50 628	58 915	40 092
3. Current liabilities	162 913	200 097	128 949	140 250
3.1. To related undertakings	8 330	4 936	2 307	1 914
3.2. To other undertakings	140 577	182 058	115 492	127 516
3.3. Special accounts	14 006	13 103	11 150	10 820
4. Accruals and deferred income	19 268	25 673	11 536	22 007
4.1. Negative goodwill				
4.2. Other accruals and deferred income	19 268	25 673	11 536	22 007
a) non-current	3 759	4 159	4 952	5 243
b) current	15 509	21 514	6 584	16 764
<b>Total equity and liabilities</b>	<b>376 415</b>	<b>416 541</b>	<b>322 198</b>	<b>324 960</b>

<b>OFF-BALANCE-SHEET ITEMS</b>	as at Sep 30 2007 end of quarter 2007	as at Jun 30 2007 end of previous quarter 2007	as at Dec 31 2006	as at Sep 30 2006 end of quarter 2006
<b>1. Contingent receivables</b>				
1.1. From related undertakings, including:				
- guarantees and sureties received				
-				
...				
1.2. From other undertakings, including:				
- guarantees and sureties received				
-				
...				
<b>2. Contingent liabilities</b>	<b>0</b>	<b>300</b>	<b>0</b>	<b>9534</b>
2.1. To related undertakings, including	0	0	0	9534
- guarantees and sureties issued		0	0	9534
-				
...				
2.2. To other undertakings, including		300		
- guarantees and sureties issued		300		
- lease agreements				
...				
<b>3. Other, including:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
- bottling line				
- pallet wrapping machine				
- roller conveyor				
- vehicles				
<b>Total off-balance-sheet property, plant and equipment</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
...				
<b>Total off-balance-sheet items</b>	<b>0</b>	<b>300</b>	<b>0</b>	<b>9 534</b>

**II.B. Non-Consolidated Income Statement**

<b>INCOME STATEMENT</b>	<b>Q3 cumulative Jan 1-Sep 30 2007</b>	<b>Q3 Jul 1-Sep 30 2007</b>	<b>Q3 cumulative Jan 1-Sep 30 2006</b>	<b>Q3 Jul 1-Sep 30 2006</b>
<b>I. Net sales revenue, including:</b>	380 405	118 698	321 990	125 534
- from related undertakings	47 544	16 780	22 294	10 724
1. Net revenue on sales of products	353 830	109 078	311 625	120 362
2. Net revenue on sales of goods for resale and materials	26 575	9 620	10 365	5 172
<b>II. Cost of sales, including:</b>	237 576	77 330	205 435	80 998
- to related undertakings	26 503	9 838	12 652	6 198
1. Cost of products sold	216 351	69 390	196 433	76 721
2. Cost of goods for resale and materials sold	21 225	7 940	9 002	4 277
<b>III. Gross profit (loss) on sales (I-II)</b>	142 829	41 368	116 555	44 536
IV. Selling costs	97 232	30 530	80 817	32 783
V. General and administrative expenses	16 635	5 538	16 007	5 385
<b>VI. Profit (loss) on sales (III-IV-V)</b>	28 962	5 300	19 731	6 368
VII. Other operating income	16 913	3 176	7 131	1 839
1. Gain on disposal of non-financial non-current assets	1 459	489	1 705	515
2. Subsidies		0		0
3. Other operating income	15 454	2 687	5 426	1 324
VIII. Other operating expenses	4 663	824	2 134	303
1. Loss on disposal of non-financial non-current assets		0		0
2. Revaluation of non-financial assets	3 108	125	1 300	0
3. Other operating expenses	1 555	699	834	303
<b>IX. Operating profit (loss) (VI+VII-VIII)</b>	41 212	7 652	24 728	7 904
X. Financial income	1 173	698	1 169	166
1. Dividends and other profit distributions, including:		0		0
- from related undertakings		0		0
2. Interest, including:	715	641	651	11
- from related undertakings		0		0
3. Gain on disposal of investments		0		0
4. Investment revaluation		0		0
5. Other	458	57	518	155
XI. Financial expenses	4 929	1 877	5 824	1 132
1. Interest, including:	4 294	1 464	3 980	1 132
- to related undertakings		0		0
2. Loss on disposal of investments		0		0
3. Investment revaluation		0		0
4. Other	635	413	1 844	0
		0		0
<b>XII. Profit (loss) before extraordinary items (IX+X-XI+/-XII)</b>	37 456	6 473	20 073	6 938
XIII. Result of extraordinary items (XIV.1. - XIV.2.)	0	0	0	0
1. Extraordinary gains		0		0
2. Extraordinary losses		0		0
<b>XIV. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)</b>	37 456	6 473	20 073	6 938
XV. Corporate income tax	6 521	1 330	4 128	1 418
a) current	6 134	-548	3 920	981
b) deferred	387	1 878	208	437
		0		0
		0		0
		0		0
<b>XV. Net profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)</b>	30 935	5 143	15 945	5 520

## II.C. Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY	Q3 cumulative Jan 1-Sep 30 2007	Q3 Jul 1-Sep 30 2007	2 006	Q3 cumulative Jan 1-Sep 30 2006
<b>I. Balance of equity at beginning of period</b>	120 457	138 265	107 439	107 439
a) changes in adopted accounting policies				
b) correction of fundamental errors				
<b>I.a. Balance of equity at beginning of period, after reconciliation with comparable data</b>	120 457	138 265	107 439	107 439
<b>1. Balance of share capital at beginning of period</b>	13 089	13 089	13 089	13 089
1.1. Changes in share capital				
a) increase, including:	0	0		
- issue of shares				
-				
...				
b) decrease, including:	0	0		
- retirement of shares				
-				
...				
<b>1.2. Balance of share capital at end of period</b>	13 089	13 089	13 089	13 089
<b>2. Balance of called-up share capital not paid at beginning of period</b>				
2.1. Changes in called-up share capital not paid				
a) increase				
-				
...				
b) decrease				
-				
...				
<b>2.2. Balance of called-up share capital not paid at end of period</b>				
<b>3. Treasury shares at beginning of period</b>	0	0	-22 920	-22 920
3.1. Changes in treasury shares				
a) increase, including:				
- acquisition of shares				
...				
b) decrease, including:			22 920	
- sale of shares			22 920	
...				
<b>3.2. Treasury shares at end of period</b>	0	0	0	-22 920
<b>4. Balance of statutory reserve funds at beginning of period</b>	93 197	97 920	112 340	112 340
4.1. Changes in statutory reserve funds				
a) increase, including:	4 723	0	871	871
- share premium				
- distribution of profit (statutory)				
- distribution of profit (above statutory minimum)	4 723	0	871	871
- transfer from revaluation capital reserve			0	
- revaluation				
b) decrease, including:	0	0	20 014	
- coverage of loss			0	
- sale of treasury shares			20 014	
...				
<b>4.2. Balance of statutory reserve funds at end of period</b>	97 920	97 920	93 197	113 211
<b>5. Balance of revaluation capital reserve at beginning of period</b>	28	28	28	28
5.1. Changes in revaluation capital reserves				
a) increase, including:				0
...				
b) decrease, including:			0	0
- disposal of property, plant and equipment			0	
- rounding-offs				
- transfer to statutory reserve funds				
<b>5.2. Balance of revaluation capital reserve at end of period</b>	28	28	28	28
<b>6. Balance of other capital reserves at beginning of period</b>	1 436	1 436	1 436	1 436
6.1. Changes in other capital reserves				
a) increase				
-				
...				
b) decrease				
-				
...				
<b>6.2. Balance of other capital reserves at end of period</b>	1 436	1 436	1 436	1 436
<b>7. Currency translation differences on subordinated undertakings</b>				

<b>8. Balance of retained earnings (deficit) at beginning of period</b>	12 707	0	3 466	3 466
<b>8.1. Balance of retained earnings at beginning of period</b>	12 707	0	3 466	3 466
a) changes in adopted accounting policies				
b) correction of fundamental errors				
<b>8.2. Balance of retained earnings at beginning of period, after reconciliation with comparable data</b>	12 707	0	3 466	3 466
a) increase, including:	0	0	0	0
- distribution of retained profit				
...				
b) decrease, including:	12 707	0	3 466	3 466
- adjustment of preliminary result - audit				
- dividend paid	7 984	0	2 595	2 595
- contribution to statutory reserve funds	4 723	0	871	871
<b>8.3. Balance of retained earnings at end of period</b>	0	0	0	0
<b>8.4. Balance of retained deficit at beginning of period</b>			0	
a) changes in adopted accounting policies				
b) correction of fundamental errors				
<b>8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data</b>			0	0
a) increase, including:				
- retained deficit brought forward to be covered				
- adjustment of preliminary result after audit				
...				
b) decrease, including:			0	
- retained deficit covered			0	
...				
<b>8.6. Balance of retained deficit at end of period</b>			0	0
<b>8.7. Balance of retained earnings (deficit) at end of period</b>	0	0	0	0
<b>9. Net profit (loss)</b>	30 935	30 935	12 707	15 945
a) net profit	30 935	30 935	12 707	15 945
b) net loss				
c) profit distributions				
<b>II. Balance of equity at end of period</b>	143 408	143 408	120 457	120 789
<b>III. Equity after proposed distribution of profit (coverage of loss)</b>				

**II.D. – Non-Consolidated Cash-Flow Statement**

CASH-FLOW STATEMENT	Q3 cumulative Jan 1-Sep 30 2007	Q3 Jul 1-Sep 30 2007	Q3 cumulative Jan 1-Sep 30 2006	Q3 Jul 1-Sep 30 2006
<b>A. Cash flows from operating activities – direct method</b>				
<b>I. Cash provided by operating activities</b>				
1. Sales				
2. Other cash provided by operating activities				
<b>II. Cash used in operating activities</b>				
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				
<b>III. Net cash provided by (used in) operating activities (I-II)</b>				
<b>A. Cash flows from operating activities - indirect method</b>				
<b>I. Net profit / (loss)</b>	30 935	5 143	15 945	5 520
<b>II. Total adjustments</b>	-13 321	3 631	31 819	23 340
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:	15 604	5 292	15 797	5 916
- write-offs of (negative) goodwill of subordinated undertakings		0		0
4. Foreign exchange (gains)/ losses	447	323	1 561	-335
5. Dividends and interest	4 263	1 506	3 329	493
6. (Gain)/ loss on investing activities	-1 459	-489	-1 705	-515
7. Change in provisions	-462	1	-12	183
8. Change in inventories	-17 611	-1 121	187	-785
9. Change in receivables	-36 964	37 243	-20 666	31 132
10. Change in current liabilities, net of loans and borrowings	20 609	-35 243	23 656	-11 487
11. Change in accruals and deferrals	8 558	-4 079	9 672	-1 262
12. Other adjustments	-6 306	198		0
<b>III. Net cash provided by (used in) operating activities (I+/-II)</b>	17 614	8 774	47 764	28 860
<b>B. Cash flows from investing activities</b>				0
<b>I. Cash provided by investing activities</b>	7 818	212	2 116	731
1. Disposal of intangible assets and property, plant and equipment	1 315	212	2 116	731
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	6 503	0		0
<b>II. Cash used in investing activities</b>	13 295	5 441	17 065	12 377
1. Acquisition of intangible assets and property, plant and equipment	13 227	9 839	9 767	6 379
2. Acquisition of investment property and intangible assets		0		0
3. Cash used on financial assets, including:	68	68	6 498	5 998
a) in related undertakings	68	68	6 498	5 998
- acquisition of financial assets	68	68	6 498	5 998
- 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	0	800	0
<b>III. Net cash provided by (used in) investing activities (I-II)</b>	-5 477	-5 229	-14 949	-11 646
<b>C. Cash flows from financing activities</b>				0
<b>I. Cash flows provided by financing activities</b>	22 762	10 876	27 033	4 422
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		0		0
2. Loans and borrowings	22 762	10 876	27 033	4 422
3. Issue of debt securities		0		0
4. Other cash provided by financing activities		0		0
<b>II. Cash used in financing activities</b>	32 389	13 942	56 660	26 961
1. Acquisition of treasury shares		0		0
2. Dividends and other distributions to shareholders	7 984	7 984	2 595	2 595
3. Distributions from profit other than distributions to shareholders		0		0
4. Repayment of loans and borrowings	8 623	1 108	37 212	19 868
5. Redemption of debt securities		0		0
6. Other financial liabilities		0		0
7. Repayment of financed lease liabilities	11 519	3 344	13 524	4 005
8. Interest paid	4 263	1 506	3 329	493
9. Other cash used in financing activities		0		0
<b>III. Net cash provided by (used in) financing activities (I-II)</b>	-9 627	-3 066	-29 627	-22 539
<b>D. Total net cash flow (A.III+/-B.III+/-C.III)</b>	2 510	479	3 188	-5 325
<b>E. Balance-sheet change in cash, including:</b>	2 510	479	3 188	-5 325
- change in cash resulting from foreign exchange gains/(losses)				0
<b>F. Cash at beginning of period</b>	11 409	13 440	9 759	18 272
<b>G. Cash at end of period (F+/- D), including:</b>	13 919	13 919	12 947	12 947
- restricted cash	13 082	1 186	10 269	10 269

## **Part C - Directors' Report - Q3 2007**

### **I. Accounting Policies**

These Q3 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 Q3 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 Q3 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., Inesco Investments Sp z o.o. 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 Q3 2007 is the consolidated data prepared in accordance with the IAS/IFRS which does not include the figures of Paola S.A., acquired in Q4 2006.

## 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.

9. In Q3 2007, the parent undertaking acquired 100% of shares in Inesco Investments Sp. z o.o. of Warsaw. The company does not conduct operations and it will be used in the restructuring process at the Group.



### III. Financial Results

#### 1. Consolidated Balance Sheet

Balance sheet of the HOOP Group	Q3 2007		Q3 2006		Difference	Change
	PLN '000	% of the balance- sheet total	PLN '000	% of the balance- sheet total		
	/A/	/B/	/C/	/D/		
<b>Assets</b>						
Non-current assets	255,426	49.65%	218,852	53.5%	36,574	16.7%
Current assets	259,001	50.35%	190,421	46.5%	68,580	36.0%
<b>Total assets</b>	<b>514,427</b>	<b>100.00%</b>	<b>409,273</b>	<b>100.00%</b>	<b>105,154</b>	<b>25.7%</b>
<b>Equity and liabilities</b>						
<b>Equity</b>	175,143	34.05%	146,132	35.7%	29,011	19.9%
Equity attributable to equity holders of the parent	142,681	27.74%	123,711	30.2%	18,970	15.3%
Minority interests	32,462	6.31%	22,421	5.5%	10,041	44.8%
Non-current liabilities	67,290	13.08%	52,406	12.8%	14,884	28.4%
Current liabilities	271,994	52.87%	210,735	51.5%	61,259	29.1%
<b>Total equity and liabilities</b>	<b>514,427</b>	<b>100.00%</b>	<b>409,273</b>	<b>100.00%</b>	<b>105,154</b>	<b>25.7%</b>

#### Non-Current Assets

A 16.7% 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 September 30th 2007 and the purchase of the Hooch trademark by Megapack for PLN 16.2m.

#### Current Assets

Growth of PLN 68.6m (36.0%) in the Group's current assets was caused primarily by the increase in the current assets of the Megapack Group, which followed from a significant year-on-year improvement in sales, and the inclusion of PAOLA S.A. in the balance sheet prepared as at September 30th 2007 (PAOLA S.A. was not consolidated in Q3 2006), as well as higher inventories and receivables from related undertakings at HOOP S.A.

#### Non-Current Liabilities

A PLN 14.9m growth in non-current liabilities resulted primarily from a PLN 6.7m increase in deferred tax liability and a PLN 8.9m increase in non-current financial liabilities at HOOP S.A.

### Current Liabilities

Principal changes to current liabilities in Q3 2007 relative to Q3 2006:

- a) a PLN 22.7m rise in current liabilities of HOOP S.A. caused by an increase in liabilities under current loans and trade payables,
- b) a PLN 31.8m 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 September 30th 2006.

## 2. Consolidated Income Statement

Income Statement	Q3 2007	Q3 2006	Difference (PLN'000)	Change (%)
	PLN '000	PLN '000		
	/A/	/B/	/A/-/B/	$\frac{/A/-/B/}{B}$
<b>Net sales revenue, including:</b>	<b>221,869</b>	<b>187,460</b>	<b>34,409</b>	<b>18.4%</b>
Net revenue on sales of products	192,625	156,612	36,013	23.0%
<b>Cost of sales, including:</b>	<b>156,941</b>	<b>125,316</b>	<b>31,625</b>	<b>25.2%</b>
Cost of products sold	134,195	99,444	34,751	34.9%
<b>Gross profit/(loss) on sales</b>	<b>64,928</b>	<b>62,144</b>	<b>2,784</b>	<b>4.5%</b>
Selling costs	39,322	41,573	-2,251	-5.4%
General and administrative expenses	10,173	11,018	-845	-7.7%
<b>Profit (loss) on sales</b>	<b>15,433</b>	<b>9,553</b>	<b>5,880</b>	<b>61.6%</b>
Profit/(loss) on other operating activities	993	3,625	-2,632	-72.6%
<b>Operating profit/(loss)</b>	<b>16,426</b>	<b>13,178</b>	<b>3,248</b>	<b>24.6%</b>
Profit/(loss) on financing activities	-1,501	-1,303	-198	15.2%
Result on extraordinary items				
Write-off of (negative) goodwill of subordinated undertakings				
<b>Pre-tax profit/(loss)</b>	<b>14,925</b>	<b>11,875</b>	<b>3,050</b>	<b>25.7%</b>
Corporate income tax	3,825	4,157	-332	-8.0%
<b>Net profit/(loss)</b>	<b>11,100</b>	<b>7,718</b>	<b>3,382</b>	<b>43.8%</b>
Net profit attributable to the parent undertaking	7,864	6,239	1,625	26.0%
Profit/(loss) attributable to minority interests	3,236	1,479	1,757	118.8%

The valuation allowances for non-financial assets made in Q3 2007 amount to PLN 97 thousand.

In Q3 2007, changes in the deferred tax asset and liability driven by temporary differences in corporate income tax decreased the Group's net profit for the period by PLN 2,266 thousand.

Selected items of the income statements of the HOOP Group companies consolidated with the full method, excluding INESCO Sp. z o.o., which does not conduct operations (PLN '000)  
(non-consolidated data without consolidation adjustments)  
(for companies which were not consolidated for Q3 2006, data is provided only for Q3 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.	
	Q3 2007	Q3 2006	Q3 2007	Q3 2006	Q3 2007	Q3 2006	Q3 2007	Q3 2006	Q3 2007	Q3 2006	Q3 2007	Q3 2006	Q3 2007	Q3 2006
<b>Net sales revenue</b>	118,698	125,534	72,898	38,167	9,544		634	1,117	13,112	12,866	7,532	8,795	19,418	17,526
<b>Profit/(loss) on operating activities (EBIT)</b>	7,652	7,904	8,990	6,018	1		36	27	197	132	-206	-73	-198	206
<b>Pre-tax profit/(loss)</b>	6,473	6,938	8,720	5,723	-40		45	28	202	139	-197	-76	-232	158
<b>Net profit/(loss)</b>	5,143	5,520	6,472	2,960	0		45	28	202	112	-207	-113	-278	167

### **Net Sales Revenue**

In Q3 2007, the HOOP Group generated PLN 221,869 thousand in net sales revenue, compared with PLN 187,460 thousand in the corresponding period of the previous year, which represents a year-on-year growth of 18.4%

In Q3 2007, the revenue on sales of products totalled PLN 192,625 thousand, having increased by 23% from PLN 156,612 thousand in Q3 2006.

The following main factors contributed to the increase in the Group's revenue in Q3 2007 compared with Q3 2006:

a) A decrease in the revenue of the parent undertaking - HOOP S.A., whose revenue on sales of products, goods for resale and materials reported for Q3 2007 amounted to PLN 118,698 thousand, that is 5.4% less than in Q3 2006 (PLN 125,534 thousand).

b) A PLN 34,731 thousand (91.0%) increase in the revenue of the Megpack Group in Q3 2007 relative to Q3 2006, including a 92.4% growth in the revenue on sales of products.

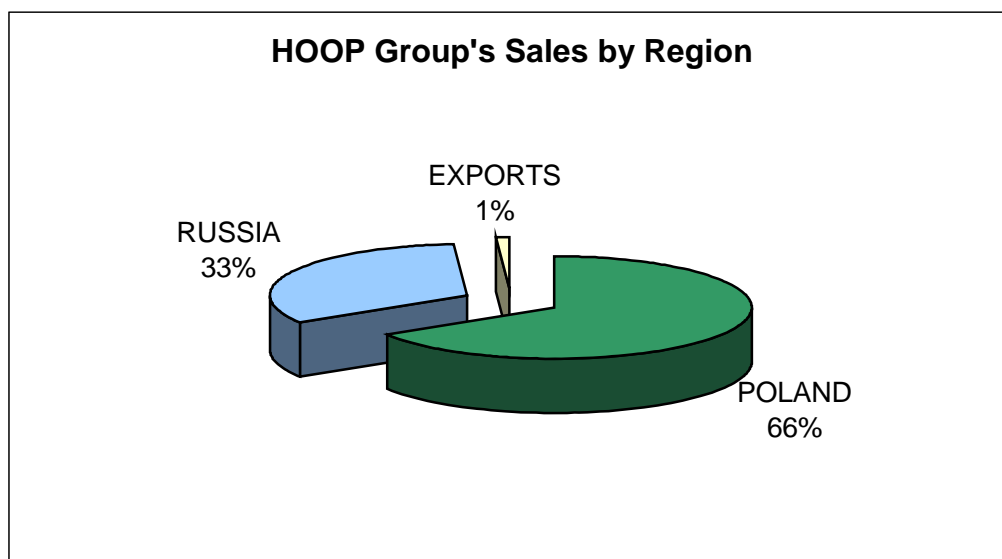
c) Inclusion in consolidation in Q3 2007 of PAOLA S.A., acquired on October 31st 2006, which increased the Group's revenue by PLN 1,267 thousand (after exclusion of intra-group transactions). In Q3 2007, the total sales of syrups and other PAOLA products, including sales by HOOP S.A., amounted to PLN 16.7m.

d) An increase in sales revenue generated by the distribution companies: PCD Sp. z o.o. and MAXPOL Sp. z o.o.

### **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 Q3 2007, the HOOP Group's net profit attributable to the equity holders of the parent amounted to PLN 7,864 thousand, which represents a year-on-year improvement of 26% (PLN 6,239 thousand posted in Q3 2006).

Key factors with a bearing on the HOOP Group's financial results in Q3 2007 relative to Q3 2006:

- a) Net profit of PLN 5,143 thousand earned by the parent undertaking in Q3 2007, down by PLN 337 thousand from Q3 2006 (PLN 5,520 thousand).
- b) Net profit of PLN 6,472 thousand posted in Q3 2007 by the Megapack Group, PLN 3,512 thousand (119%) higher relative to the net profit of PLN 2,960 thousand reported for Q3 2006. Given the 50% equity interest held in Megapack by HOOP S.A., this means a PLN 1,756 thousand year-on-year increase in the net profit attributable to the shareholders of HOOP S.A. for Q3 2007.
- c) Noticeable improvement in the financial performance of PCD HOOP Sp. z o.o., which in Q3 2007 earned a net profit of PLN 202 thousand against PLN 112 thousand posted in Q3 2006. After the consolidation adjustments, PCD's contribution to the Group's net result was +PLN 477 thousand in Q3 2007 against -PLN 3 thousand in Q3 2006.
- d) Negative effect of bad weather on the results of BOBMARK International Sp. z o.o. and Maxpol Sp. z o.o. in Q3 2007: the company reported a net loss of PLN 207 thousand, whereas in Q3 2006 the loss was lower by PLN 94 thousand and amounted to -PLN 113 thousand. The net results of Maxpol Sp. z o.o. for Q3 2007 and Q3 2006 were -PLN 278 thousand and +PLN 167 thousand, respectively.

- 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 106 thousand, comprising PAOLA S.A.'s net result of PLN 0 for Q3 2007 and consolidation adjustments totalling -PLN 106 thousand.

Other differences between the net financial result attributable to equity holders of the parent, posted in Q3 2007 and Q3 2006, arise from the differences in the net financial results of PPWM Woda Grodziska Sp. z o.o. and the value of consolidation adjustments made for Maxpol Sp. z o.o. and BOBMARK International 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

	Q3 2007	Q3 2006	Past four quarters	2006
	PLN '000	PLN '000		
<b>EBIT*</b>	<b>16,426</b>	<b>13,178</b>	<b>56,655</b>	<b>39,469</b>
<b>EBITDA*</b>	<b>24,682</b>	<b>21,770</b>	<b>92,953</b>	<b>72,502</b>
<b>Net financial debt*</b>	<b>92,186</b>	<b>76,855</b>	<b>92,186</b>	<b>96,704</b>
<b>Profitability ratios</b>				
Gross sales margin*	29.3%	33.2%	30.3%	30.9%
Net margin	3.5%	3.3%	3.2%	2.3%

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

Both EBIT and EBITDA rose significantly relative to Q3 2006. When comparing the profitability margins, one must remember about the growing share of distribution companies in the Group's sales - distribution companies generally have lower profitability margins than production companies.

#### 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	Q3 2007			Q3 2006	
	Sales (PLN '000)	Share of total sales	Change 2006/ 2007	Sales (PLN '000)	Share of total sales
Carbonated beverages	65,712	60.2%	9.3%	60,118	49.9%
Non-carbonated beverages	20,334	18.6%	-16.2%	24,255	20.2%
Water	16,301	14.9%	-54.2%	35,566	29.5%
Syrups	6,656	6.1%			0.0%
Services	75	0.1%	-82.2%	422	0.4%
<b>Total products</b>	<b>109,078</b>	<b>91.9%</b>	<b>-9.4%</b>	<b>120,362</b>	<b>95.9%</b>
<i>including private-label beverages</i>	<i>38,396</i>	<i>35.2%</i>	<i>-1.2%</i>	<i>38,843</i>	<i>32.3%</i>
<b>Revenue on sales of goods for resale and materials</b>	<b>9,620</b>	<b>8.1%</b>	<b>86.0%</b>	<b>5,172</b>	<b>4.1%</b>
<i>including syrups and other PAOLA products</i>	<i>8,830</i>	<i>91.8%</i>			<i>0.0%</i>
<b>Total sales revenue</b>	<b>118,698</b>	<b>100.0%</b>	<b>-5.4%</b>	<b>125,534</b>	<b>100.0%</b>

In Q3 2007, HOOP S.A.'s revenue on sales of products, goods for resale and materials dropped by 5.4% compared with Q3 2006, with the revenue on sales of products having gone down by 9.4%. The main causes of the drop were lower sales of water due to poorer weather conditions in Q3 2007 compared with Q3 2006, lower sales of non-carbonated beverages resulting from poor weather and a larger market share of beverages in cartons, as well as an increase in sales of carbonated beverages.

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 Q3 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 8.8m, 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 its production plants. The sales of syrups are recognised under "revenue on sales of products". In Q3 2007, the value of the sales was PLN 6,656 thousand. Starting from Q4 2007, in connection with the consolidation of production, logistics and distribution segments within the HOOP Group, 100% of syrups and other PAOLA products is produced and distributed by HOOP S.A.

### HOOP S.A. vs. the Market

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

Type of product	Q3 2007		Q3 2006		Q3 2007 vs. Q3 2006
	% share of volume	% share of value	% share of volume	% share of value	% change in market share
Carbonated beverages	11.0%	7.9%	10.9%	7.9%	0.2%
Non-carbonated beverages	10.8%	8.9%	9.6%	7.4%	8.1%
Mineral water	3.6%	4.7%	2.4%	3.9%	-4.3%
Syrups	16.8%	20.8%	16.8%	19.2%	9.1%
Energy drinks	-	-	1.3%	0.7%	189.6%

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

Hoop S.A. closed Q3 2007 with a level of sales, both in volume and value terms, similar to that reported for Q3 2006. Favourable market conditions, which started in summer 2006, are still present. The upward trends in sales of beverages (other than syrups) continued in Q3 2007, 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 (growing value of the market of Cola beverages (7.8%) at the expense of other flavours), ranking third after Coca Cola (42.9%) and Pepsi (20.6%), with the market share of 7.93%.
- Strengthening of the position of Hoop Cola in the cola segment (5.9% in value terms in Q3 2007). Hoop Cola is the segment's only brand whose sales and market share grew so sharply (by 17.9%) in comparison with Q3 2006.
- 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.
- 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.
- Maintaining the leading position among producers which, like Hoop S.A., offer their products only in PET packaging.

### Water

- The second best beverage category, in terms of volume and value. Due to lower temperatures this summer, the sales in this product category dropped year on year. Relative to Q3 2006, the Group recorded a drop in the volume and value of water sales by over 10% and nearly 5%, respectively.
- The average price in this product category is falling on the back of the growing share of cheaper brands (mainly *Cisowianka*, which is the no. 2 product in the market in terms of sales volume).
- *Arctic*, Hoop S.A.'s key brand of mineral water, remained a top 10 brand in Poland, even though the summer was not particularly hot and the cheaper brands recorded growing sales volume (the market is heavily fragmented and the competition is fierce because of a large number of companies advertising their products).
- The flavoured water segment is continuing to expand (increase by 26.7% relative to Q3 2006 in value terms).
- Flavoured *Arctic* water ranked second in this category.

### Syrups

- The market of syrups is grew slowly - by 9.1% year on year.
- Paola held a very strong second position in the market (19.2%) in value terms, after *Herbapol* syrups (34.9%), and before *Victoria Cymes* (10.0%).
- Paola is the only syrup brand supported by advertising activities.
- In Q3 2007, the Paola portfolio was focused on the most popular flavours, which helped to develop the distribution more effectively and improve the shelf presence. The syrups' labels and recipes were improved.
- The seasonality of syrup sales is becoming weaker (syrups are more frequently drunk also in summer, not only with tea).
- The autumn-winter advertising campaign has been launched to improve the brand awareness and product turnover in periods of high sales.

### Energy drinks

- The market of energy drinks shows the largest growth rates - nearly 200% relative to Q3 2006. The market is also heavily fragmented.
- Hoop S.A.'s R20 drink won a position among the top ten best-selling energy drinks in Poland already three months after its re-launch (over 2.2% share).

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	Q3 2007	Q3 2006	Difference	Change
	(PLN '000)	(PLN '000)	(PLN '000)	%
	/A/	/B/	/A/-/B/	<u>/A/-/B/</u> B
<b>Net sales revenue, including:</b>	118,698	125,534	-6,836	-5.4%
Net revenue on sales of products	109,078	120,362	-11,284	-9.4%
<b>Cost of sales, including:</b>	77,330	80,998	-3,668	-4.5%
Cost of products sold	69,390	76,721	-7,331	-9.6%
<b>Gross profit/(loss) on sales</b>	41,368	44,536	-3,168	-7.1%
Selling costs	30,530	32,783	-2,253	-6.9%
General and administrative expenses	5,538	5,385	153	2.8%
<b>Profit (loss) on sales</b>	5,300	6,368	-1,068	-16.8%
Profit/(loss) on other operating activities	2,352	1,536	816	53.1%
<b>Operating profit/(loss)</b>	7,652	7,904	-252	-3.2%
Profit/(loss) on financing activities	-1,179	-966	-213	22.0%
Result on extraordinary items				
<b>Pre-tax profit/(loss)</b>	6,473	6,938	-465	-6.7%
Corporate income tax	1,330	1,418	-88	-6.2%
<b>Net profit/(loss)</b>	5,143	5,520	-377	-6.8%

The Company's financial results for Q3 2007, slightly lower than the figures posted in Q3 2006, were particularly affected by colder weather in that season. In Q3 2006, extremely sunny and hot weather continued throughout all of July and a part of August whereas the weather conditions in July and August 2007 were much less favourable. In spite of such a large difference in the weather conditions, sales revenue dropped only 5.4% year-on-year and the revenue on sales of products decreased by 9.4%. With lower gross profit on sales (down by PLN 3,168 thousand on the back of decreasing value of sales), lower selling costs (down by PLN 2,253 thousand) and minimally higher general administrative expenses, the Q3 2007 profit on sales was PLN 5,300 thousand, that is only PLN 1,068 thousand lower on the Q3 2006 figure.

The Q3 2007 profit on other operating activities (PLN 2,352 thousand) was higher by PLN 816 thousand than the corresponding figure for Q3 2006. The difference is mainly attributable to PLN 942 thousand higher income reported in connection with the release of valuation allowances for receivables.

The main drivers of Q3 2007 result on financing activities were as follows: interest income of PLN 641 thousand (PLN 11 thousand in Q3 2006), interest expense of PLN 1,464 thousand (PLN 1,132 thousand in Q3 2006) and a negative balance of currency translation differences of -PLN 337 thousand (+PLN 199 thousand in Q3 2006).

Relative to Q3 2006, the Q3 2007 pre-tax profit was lower by PLN 465 thousand (6.7%), while the net profit dropped by PLN 377 thousand (6.8%).

Looking at the results achieved by HOOP S.A. in Q3 2007, we conclude that it was a good quarter. Despite the definitely poorer weather, which in the summer season is of key importance for the beverage industry, the Q3 2007 financial results are similar to those posted in Q3 2006.

#### Financial Highlights of HOOP S.A.

	Q3 2007	Q3 2006	Past four quarters *	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
<b>EBIT</b>	<b>7,652</b>	<b>7,904</b>	<b>30,706</b>	<b>21,898</b>
<b>EBITDA</b>	<b>12,944</b>	<b>13,820</b>	<b>50,656</b>	<b>42,041</b>
<b>Net financial debt</b>	<b>90,964</b>	<b>70,564</b>	<b>90,964</b>	<b>89,491</b>
<b>Profitability ratios</b>				
Gross sales margin	<b>34.9%</b>	<b>35.5%</b>	<b>36.4%</b>	<b>35.1%</b>
Net margin	<b>4.3%</b>	<b>4.4%</b>	<b>4.7%</b>	<b>3.2%</b>

\* To ensure data comparability, in the computation of the ratios for the past four quarters the financial effect of the Q2 2007 sale of the rights to the "Arctic" and "HOOP" trademarks to OOO Megapack were eliminated.

## V. Information on the Operating Activities of the Megapack Group

### Financial Results of the Megapack Group

Income statement	Q3 2007	Q3 2006	Difference	Change
	(PLN '000)	(PLN '000)		
	/A/	/B/	/A/-/B/	$\frac{/A/-/B/}{B}$
<b>Net sales revenue, including:</b>	<b>72,898</b>	<b>38,167</b>	<b>34,731</b>	<b>91.0%</b>
Net revenue on sales of products	72,601	37,725	34,876	92.4%
<b>Cost of sales, including:</b>	<b>55,546</b>	<b>24,472</b>	<b>31,074</b>	<b>127.0%</b>
Cost of products sold	55,338	24,142	31,196	129.2%
<b>Gross profit (loss) on sales</b>	<b>17,352</b>	<b>13,695</b>	<b>3,657</b>	<b>26.7%</b>
Selling costs	3,269	4,971	-1,702	-34.2%
General and administrative expenses	3,326	4,085	-759	-18.6%
<b>Profit/(loss) on sales</b>	<b>10,757</b>	<b>4,639</b>	<b>6,118</b>	<b>131.9%</b>
Profit/(loss) on other operating activities	-1,767	1,379	-3,146	
<b>Operating profit/(loss)</b>	<b>8,990</b>	<b>6,018</b>	<b>2,972</b>	<b>49.4%</b>
Profit/(loss) on financing activities	-270	-295	25	-8.5%
Result on extraordinary items				
<b>Pre-tax profit/(loss)</b>	<b>8,720</b>	<b>5,723</b>	<b>2,997</b>	<b>52.4%</b>
Corporate income tax	2,248	2,763	-515	-18.6%
<b>Net profit/(loss)</b>	<b>6,472</b>	<b>2,960</b>	<b>3,512</b>	<b>118.6%</b>

In Q3 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 HOOP beverages (a 31% rise between Q3 2006 and Q3 2007, in RUR) and for the Arctic water (growth by 22%).

The Q3 2007 revenue from sales of HOOCH low-alcohol beverages declined by 2% from the level reported in Q3 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 12% increase in sales revenue.

The highest increase in sales revenue, amounting to 804%, was posted by the segment of low-alcohol beverage bottling services.

#### Financial Highlights of the Megpack Group

	Q3 2007	Q3 2006	Past four quarters	2006
	(PLN '000)	(PLN '000)	(PLN '000)	(PLN '000)
<b>EBIT</b>	8,990	6,018	35,976	23,776
<b>EBITDA</b>	10,355	7,749	42,058	29,357
<b>Net financial debt</b>	781	8,193	9,014	9,388
<b>Profitability ratios</b>				
Gross sales margin	23.8%	35.9%	24.0%	26.0%
Net margin	8.9%	7.8%	9.6%	8.3%

Both EBIT and EBITDA reported strong year-on-year improvement in Q3 2007. The lower gross sales margin follows from a different structure of sales revenue compared with Q3 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 October 30th 2007, a promissory note declaration and a blank promissory note serving as security under the cooperation agreement with Kredyt Bank S.A. (referred to in Par. 7 below) were signed.

### **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**

To the best of the Company's knowledge as at the date of release of the Q3 2007 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**

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 report for Q3 2007:

Shareholder	Number of shares		% of share capital		Votes at the general Shareholders Meeting	
	Nov 14 2007	Aug 14 2007	Nov 14 2007	Aug 14 2007	Nov 14 2007	Aug 14 2007
Dariusz Wojdyła	3,896,949	3,896,949	29.77%	29.77%	29.77%	29.77%
Marek Jutkiewicz	3,825,756	3,825,756	29.23%	29.23%	29.23%	29.23%

#### **5. Information on any court, arbitration or administrative proceedings.**

In Q3 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 Q3 2007, HOOP S.A. and its subsidiary undertakings did not conclude any related party transactions which would not be typical or routine transactions concluded at arms' length within the Group or whose nature and terms would not follow from the day-to-day operations conducted by the Company or its subsidiaries.

**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 Q3 2007, HOOP S.A. concluded a cooperation agreement with Kredyt Bank Spółka Akcyjna concerning the bank's claims against Fructo-Maj Sp. z o.o. The agreement was concluded in connection with HOOP S.A.'s intention to

acquire 80% of shares in Fructo-Maj Sp. z o.o. The performance of HOOP S.A.'s obligations under the agreement is secured with a blank promissory note and a promissory note declaration (up to PLN 17,098 thousand, valid until September 14th 2010), which were signed after the balance-sheet date.

**8. 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**

**November  
14th 2007**  
*date*

**Dariusz Wojdyga**  
*name*

**President of the  
Management Board**  
*position*

*signature*

**November  
14th 2007**  
*date*

**Marek Jutkiewicz**  
*name*

**Vice-President of the  
Management Board**  
*position*

*signature*

**November  
14th 2007**  
*date*

**Tomasz Jankowski**  
*name*

**CFO**  
*position*

*signature*

**November  
14th 2007**  
*date*

**Katarzyna Balcerowicz**  
*name*

**Chief Accountant**  
*position*

*signature*