

CONSOLIDATED QUARTERLY REPORT OF THE HOOP GROUP



for the Fourth Quarter of 2007

© HOOP S.A.

WARSAW
February 29th 2008

CONTENTS

Part A - Consolidated Financial Statements

I. Consolidated Balance Sheet	[4]
II. Consolidated Income Statement	[5]
III. Statement of Changes in Consolidated Equity	[6]
IV. Consolidated Cash-Flow Statement	[8]

Part B - Non-Consolidated Financial Statements

I. Non-Consolidated Balance Sheet	[9]
II. Non-Consolidated Income Statement	[11]
III. Statement of Changes in Equity	[12]
IV. Non-Consolidated Cash-Flow Statement	[14]

Part C - Director's Report - Q4 2007

I. Accounting Policies.....	15
II. Consolidated Companies of the HOOP Group.....	16
III. Financial Results	17
1. Consolidated Balance Sheet.....	17
2. Consolidated Income Statement.....	18
3. Selected Financial Ratios for the HOOP Group.....	22
IV. Information on the Operating Activities of HOOP S.A. and HOOP Polska Sp. z o.o.	23

V. Information on the Operating Activities of the Megapack Group 28

VI. Supplementary Information..... 30

I.A. Consolidated Balance Sheet

CONSOLIDATED BALANCE SHEET	as at Dec 31 2007	as at Sep 30 2007 end of quarter 2007	as at Dec 31 2006	as at Sep 30 2006 end of quarter 2006
Assets				
I. Non-current assets	254 493	255 426	244 781	218 852
Property, plant and equipment	150 486	155 926	161 062	164 179
Goodwill	37 531	37 531	37 531	37 730
Intangible assets	42 967	45 419	32 337	2 304
Non-current receivables under deposits	1 147	1 147	1 089	1 163
Financial assets available for trade	2 000	2 068	2 000	2 000
Deferred tax asset	16 538	9 697	8 668	8 576
Other non-current assets	3 824	3 638	2 094	2 900
II. Current assets	276 640	259 001	236 984	190 421
Inventories	65 248	68 008	65 483	50 707
Trade receivables	157 750	156 248	129 664	106 022
Receivables from the state budget, including:	9 465	4 261	11 062	5 328
<i>under income tax</i>	189	445	5 152	2 207
Other receivables	21 464	5 352	11 088	9 093
Prepayments and accrued income	2 481	2 705	4 204	2 708
Other financial assets	824	812	930	800
Cash and cash equivalents	19 408	21 615	14 553	15 763
Total assets	531 133	514 427	481 765	409 273
Equity and liabilities				
Total equity, including:	170 652	175 143	145 663	146 132
<i>equity attributable to equity holders of the parent</i>	139 614	142 681	121 485	123 711
<i>minority interests</i>	31 038	32 462	24 178	22 421
Share capital	13 089	13 089	13 089	13 089
Treasury shares (negative value)				-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	-5 552	-3 414	-2 332	-134
Retained earnings (deficit)	-99	-99	-2 641	-2 856
Net profit (loss)	29 333	30 262	15 249	18 398
Equity interests	31 038	32 462	24 178	22 421
Non-current liabilities	39 551	67 290	79 196	52 406
Provisions for liabilities	630	95	141	88
Deferred tax liability	7 138	12 650	12 952	5 382
Non-current loans and borrowings	16 592	40 981	42 570	19 766
Liabilities under lease agreements	11 586	9 804	18 581	21 927
Deferred income	3 605	3 759	4 952	5 243
Other non-current liabilities		1		
Current liabilities	320 930	271 994	256 906	210 735
Current loans and borrowings	78 234	50 516	47 082	37 180
Liabilities under lease agreements	12 584	12 500	13 839	16 208
Trade payables	131 288	143 573	127 833	98 861
Accrued expenses	12 353	15 798	5 200	13 950
Payables to the state budget, including:	27 415	21 766	26 012	17 779
<i>under income tax</i>	439	538	103	
Provisions	3 928	4 859	4 769	646
Other liabilities	53 733	21 179	29 849	23 287
Deferred income	1 395	1 803	2 322	2 824
Total equity and liabilities	531 133	514 427	481 765	409 273
OFF-BALANCE-SHEET ITEMS				
property, plant and equipment			56	
Contingent receivables	2 000	2 000	2 000	2 000
Contingent liabilities	87 973			9 534
Other, including:				
Total off-balance-sheet items	89 973	2 000	2 056	11 534

I.B. Consolidated Income Statement

CONSOLIDATED INCOME STATEMENT	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1-Dec 31 2007	Q4 2006 cumulative Jan 1-Dec 31 2006	Q4 2006 Oct 1-Dec 31 2006
Operating activity				
Sales revenue	833 336	164 135	664 038	173 279
Net revenue on sales on products and services	724 475	148 844	588 772	153 178
Net revenue on sales of goods for resale and materials	108 861	15 291	75 266	20 101
Cost of sales, including:	574 266	117 802	458 840	130 698
Cost of products and services sold	488 455	106 781	396 946	115 135
Cost of goods for resale and materials sold	85 811	11 021	61 894	15 563
		0		0
Gross profit (loss) on sales	259 070	46 333	205 198	42 581
		0		0
Selling and marketing costs	166 485	42 129	134 246	31 405
General and administrative expenses	44 551	12 148	41 204	11 188
Other operating income	21 544	9 038	23 657	6 758
Other operating expenses	21 913	9 643	13 936	6 305
		0		0
Operating profit (loss)	47 665	-8 549	39 469	441
		0		0
Financial income	1 789	468	1 635	411
Financial expense	7 799	1 689	8 106	713
		0		0
Pre-tax profit (loss)	41 655	-9 770	32 998	139
		0		0
Corporate income tax	2 274	-9 523	6 195	-1 676
a) current	13 046	-82	3 240	-3 538
b) deferred	-10 772	-9 441	2 955	1 862
		0		0
Net profit (loss) before extraordinary items	39 381	-247	26 803	1 815
		0		0
Write-off of goodwill/ negative goodwill	-18	-18	-3 134	-953
		0		0
Share in net profit (loss) of subordinated undertakings valued with equity method	0	0	0	0
		0		0
Net profit (loss) for the financial year	39 363	-265	23 669	862
Attributable to:		0		0
Equity holders of the parent	29 333	-929	15 249	-3 149
Minority interests	10 030	664	8 420	4 011
Profit (loss) per ordinary share (PLN)	3,01	-0,02	1,81	0,07
Number of shares	13 088 576	13 088 576	13 088 576	13 088 576

CONSOLIDATED INCOME STATEMENT	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1-Dec 31 2007	Q4 2006 cumulative Jan 1-Dec 31 2006	Q4 2006 Oct 1-Dec 31 2006
Supplementary information				
Other operating income	21 544	9 038	23 657	6 758
1. Gain on disposal of non-financial non-current assets	2 826	1 036	2 507	611
2. Subsidies	92	8	90	90
3. Other operating income	18 626	7 994	21 060	6 057
		-		0
Other operating expenses	21 913	9 643	13 936	6 305
1. Loss on disposal of non-financial non-current assets	2	2	0	
2. Revaluation of non-financial assets	7 573	2 508	3 088	-370
3. Other operating expenses	14 338	7 133	10 848	6 675
Financial income	1 789	468	1 635	411
1. Dividends and distributions from profit	136	136	0	
2. Interest	1 112	249	1 199	494
3. Gain on disposal of investments		-	0	
4. Investment revaluation		-	0	
5. Other	541	83	436	-83
		-		
Financial expenses	7 799	1 689	8 106	713
1. Interest	7 594	2 177	7 237	1 688
2. Loss on disposal of investments	75	75	0	
3. Investment revaluation	2	2	0	
4. Other	128	- 565	869	-975

III. Statement of Changes in Consolidated Equity

Statement of Changes in Consolidated Equity in Jan 1 - Dec 31 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					- 3 220			- 3 220	- 3 170	
Profit/(loss) for the financial year							29 333	29 333	10 030	39 363
As at December 31st 2007	13 089	-	97 907	4 936	- 5 552	- 99	29 333	139 614	31 038	170 652

Statement of Changes in Consolidated Equity in Oct 1 - Dec 31 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 September 30th 2007	13 089	-	97 907	4 936	- 3 414	- 99	30 262	142 681	32 462	175 143
Contribution of profit to statutory reserve funds	-							-		-
Dividend paid	-							-		-
Currency translation differences					- 2 138			- 2 138	- 2 088	- 4 226
Profit/(loss) for the financial year	-						- 929	- 929	664	- 265
As at December 31st 2007	13 089	-	97 907	4 936	- 5 552	- 99	29 333	139 614	31 038	170 652

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		
As at January 1st 2006	13 089	- 22 920	112 327	4 936	- 1 635	825		106 622	16 458	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
As at December 31st 2006	13 089	-	93 184	4 936	- 2 332	- 2 641	15 249	121 485	24 178	145 663

I.D. – Consolidated Cash-Flow Statement

CONSOLIDATED CASH-FLOW STATEMENT	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1-Dec 31 2007	Q4 2006 cumulative Jan 1-Dec 31 2006	Q4 2006 Oct 1-Dec 31 2006
A. Cash flows from operating activities – indirect method				
I. Pre-tax profit (loss)	41 655	-9 770	32 998	139
II. Total adjustments	23 308	8 825	17 732	245
1. Share in net (profit)/ loss of undertakings valued with equity method		0		0
2. Depreciation and amortisation	33 293	7 977	29 899	7 848
3. Foreign exchange (gains)/ losses	-73	0	-1 434	-397
4. Interest and profit distributions (dividends)	6 344	1 132	7 133	2 341
5. (Gain)/ loss on investing activities	-1 952	-772	225	677
6. Change in provisions (excluding deferred tax provision)	-1 876	-1 940	-1 902	1 161
7. Change in inventories	-4 356	-1 076	-6 357	-15 387
8. Change in receivables	-74 406	-45 340	-10 619	-14 314
9. Change in current liabilities, net of loans and borrowings, accruals and deferrals, and income tax paid	66 180	59 977	-10 403	17 656
10. Change in accruals and deferrals (excluding corporate income tax asset)	14 796	-1 739	3 449	-13 031
11. Income tax on pre-tax profit	-12 899	229	-2 955	3 823
12. Income tax paid	11 149	2 611	7 950	647
13. Other adjustments	-12 892	-12 234	2 746	9 221
III. Net cash provided by (used in) operating activities (I+/-II)	64 963	-945	50 730	384
B. Cash flows from investing activities				
I. Cash provided by investing activities	5 180	2 114	3 464	216
1. Disposal of intangible assets and property, plant and equipment	3 784	2 109	3 122	216
2. Disposal of investment property and intangible assets		0		0
3. Cash provided by financial assets, including:	118	0	0	0
4. Other cash provided by investing activities	1 278	5	342	0
II. Cash used in investing activities	35 690	-3 029	25 167	12 107
1. Acquisition of intangible assets and property, plant and equipment	34 330	-4 188	12 525	397
2. Acquisition of investment property and intangible assets	142	-59	0	0
3. Cash used on financial assets	1 218	1 218	11 860	11 710
4. Dividends and other profit distributions to minority interests		0		0
5. Other cash used in investing activities	0	0	782	0
III. Net cash provided by (used in) investing activities (I-II)	-30 510	5 143	-21 703	-11 891
C. Cash flows from financing activities				
I. Cash flows provided by financing activities	202 578	26 145	161 524	63 125
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity	0	0	0	0
2. Loans and borrowings	202 321	26 145	161 409	63 054
3. Issue of debt securities		0		0
4. Other cash provided by financing activities	257	0	115	71
II. Cash used in financing activities	232 175	32 550	191 233	52 828
1. Acquisition of treasury shares		0		0
2. Dividends and other distributions to shareholders	7 984	0	2 594	0
3. Distributions from profit other than distributions to shareholders		0		0
4. Repayment of loans and borrowings	200 917	26 857	162 675	45 824
5. Redemption of debt securities		0		0
6. Other financial liabilities		0	279	279
7. Repayment of financed lease liabilities	16 698	4 558	18 631	4 506
8. Interest paid	6 551	1 135	7 054	2 219
9. Other cash used in financing activities	25	0		0
III. Net cash provided by (used in) financing activities (I-II)	-29 597	-6 405	-29 709	10 297
D. Total net cash flow (A.III+/-B.III+/-C.III)	4 856	-2 207	-682	-1 210
E. Balance-sheet change in cash, including:	4 856	-2 207	-682	-1 210
- change in cash resulting from foreign exchange gains/(losses)		0		0
F. Cash at beginning of period	14 552	21 615	15 235	15 763
G. Cash at end of period (F+/- D), including:	19 408	19 408	14 553	14 553

II.A. Non-Consolidated Balance Sheet

BALANCE SHEET	as at Dec 31 2007	as at Sep 30 2007 end of quarter 2007	as at Dec 31 2006	as at Sep 30 2006 end of quarter 2006
Assets				
I. Non-current assets	418 110	194 553	197 378	181 795
1. Intangible assets, including :	0	1 446	1 517	1 597
2. Goodwill of subordinated undertakings				
3. Property, plant and equipment	1 503	95 217	97 235	100 595
4. Non-current receivables	0	1 147	1 089	1 163
4.1. From related undertakings				
4.2. From other undertakings	0	1 147	1 089	1 163
5. Non-current investments	411 319	90 427	90 556	70 420
5.1. Property				
5.2. Intangible assets				
5.3. Non-current financial assets	409 319	90 427	88 556	70 420
a) in related undertakings, including:	409 319	88 427	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	2 000	2 000	2 000
5.4. Other non-current investments				
6. Non-current prepayments and accrued income	5 288	6 316	6 981	8 020
6.1. Deferred tax asset	5 288	6 316	6 981	8 020
6.2. Other non-current prepayments and accrued income				
II. Current assets	54 858	181 862	124 820	143 165
1. Inventories	11 392	39 622	22 011	26 252
2. Current receivables	28 439	127 137	90 055	102 134
2.1. From related undertakings	7 381	41 533	24 792	24 847
2.2. From other undertakings	21 058	85 604	65 263	77 287
3. Current investments	14 770	14 719	12 209	13 747
3.1. Current financial assets	14 770	14 719	12 209	13 747
a) in related undertakings				
b) in other undertakings	800	800	800	800
c) cash and cash equivalents	13 970	13 919	11 409	12 947
3.2. Other current investments				
4. Current prepayments and accrued income	257	384	545	1 032
Total assets	472 968	376 415	322 198	324 960
Equity and liabilities				
I. Equity	425 712	143 408	120 457	120 789
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	285 904	28	28	28
6. Other capital reserves	1 436	1 436	1 436	1 436
8. Retained earnings (deficit)	0	0	0	0
9. Net profit (loss)	27 363	30 935	12 707	15 945
10. Distributions from net profit in financial year (negative value)				
IV. Liabilities and provisions for liabilities	47 256	233 007	201 741	204 171
1. Provisions for liabilities	100	1 879	2 341	1 822
1.1. Deferred tax liability	0	1 489	1 767	1 470
1.2. Provisions for retirement and similar benefits	100	100	100	78
a) non-current	87	87	87	78
b) current	13	13	13	0
1.3. Other provisions	0	290	474	274

a) non-current				
b) current	0	290	474	274
2. Non-current liabilities	0	48 947	58 915	40 092
2.1. To related undertakings				
2.2. To other undertakings	0	48 947	58 915	40 092
3. Current liabilities	35 095	162 913	128 949	140 250
3.1. To related undertakings	9 096	8 330	2 307	1 914
3.2. To other undertakings	11 016	140 577	115 492	127 516
3.3. Special accounts	14 983	14 006	11 150	10 820
4. Accruals and deferred income	12 061	19 268	11 536	22 007
4.1. Negative goodwill				
4.2. Other accruals and deferred income	12 061	19 268	11 536	22 007
a) non-current	3 600	3 759	4 952	5 243
b) current	8 461	15 509	6 584	16 764
Total equity and liabilities	472 968	376 415	322 198	324 960

OFF-BALANCE-SHEET ITEMS	as at Dec 31 2007	as at Sep 30 2007 end of quarter 2007	as at Dec 31 2006	as at Sep 30 2006 end of quarter 2006
1. Contingent receivables				
1.1. From related undertakings, including:				
- guarantees and sureties received				
-				
...				
1.2. From other undertakings, including:				
- guarantees and sureties received				
-				
...				
2. Contingent liabilities	87 973	0	0	9534
2.1. To related undertakings, including	87 973	0	0	9534
- guarantees and sureties issued	87 973		0	9534
-				
...				
2.2. To other undertakings, including				
- guarantees and sureties issued				
- lease agreements				
...				
3. Other, including:	0	0	0	0
- bottling line				
- pallet wrapping machine				
- roller conveyor				
- vehicles				
Total off-balance-sheet property, plant and equipment	0	0	0	0
..				
Total off-balance-sheet items	87 973	0	0	9 534

II.B. Non-Consolidated Income Statement

INCOME STATEMENT	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1-Dec 31 2007	Q4 2006 cumulative Jan 1-Dec 31 2006	Q4 2006 Oct 1-Dec 31 2006
I. Net sales revenue, including:	447 654	67 249	395 148	73 158
- from related undertakings	52 903	5 359	27 598	5 304
1. Net revenue on sales of products	414 691	60 861	382 356	70 731
2. Net revenue on sales of goods for resale and materials	32 963	6 388	12 792	2 427
II. Cost of sales, including:	286 192	48 616	256 499	51 064
- to related undertakings	30 155	3 652	15 954	3 302
1. Cost of products sold	259 006	42 655	245 585	49 152
2. Cost of goods for resale and materials sold	27 186	5 961	10 914	1 912
III. Gross profit (loss) on sales (I-II)	161 462	18 633	138 649	22 094
IV. Selling costs	113 791	16 559	100 678	19 861
V. General and administrative expenses	22 766	6 131	22 964	6 957
VI. Profit (loss) on sales (III-IV-V)	24 905	-4 057	15 007	-4 724
VII. Other operating income	21 123	4 210	11 928	4 797
1. Gain on disposal of non-financial non-current assets	2 476	1 017	2 234	529
2. Subsidies		0		0
3. Other operating income	18 647	3 193	9 694	4 268
VIII. Other operating expenses	7 681	3 018	5 037	2 986
1. Loss on disposal of non-financial non-current assets		0		0
2. Revaluation of non-financial assets	4 424	1 316	2 793	1 493
3. Other operating expenses	3 257	1 702	2 244	1 493
IX. Operating profit (loss) (VI+VII-VIII)	38 347	-2 865	21 898	-2 913
X. Financial income	1 467	821	1 517	1 436
1. Dividends and other profit distributions, including:		0		0
- from related undertakings		0		0
2. Interest, including:	1 005	290	1 082	431
- from related undertakings		0		0
3. Gain on disposal of investments		0		0
4. Investment revaluation		0		0
5. Other	462	531	435	1 005
XI. Financial expenses	6 033	1 631	9 164	4 345
1. Interest, including:	5 925	1 631	5 346	1 366
- to related undertakings		0		0
2. Loss on disposal of investments		0		0
3. Investment revaluation		0	2 979	2 979
4. Other	108	0	839	0
		0		0
XII. Profit (loss) before extraordinary items (IX+X-XI+/-XII)	33 781	-3 675	14 251	-5 822
XIII. Result of extraordinary items (XIV.1. - XIV.2.)	0	0	0	0
1. Extraordinary gains		0		0
2. Extraordinary losses		0		0
XIV. Pre-tax profit (loss) (XIII+/-XIV-XV+XVI)	33 781	-3 675	14 251	-5 822
XV. Corporate income tax	6 418	-103	1 544	-2 584
a) current	6 492	358	0	-3 920
b) deferred	-74	-461	1 544	1 336
				0
				0
				0
XV. Net profit (loss) (XVII-XVIII-XIX+/-XX+/-XXI)	27 363	-3 572	12 707	-3 238

II.C. Statement of Changes in Equity

STATEMENT OF CHANGES IN EQUITY	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1- Dec 31 2007	2 006
I. Balance of equity at beginning of period	120 457	143 408	107 439
a) changes in adopted accounting policies			
b) correction of fundamental errors			
I.a. Balance of equity at beginning of period, after reconciliation with comparable data	120 457	143 408	107 439
1. Balance of share capital at beginning of period	13 089	13 089	13 089
1.1. Changes in share capital			
a) increase, including:			
- issue of shares			
-			
...			
b) decrease, including:			
- retirement of shares			
-			
...			
1.2. Balance of share capital at end of period	13 089	13 089	13 089
2. Balance of called-up share capital not paid at beginning of period			
2.1. Changes in called-up share capital not paid			
a) increase			
-			
...			
b) decrease			
-			
...			
2.2. Balance of called-up share capital not paid at end of period			
3. Treasury shares at beginning of period			-22 920
3.1. Changes in treasury shares			
a) increase, including:			
- acquisition of shares			
...			
b) decrease, including:			22 920
- sale of shares			22 920
...			
3.2. Treasury shares at end of period			0
4. Balance of statutory reserve funds at beginning of period	93 197	97 920	112 340
4.1. Changes in statutory reserve funds			
a) increase, including:	4 723		871
- share premium			
- distribution of profit (statutory)	4 723		
- distribution of profit (above statutory minimum)			871
- revaluation			0
- transfer from revaluation capital reserve			
b) decrease, including:			20 014
- coverage of loss			0
- sale of treasury shares			20 014
...			
4.2. Balance of statutory reserve funds at end of period	97 920	97 920	93 197
5. Balance of revaluation capital reserve at beginning of period	28	28	28
5.1. Changes in revaluation capital reserves			
a) increase, including:	285 876	285 876	
- contribution in kind - market valuation of net assets	285 876	285 876	
...			
b) decrease, including:			0
- disposal of property, plant and equipment			0
- rounding-offs			
- transfer to statutory reserve funds			
5.2. Balance of revaluation capital reserve at end of period	285 904	285 904	28
6. Balance of other capital reserves at beginning of period	1 436	1 436	1 436
6.1. Changes in other capital reserves			
a) increase			
-			
...			
b) decrease			
-			
...			
6.2. Balance of other capital reserves at end of period	1 436	1 436	1 436
7. Currency translation differences on subordinated undertakings			

8. Balance of retained earnings (deficit) at beginning of period	12 707		3 466
8.1. Balance of retained earnings at beginning of period	12 707		3 466
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	12 707	0	3 466
a) increase, including:			0
- distribution of retained profit			
...			
b) decrease, including:	12 707	0	3 466
- adjustment of preliminary result - audit			
- dividend paid	7 984		2 595
- contribution to statutory reserve funds	4 723		871
8.3. Balance of retained earnings at end of period	0	0	0
8.4. Balance of retained deficit at beginning of period			0
a) changes in adopted accounting policies			
b) correction of fundamental errors			
8.5. Balance of retained deficit at beginning of period, after reconciliation with comparable data			0
a) increase, including:			
- retained deficit brought forward to be covered			
- adjustment of preliminary result after audit			
...			
b) decrease, including:			0
- retained deficit covered			0
...			
8.6. Balance of retained deficit at end of period			0
8.7. Balance of retained earnings (deficit) at end of period	0	0	0
9. Net profit (loss)	27 363	27 363	12 707
a) net profit	27 363	27 363	12 707
b) net loss			
c) profit distributions			
II. Balance of equity at end of period	425 712	425 712	120 457
III. Equity after proposed distribution of profit (coverage of loss)			

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

CASH-FLOW STATEMENT	Q4 2007 cumulative Jan 1-Dec 31 2007	Q4 2007 Oct 1-Dec 31 2007	Q4 2006 cumulative Jan 1- Dec 31 2006	Q4 2006 Oct 1-Dec 31 2006
A. Cash flows from operating activities – direct method				
I. Cash provided by operating activities				
1. Sales				
2. Other cash provided by operating activities				
II. Cash used in operating activities				
1. Supplies and services				
2. Net salaries and wages				
3. Social and health insurance and other employee benefits				
4. Taxes and public charges				
5. Other cash used in operating activities				
III. Net cash provided by (used in) operating activities (I-II)				
A. Cash flows from operating activities - indirect method				
I. Net profit / (loss)	27 363	-3 572	12 707	-3 238
II. Total adjustments	-7 494	5 827	29 297	-2 522
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:	18 877	3 273	20 143	4 346
- write-offs of (negative) goodwill of subordinated undertakings		0		0
4. Foreign exchange (gains)/ losses	454	7	184	-1 377
5. Dividends and interest	4 920	657	5 318	1 989
6. (Gain)/ loss on investing activities	-2 476	-1 017	-2 234	-529
7. Change in provisions	-2 241	-1 779	507	519
8. Change in inventories	10 619	28 230	4 428	4 241
9. Change in receivables	62 705	99 669	-8 556	12 110
10. Change in current liabilities, net of loans and borrowings	-67 652	-88 261	5 801	-17 855
11. Change in accruals and deferrals	2 506	-6 052	727	-8 945
12. Other adjustments	-35 206	-28 900	2 979	2 979
III. Net cash provided by (used in) operating activities (I+II)	19 869	2 255	42 004	-5 760
B. Cash flows from investing activities		0		0
I. Cash provided by investing activities	10 085	2 267	2 773	657
1. Disposal of intangible assets and property, plant and equipment	3 582	2 267	2 773	1 947
2. Disposal of investment property and intangible assets		0		0
3. Cash provided by financial assets, including:	0	0		0
a) in related undertakings	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
II. Cash used in investing activities	13 449	154	29 725	12 660
1. Acquisition of intangible assets and property, plant and equipment	13 381	154	8 835	358
2. Acquisition of investment property and intangible assets		0		0
3. Cash used on financial assets, including:	68	0	20 090	13 592
a) in related undertakings	68	0	20 090	13 592
- acquisition of financial assets	68	0	20 090	13 592
- long-term loans advanced		0		0
b) in other undertakings	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
III. Net cash provided by (used in) investing activities (I-II)	-3 364	2 113	-26 952	-12 003
C. Cash flows from financing activities		0		0
I. Cash flows provided by financing activities	23 149	387	39 136	12 103
1. Net proceeds from issue of shares, other equity instruments and additional contributions to equity		0		0
2. Loans and borrowings	23 149	387	39 136	22 603
3. Issue of debt securities		0		0
4. Other cash provided by financing activities		0		0
II. Cash used in financing activities	37 093	4 704	52 538	-4 122
1. Acquisition of treasury shares		0		0
2. Dividends and other distributions to shareholders	7 984	0	2 594	-1
3. Distributions from profit other than distributions to shareholders		0		0
4. Repayment of loans and borrowings	10 119	1 496	27 190	478
5. Redemption of debt securities		0		0
6. Other financial liabilities		0		0
7. Repayment of financed lease liabilities	14 070	2 551	17 436	3 912
8. Interest paid	4 920	657	5 318	1 989
9. Other cash used in financing activities		0		0
III. Net cash provided by (used in) financing activities (I-II)	-13 944	-4 317	-13 402	16 225
D. Total net cash flow (A.III+/-B.III+/-C.III)	2 561	51	1 650	-1 538
E. Balance-sheet change in cash, including:	2 561	51	1 650	-1 538
- change in cash resulting from foreign exchange gains/(losses)		0		0
F. Cash at beginning of period	11 409	13 919	9 759	12 947
G. Cash at end of period (F+/- D), including:	13 970	13 970	11 409	11 409

Part C - Directors' Report - Q4 2007

I. Accounting Policies

These Q4 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 (IASs/IFRSs).

The Q4 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. 91 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 Q4 2007 include the figures of the subsidiary companies: HOOP Polska Sp. z o.o. (which previously operated under the name of **Inesco Investments** Sp. z o.o.), PPWM Woda Grodziska Sp. z o.o., Pomorskie Centrum Dystrybucji HOOP Sp. z o.o., the Megapack 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 Q4 2007 is the consolidated data prepared in accordance with the IASs/IFRSs, which does not include the figures of HOOP Polska Sp. z o.o. and includes the figures of Paola S.A., acquired by HOOP S.A. on October 31st 2006, for the period November 1st - December 31st 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 - **Hoop Polska Sp. z o.o.**, registered office at ul. Jana Olbrachta 94, 01-102 Warsaw, Poland, in which HOOP S.A. holds 85.62% of shares. The other shareholders include **Paola S.A.** (7.24% of shares) and **Przedsiębiorstwo Produkcji Wód Mineralnych Woda Grodziska Sp. z o.o.** (7.14% of shares), subsidiaries of HOOP S.A.

In Q3 2007, HOOP S.A. acquired 100% of shares in HOOP Polska Sp. z o.o., previously operating under the name of Inesco Investments Sp. z o.o., in order to use the shares in the restructuring process at the Group. On December 1st 2007, HOOP S.A., Paola S.A. and PPWM Woda Grodziska Sp. z o.o. were transferred to HOOP Polska Sp. z o.o. as a contribution in kind. Following the transaction, the entire production activities of the HOOP Group in Poland were concentrated in a single company. The resulting structure of the Group, where the parent company does not pursue operating activities but rather focuses and management and control functions, is more appropriate in view of the planned merger with the KOFOLA Group.

3. 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.

4. 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% of 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.

5. 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.

6. 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.

7. 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.

8. 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.

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

III. Financial Results

When analysing the financial results of the parent company for Q4 2007, it must be remembered that the parent discontinued operating activities on November 30th 2007. As of December 1st 2007, the operating activities (production, sales and marketing) were assumed by HOOP Polska Sp. z o.o. In order to make the data comparable, some figures for Q4 2007 are presented as aggregated data of HOOP S.A. and HOOP Polska Sp. z o.o. upon elimination of transactions between the two companies.

1. Consolidated Balance Sheet

Balance sheet of the HOOP Group	Q4 2007		Q4 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	254,493	47.9%	244,781	50.8%	9,712	4.0%
Current assets	276,640	52.1%	236,984	49.2%	39,656	16.7%
Total assets	531,133	100.0%	481,765	100.0%	49,368	10.2%
Equity and liabilities						
Equity	170,652	32.1%	145,663	30.2%	24,989	17.2%
Equity attributable to equity holders of the parent	139,614	26.3%	121,485	25.2%	18,129	14.9%
Minority interests	31,038	5.8%	24,178	5.0%	6,860	28.4%
Non-current liabilities	39,551	7.4%	79,196	16.4%	-39,645	-50.1%
Current liabilities	320,930	60.4%	256,906	53.3%	64,024	24.9%
Total equity and liabilities	531,133	100.0%	481,765	100.0%	49,368	10.2%

Non-Current Assets

The Group recorded a slight growth (4%) in non-current assets relative to the end of 2006.

Current Assets

A PLN 39.6m (16.7%) growth in the Group's current assets was caused primarily by the increase in the current assets of HOOP S.A. and HOOP Polska Sp. z o.o., resulting from higher sales, increase in inventories in connection with the planned acquisition of shares in Fructo-Maj Sp. z o.o. by HOOP S.A., and an increase in receivables from related undertakings.

Non-current Liabilities

A PLN 39.6m decline in non-current liabilities resulted primarily from the gradual repayment by HOOP S.A. (and HOOP Polska Sp. z o.o.) of liabilities related to loans and leases, and reclassification of a portion of non-current liabilities to current liabilities.

Current Liabilities

A PLN 64m (24.9%) growth in the Group's current liabilities was primarily driven by an increase in trade liabilities of HOOP S.A. and HOOP Polska Sp. z o.o. resulting from higher sales, and an increase in current loans, chiefly on account of the reclassification of some non-current debt to current debt.

2. Consolidated Income Statement

Income Statement	Q4 2007	Q4 2006	Difference (PLN '000)	Change (%)
	PLN '000	PLN '000		
	/A/	/B/		
			/A/-/B/	<u>/A/-/B/</u> B
Net sales revenue, including:	164,135	173,279	-9,144	-5.3%
Net revenue on sales of products	148,844	153,178	-4,334	-2.8%
Cost of sales, including:	117,802	130,698	-12,896	-9.9%
Cost of products sold	106,781	115,135	-8,354	-7.3%
Gross profit/(loss) on sales	46,333	42,581	3,752	8.8%
Selling costs	42,129	31,405	10,724	34.1%
General and administrative expenses	12,148	11,188	960	8.6%
Profit (loss) on sales	-7,944	-12	-7,932	
Profit/(loss) on other operating activities	-605	453	-1,058	
Operating profit/(loss)	-8,549	441	-8,990	-2 038.5%
Profit/(loss) on financing activities	-1,221	-302	-919	
Pre-tax profit/(loss)	-9,770	139	-9,909	-7 128.8%
Corporate income tax	-9,523	-1,676	-7,847	468.2%
Write-off of (negative) goodwill of subsidiary undertakings	-18	-953	935	-98.1%
Net profit/(loss)	-265	862	-1,127	
Net profit attributable to the parent undertaking	-929	-3,149	2,220	67.4%
Profit/(loss) attributable to minority interests	664	4,011	-3,347	-83.4%

The valuation allowances for non-financial assets made in Q4 2007 amount to PLN 2,508 thousand.

In Q4 2007, changes in the deferred tax asset and liability driven by temporary differences in corporate income tax increased the Group's net profit for the period by PLN 10,772 thousand, mainly as a result of the creation of a tax asset of PLN 7,254 thousand on account of trademarks representing an in-kind contribution, whose tax value was higher than the value disclosed in the consolidated financial statements.

Q4 2007 Report



Selected items from 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 Q4 2006, data is provided only for Q4 2007.)

	HOOP S.A. *		HOOP Polska Sp. z o.o.		Megapack 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.	
	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006	Q4 2007	Q4 2006
Net sales revenue	67,249	73,158	31,812		56,617	75,020	145	8,017	467	1,055	9,553	7,939	7,107	6,074	11,859	11,403
Profit/(loss) on operating activities (EBIT)	-2,865	-2,830	-9,288		713	9,502	-1,375	-2,175	96	96	-740	-491	-667	-832	-913	327
Pre-tax profit/(loss)	-3,675	-5,822	-9,609		641	9,321	-1,325	-2,255	103	103	-736	-478	-658	-842	-1,001	289
Net profit/(loss)	-3,572	-3,238	-7,783		1,327	8,022	1,565	-2,241	103	128	-736	-478	-649	-660	-863	368

When analysing the above data, it should be remembered that:

1. HOOP S.A. conducted operating activities only until the end of November 2007.
2. The non-consolidated figures for HOOP Polska Sp. z o.o.'s operations in December 2007 are based on the market valuation of assets (e.g. property, plant and equipment and inventories) provided as contribution in kind, which has a major impact on the presented results. In the Group's consolidated financial statements, the results are adjusted by excluding the effect of changes in the valuation of assets made for the purposes of the contribution in kind and using the historical values.
3. The close-to-zero decline in sales revenues of Paola S.A. is caused by the transfer of production and logistics to HOOP S.A.'s production plants, which have constituted the property of HOOP Polska Sp. z o.o. since December 1st 2007.

Net Sales Revenue

In Q4 2007, the HOOP Group generated PLN 164,135 thousand in revenue from sales of products, goods for resale and materials, compared with PLN 173,279 thousand in the corresponding period of the previous year, which represents a year-on-year decline of 5.3%.

In Q4 2007, the revenue from sales of products totalled PLN 148,844 thousand, having decreased by 2.8% from PLN 153,178 thousand in Q4 2006.

The following main factors contributed to the slight decrease in the Group's revenue in Q4 2007 compared with Q4 2006:

a) An increase in the revenue of HOOP S.A. together with HOOP Polska Sp. z o.o., whose revenues from sales of products, goods for resale and materials reported for Q4 2007 amounted to PLN 92,126 thousand, that is 25.9% more than HOOP S.A.'s revenues earned in Q4 2006 (PLN 73,158 thousand).

b) A PLN 18,403 thousand (24.5%) fall in the revenue of the Megapack Group in Q4 2007 relative to Q4 2006, including a 24.1% decrease in the revenue from sales of products.

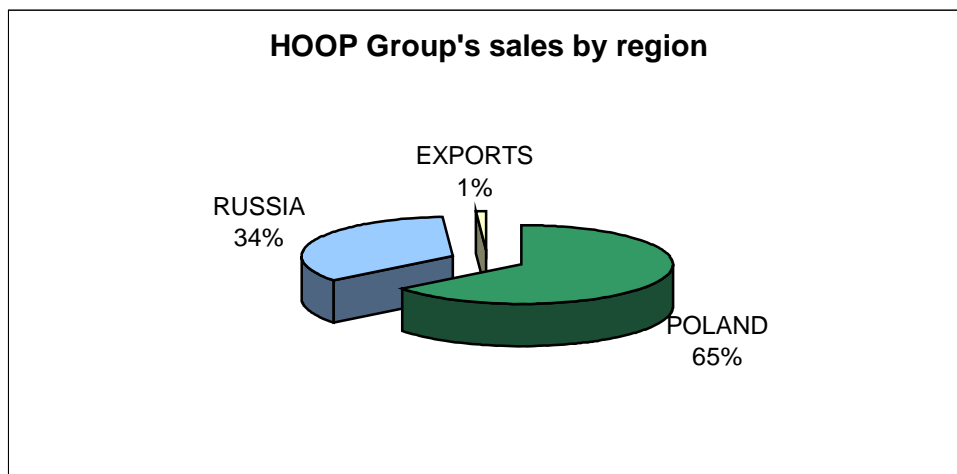
The difference results from the very high sales (and profit) made by Megapack in Q4 2006, which was the last quarter before the Russian Federation raised the excise tax rates on low-alcohol beverages. The Q4 2006 sales represented almost 37% of the sales generated in the entire 2006, whereas in 2007 the proportion is just below 22%. These figures clearly show that Q4 2006 was an untypical period (increased purchases before the excise tax rise) and help explain why the Q4 2007 results are worse than those of Q4 2006, even though the performance in the entire year 2007 was better than in 2006.

c) Lower sales generated by PAOLA S.A. - decline from PLN 8,017 thousand generated in the period when the company was for the first time included in consolidation - Q4 2006 (November 1st - December 31st 2006) - to PLN 185 thousand in Q4 2007.

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 Q4 2007, the HOOP Group's net loss attributable to the equity holders of the parent amounted to -PLN 929 thousand, which represents an improvement of PLN 2,220 thousand relative to the loss of PLN 3,149 thousand posted in Q4 2006

Key factors with a bearing on the HOOP Group's financial results in Q4 2007 relative to Q4 2006:

- a) A net loss of PLN 3,572 thousand posted by the parent undertaking in Q4 2007. The loss was PLN 334 thousand higher than that recorded in Q4 2006 (PLN 3,283 thousand). After combining the Q4 2007 results of HOOP S.A. and HOOP Polska Sp. z o.o., the net loss amounts to PLN 6,773 thousand.
- b) A PLN 6,695 thousand drop in the net profit of the Megapack Group in Q4 2007 relative to the net profit for Q4 2006 - from PLN 8,022 thousand to PLN 1,327 thousand. Given the 50% equity interest held in Megapack by HOOP S.A., this means a PLN 3,347 thousand year-on-year decrease in the net profit attributable to the shareholders of HOOP S.A. for Q4 2007.
- c) Improvement in the financial performance of PAOLA S.A., which in Q4 2007 earned a net profit of PLN 1,565 thousand, relative to the net loss of PLN 2,241 thousand reported in Q4 2006.
- d) Creation of a tax asset of PLN 7,254 thousand on account of trademarks representing an in-kind contribution, whose tax value is higher than the value assumed for the purposes of the consolidated financial statements; this benefited the net result of the Group by PLN 7,254 thousand.

Other differences between the Q4 2007 and Q4 2006 net financial results attributable to the equity holders of the parent follow from the differences in the net financial results of PPWM Woda Grodziska Sp. z o.o. and the following distribution companies: PCD HOOP Sp. z o.o., Maxpol Sp. z o.o., and BOBMARK International Sp. z o.o., as well as from the consolidation adjustments and the adjustments made with a view to adapting the data presented in the report to the IASs/IFRSs.

3. Selected Financial Ratios for the HOOP Group

	Q4 2007	Q4 2006	Past four quarters	2006
	PLN '000	PLN '000		
EBIT*	-8,549	441	47,665	39,469
EBITDA*	-572	8,289	80,958	72,502
Net financial debt*	99,588	96,704	99,588	96,704
Profitability ratios				
Gross sales margin*	28.2%	24.6%	31.1%	30.9%
Net margin	-0.6%	-1.8%	3.5%	2.3%

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

Both EBIT and EBITDA were lower in Q4 2007 than in Q4 2006, mainly because of the very impressive performance of Megapack in Q4 2006 and additional costs of the HOOP Group's restructuring and merger with the Kofola Group. A positive and promising development is the year-on-year increase in the profitability ratios.

IV. Information on the Operating Activities of HOOP S.A. and HOOP Polska Sp. z o.o.

Since the Q4 2007 non-consolidated data of HOOP S.A. relate to the operations conducted until the end of November 2007, the analyses below are based on the aggregated results of HOOP S.A and HOOP Polska Sp. z o.o. (prepared in compliance with the standards followed in the preparation of HOOP S.A.'s financial statements), upon elimination of transactions between the two companies.

Sales Revenue

Sales of products by both companies relative to the corresponding period of 2006

Type of product	Q4 2007		Change 2006/ 2007	Q4 2006	
	Sales (PLN '000)	Share of total sales		Sales (PLN '000)	Share of total sales
Carbonated beverages	51,688	59.1%	16.8%	44,262	62.6%
Non-carbonated beverages	13,853	15.8%	-12.4%	15,806	22.3%
Water	8,371	9.6%	-18.3%	10,240	14.5%
Syrups	13,271	15.2%		,	0.0%
Services	251	0.3%	-40.5%	422	0.6%
Total products	87,434	94.9%	23.6%	70,731	96.7%
including private-label beverages	35,562	40.7%		0	0.0%
Revenue on sales of goods for resale and materials	4,692	5.1%	93.3%	2,427	3.3%
including syrups and other PAOLA products	2,093	44.6%		,	0.0%
Total sales revenue	92,126	100.0%	25.9%	73,158	100.0%

In Q4 2007, HOOP S.A. and HOOP Polska Sp. z o.o. recorded a 25.9% increase in revenue from sales of products, goods for resale and materials compared with Q4 2006, with the revenue from sales of products having gone up by 23.6%, driven mainly by sales of syrups (made and sold in Q4 2007 by PAOLA S.A.) and a 16.8% increase in revenue from sales of carbonated beverages.

The HOOP Group vs. the Polish Market

Market shares of the HOOP Group's products in Poland by segments (Q4 2006 and Q4 2007 average)

Type of product	Q4 2006	Q4 2007	Q4 2007 vs. Q4 2006
-----------------	---------	---------	------------------------

	% share of volume	% share of value	% share of volume	% share of value	% change in market share
Carbonated beverages	10.92%	7.94%	11.01%	8.14%	6.82%
Non-carbonated beverages	9.44%	7.49%	8.46%	6.53%	21.17%
Mineral water	3.30%	4.40%	2.18%	3.47%	7.30%
Syrups	17.13%	20.67%	19.01%	21.50%	25.04%
Energy drinks	-	-	3.97%	2.28%	175.72%

Source: HOOP Polska Sp. z o.o. based on AC Nielsen Polska's data.

The Hoop Group closed Q4 2007 with domestic sales higher by 10%, both in volume and value terms, relative to Q4 2006. Favourable market conditions, which started in summer 2006, are still present. Further sales increase in relation to Q4 2006 were posted. The annual upward trends in sales of beverages continued in Q4 2007, both in volume and value terms.

The Hoop Group as the largest producer of beverages in PET packaging benefits from the trend, reporting higher sales **in subsequent quarters** (outperforming the market). The higher sales allow the Group to retain its shares in the fast-growing markets.

Carbonated beverages

- Higher market share in the strongly growing segment of carbonated beverages (growing value of the market of Cola beverages (+6.8%) 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 (6.6% in value terms in Q4 2007). Hoop Cola is the segment's only brand whose sales and market share grew so sharply (by 25%) in comparison with Q4 2006 (the value of the Cola market grew by a mere 6.8%).
- Establishment of 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's Lift, 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 the Hoop Group, offer their products only in PET packaging.

Water

- The second best beverage category, in terms of volume and value. Even though the last year's season was not particularly hot, the annual sales in this product category did not drop. Relative to Q4 2006, the Group recorded an increase in the volume and value of water sales by 2.0% and 7.3%, respectively.

- The average price in this product category is rising on the back of the growing share of flavoured water brands, which are more expensive.
- *Cisowianka* is the no. 2 product in the market in terms of sales volume (mainly because of its low price), and ranks fourth in terms of sales value.
- *Arctic*, the Hoop Group'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 expanded strongly - by 25.1% over Q4 2006 in value terms.
- Flavoured *Arctic* water ranked second in this category in terms of sales value, and third in terms of sales volume.

Syrups

- The market of syrups, as an alternative to juices and drinks, grew dynamically - by 17.3% in volume terms and 25% in value terms over Q4 2006.
- Paola held a very strong second position in the market (21.5%) in value terms, after *Herbapol* syrups (35.6%), and before *Łowicz* from Agros Nova (9.7%) and *Victoria Cymes* (8.6%).
- Paola is the only syrup brand supported by advertising activities.
- In Q4 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).
- An 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 - over 250% in volume terms and over 175% in value terms relative to Q4 2006. The market is also heavily fragmented.
- The Hoop Group's R20 drink won a position among the top five energy drinks in Poland already in the second quarter after its re-launch (4.0% share in volume terms and 2.3% in value terms).

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 Group's total market shares, and the Hoop Group, 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. and HOOP Polska Sp. z o.o.

	Q4 2007	Q4 2006	Difference	Change
	PLN '000	PLN '000	PLN '000	%

	Q4 2007	Q4 2006		
Income statement				
Net sales revenue, including:	PLN '000 92,126	PLN '000 73,158	18,968	25.9%
Net revenue on sales of products	87,434	70,731	16,703	23.6%
Cost of sales, including:	16 3,534	5 1,064	1 1,470	1 24.4%
Cost of products sold	59,438	49,152	10,286	20.9%
Gross profit/(loss) on sales				
	28,592	22,094	6,498	29.4%
Selling costs	27,264	19,861	7,403	37.3%
General and administrative expenses	9,973	6,957	3,016	43.4%
Profit/(loss) on sales	-8,645	-4,724	-3,921	83.0%
Profit/(loss) on other operating activities	1,074	1,811	-737	-40.7%
Operating profit/(loss)	-7,571	-2,913	-4,658	159.9%
Profit/(loss) on financing activities	-1,131	-2,909	1,778	-61.1%
Result on extraordinary items				
Pre-tax profit/(loss)	-8,702	-5,822	-2,880	49.5%
Corporate income tax	-1,929	-2,584	655	-25.3%
Net profit/(loss)	-6,773	-3,238	-3,535	109.2%

The difference in profit/(loss) on sales between Q4 2006 and Q4 2007 was mainly caused by:

- o Strong growth in sales revenue;
- o Higher selling costs, mainly due to an increase in marketing expenditure, which went up by over PLN 2m (e.g. the commercial for Paola syrups aired in Q4 2007) and the necessity to handle higher sales of products (up by 23.6%);
- o Higher general and administrative expenses (up by over PLN 3m) due to the restructuring processes at the HOOP Group and the merger with the KOFOLA Group. The main items responsible for the rise in general and administrative expenses in Q4 2007 were the necessity to pay the duty on actions under civil law of approx. PLN 2m on account of the transfer of Hoop S.A., Paola S.A. and PPWM Woda Grodziska Sp. z o.o. as a contribution in kind, and higher costs of advisory and consultancy services (up by over PLN 0.7m).

The Q4 2007 profit on other operating activities, amounting to PLN 1,074 thousand, is PLN 737 thousand lower compared with the corresponding period of the previous year. The difference is mainly attributable to higher income reported in Q3 2006 in connection with the release of valuation allowances for receivables.

The Q4 2007 result on financing activities comprised in particular: interest income of PLN 290 thousand (PLN 431 thousand in Q4 2006), interest expense of PLN 2,031 thousand (PLN 1,366 thousand in Q4 2006) and gain on currency translation differences of PLN 618 thousand (PLN 986 thousand in Q4 2006).

Q4 2007 Report

Moreover, in Q4 2006 the following one-off items were reported, which were not present in Q4 2007:

- o Investment revaluation which increased the financial expenses by PLN 2,979 thousand;
- o Deferred tax asset generated following disposal of treasury shares by HOOP S.A., which benefited the net result by PLN 3,803 thousand.

When compared with the corresponding period of the previous year, the Q4 2007 pre-tax profit is lower by PLN 2,880 thousand and the net profit is lower by PLN 3,535 thousand.

The results posted by HOOP S.A. in Q4 2007 were driven chiefly by strong growth in sales and in expenditure on marketing and services connected with sales. One-off expenses related to the projects executed by the Company led to higher general and administrative expenses and a lower financial result compared with Q4 2006.

V. Information on the Operating Activities of the Megapack Group

Financial Results of the Megapack Group

Income statement	Q4 2007	Q4 2006	Difference	Change
	PLN '000	PLN '000	PLN '000	%
	/A/	/B/	/A/-/B/	$\frac{/A/-/B/}{B}$
Net sales revenue, including:	56,617	75,020	-18,403	-24.5%
Net revenue on sales of products	56,543	74,517	-17,974	-24.1%
Cost of sales, including:	47,473	60,882	-13,409	-22.0%
Cost of products sold	47,468	60,445	-12,977	-21.5%
Gross profit (loss) on sales	9,144	14,138	-4,994	-35.3%
Selling costs	7,461	4,250	3,211	75.6%
General and administrative expenses	244	2,474	-2,230	-90.1%
Profit/(loss) on sales	1,439	7,414	-5,975	-80.6%
Profit/(loss) on other operating activities	-726	2,088	-2,814	-134.8%
Operating profit/(loss)	713	9,502	-8,789	-92.5%
Profit/(loss) on financing activities	-72	-181	109	-60.2%
Result on extraordinary items				
Pre-tax profit/(loss)	641	9,321	-8,680	-93.1%
Corporate income tax	-686	1,299	-1,985	-152.8%
Net profit/(loss)	1,327	8,022	-6,695	-83.5%

The results reported by the Megapack Group in Q4 2006 were much better than the results for Q4 2007 due to higher excise tax on low-alcohol beverages introduced in Russia at the beginning of the year. In the last quarter before the excise tax increase, the Group recorded an impressive growth in sales (particularly in the sales of bottling services related to low-alcohol beverages), following from the customer's intention to stock up on cheaper products, and thus it posted a higher financial result. The results posted in Q4 2007 are good, yet they do not compare to the record-breaking Q4 2006.

Financial Highlights of the Megapack Group

	Q4 2007	Q4 2006	Past four quarters	2006
	PLN '000	PLN '000	PLN '000	PLN '000
EBIT	713	9,502	27,187	23,776

EBITDA	3,628	11,201	34,485	29,357
Net financial debt	0	9,388	0	9,388
Profitability ratios				
Gross sales margin	16.2%	18.8%	23.4%	26.0%
Net margin	2.3%	10.7%	7.7%	8.3%

Both EBIT and EBITDA were lower year on year, as Q4 2006 was an unusually good period for the Megapack Group. A lower gross sales margin reported in Q4 2007 and for the whole year 2007 follows from a higher 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

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 Q4 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.

712,400 shares representing 5.44% of HOOP S.A.'s share capital;
712,400 votes representing 5.44% 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 Q4 2007:

Shareholder	Number of shares		% of share capital		Votes at the general Shareholders Meeting	
	Feb 29 2008	Nov 14 2007	Feb 29 2008	Nov 14 2007	Feb 29 2008	Nov 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 Q4 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 Q4 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).

On October 30th 2007, the promissory note declaration and the blank promissory note serving as security under the cooperation agreement with Kredyt Bank S.A. were signed.

In Q4 2007, HOOP S.A. granted a surety of up to PLN 87,973 thousand to secure the repayment of loans transferred to HOOP Polska Sp. z o.o. by way of a contribution in kind.

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) Completed 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 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 the reduction in 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 were taken to increase the revenue from beverage bottling services. As a result of these efforts, the Company executed contracts which enabled it to achieve considerably higher revenue from sales of bottling services in 2007 and can be expected to further increase this type of revenue in subsequent years.

Signatures of persons representing the Company

February 29th 2008 <i>date</i>	Dariusz Wojdyga <i>name</i>	President of the Management Board <i>position</i>	<i>signature</i>
February 29th 2008 <i>date</i>	Marek Jutkiewicz <i>name</i>	Vice-President of the Management Board <i>position</i>	<i>signature</i>
February 29th 2008 <i>date</i>	Tomasz Jankowski <i>name</i>	CFO <i>position</i>	<i>signature</i>
February 29th 2008 <i>date</i>	Katarzyna Balcerowicz <i>name</i>	Chief Accountant <i>position</i>	<i>signature</i>