

**ADDITIONAL INFORMATION  
TO THE FINANCIAL STATEMENT  
FOR THE 3<sup>RD</sup> QUARTER OF THE BUSINESS YEAR 2009/2010  
FROM 1 JULY 2009 TO 30 JUNE 2010**



Pursuant to the § 87 section 4 and 7 of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities, the Management Board of HELIO S.A., with its registered office in Wyględy, in its full personal composition:

1. Leszek Wąsowicz – President of the Management Board
2. Justyna Wąsowicz – Vice President of the Management Board

hereby presents additional information to the interim report for **the 3<sup>rd</sup> quarter of the current business year 2009/2010**. This quarterly report includes the period from **1 January 2010 to 31 March 2010**.

Pursuant to the statutes of the Company the business year of HELIO S.A. shall start on 1 July and end on 30 June.

The Company shall not prepare a consolidated financial statement.

## 1. Accounting principles adopted while preparing the report

The presented financial data of the Company for the 3<sup>rd</sup> quarter of the business year 2009/2010 was prepared pursuant to the Accounting Act of 29 September 1994. In the current business year the Company did not change the accounting principles (policy) in relation to the principles adopted in the financial statement for the previous year.

PLN (the Polish zloty) is the currency of this report.

In order to assure the comparability of the financial data for the 3<sup>rd</sup> quarter of the current business year, the analogical period from the previous business year, i.e. from 1 January 2009 to 31 March 2009 was accepted as a comparable period. In case of data presented in an increasing order for three quarters of the current business year, the analogical period from 1 July 2008 to 31 March 2009 was accepted as the comparable period.

All the data presented in the statement was shown in thousand zlotys, unless otherwise specified. Operations in foreign currencies and asset and liability items were converted into the Polish zloty in accordance with the following rules:

- revenues and expenses in foreign currencies were converted in accordance with the average exchange rate determined by the Polish National Bank [NBP] for the day of the transaction,
- financial operations in foreign currencies were converted in accordance with the purchase exchange rate of currencies applied by the bank whose services the Company used,
- asset and liability items for the balance-sheet date were priced at the exchange rate determined by the Polish National Bank [NBP] of 31 March 2010.

The presented selected financial data from the balance-sheet, from the profit and loss account and cash flow account were converted from the Polish zloty into the Euro in accordance with the following rules:

- particular asset and liability items of the balance-sheet as of 31 March 2010 converted at the average exchange rate for the balance-sheet date determined by the Polish National Bank for the Euro, Table No. 63/A/NBP/2010 of 31 March 2010, 1 EUR = PLN 3.8622,
- particular profit and loss account items and of the cash flow account for the period from 1 July 2009 to 31 March 2010 were converted at the exchange rate that is the arithmetic average of the exchange rate of the Polish National Bank for the Euro for the last day of each month in the given period in the following way:

<b>Table No.</b>	<b>Date</b>	<b>Exchange rate (PLN)</b>
148/A/NBP/2009	31.07.2009	4.1605
169/A/NBP/2009	31.08.2009	4.0998
191/A/NBP/2009	30.09.2009	4.2226
213/A/NBP/2009	30.10.2009	4.2430
233/A/NBP/2009	30.11.2009	4.1431
255/A/NBP/2009	31.12.2009	4.1082
20/A/NBP/2010	29.01.2010	4.0616
40/A/NBP/2010	26.02.2010	3.9768
63/A/NBP/2010	31.03.2010	3.8622
<b>Average exchange rate for 6 months</b>	<b>1 EUR =</b>	<b>4.0975</b>

In the presented period there are adjustments for provisions, provisions for deferred income tax and deferred tax assets.

The provisions were created for:

- unpaid salaries and National Insurance contributions (PLN thousand 273),
- financial leasing (PLN thousand 6).

The provisions were taken up for:

- review of semi-annual financial statement (PLN thousand 10),
- unpaid salaries and National Insurance contributions (PLN thousand 167),
- financial leasing (PLN thousand 13).

Deferred tax assets refer to:

- promoting and marketing activities (PLN thousand 35),
- financial leasing (PLN thousand 12),
- unpaid salaries and National Insurance contributions (PLN thousand 52),
- retirement and pension pays (PLN thousand 3),
- warehouses under construction, partially in use (PLN thousand 7),
- review of semi-annual financial statements (PLN thousand 2),
- leaves not taken up (PLN thousand 15),
- allowances for stock valuation (PLN thousand 7).

Provisions for deferred income tax refer to:

- financial leasing (PLN thousand 7),
- exchange gains as of the balance sheet date (PLN thousand 2).

## **2. Description of essential achievements or failures in the period concerned**

In the 3<sup>rd</sup> quarter of the current business year the Company has still increased its sales, and at the same time generated record-breaking revenues from sales in the period from January to March that amounted to PLN thousand 22 013, which means a growth of 6% in relation to the analogical period of the previous business year (in the period from January to March 2009 amounting to PLN thousand 20 769).

Increase of the revenues is accompanied with improvement of profitability, and at the same time dynamic increase of gained profits. In the 3<sup>rd</sup> quarter of the current business year, a net profit amounted to PLN thousand 2 573, which means a growth of 43% in relation to the analogical period of the previous business year (net profit for the period January – March 2009 amounting to PLN thousand 1 801).

## **3. Factors and events, especially of untypical nature that influence the obtained financial results.**

The financial results achieved in the 3<sup>rd</sup> quarter of the business year 2009/2010 were primarily a result of proper utilization of the seasonability phenomenon characteristic for the sector in which the Issuer operates. This year's date of Easter (the beginning of the April) caused that the most of pre-holiday sales

coincided with the quarter concerned (January – March 2010). Due to the short period of time between the peak of the sales last Christmas, and Easter season, it was possible to achieve a synergy effect of the previously taken action, both marketing and organizational. It is proper to feature among them actions executed lately to fasten the Company's image as well as its position on the domestic market, and actions effecting expansion of cooperation with hitherto clients, or maintaining a high work efficiency. These factors, while maintain a restrictive cost's policy, resulted in obtaining a high profitability level of net profit.

#### **4. Information about seasonal character or cyclical nature of the activities of the issuer in the presented period.**

Because of the specificity of this sector that is typical of a highly seasonal character, several relations essential for the correct interpretation of some economic values occurring in the companies in the nuts and dried fruits processing sector. In should be emphasized that the Company's revenues are strongly connected with the dates of Easter and Christmas.

The phenomenon of a seasonal character is present in the Issuer's activities. The highest sales of nuts and dried fruits fall on the period before Christmas and Easter. The sales of nuts and dried fruits are on its lowest level in the summer period, when the availability of fresh fruits makes them a competitive product. At the same time the Company prepares itself to the period of increased sales by means of purchase of nuts and dried fruits in the period in which the sales are on the lowest level. The accumulation of sales characteristic for the sector in the months preceding Christmas and Easter makes it justifiable to commence Christmas and Easter production in the summer period of lower sales.

#### **5. Information about issue, redemption and repayment of debt securities and capital securities.**

No transactions connected with issue, redemption and repayment of debt securities and capital securities were carried out in the period for which this report is presented.

#### **6. Information about declared or paid dividend**

HELIO S.A. did not declare or pay dividend in the period for this report is presented.

#### **7. Events that occurred after 31 March 2010, not included in the abridged version of the statement that may significantly influence the future financial results of the Issuer.**

No events that may significantly influence the future financial results of the Issuer occurred after the date for which the quarterly financial statement was prepared.

**8. Information about changes in the conditional liabilities and conditional assets that took place after the end of the last business year.**

No such events took place in the period for which this statement is presented, i.e. from the end of the last business year.

**9. Description of the organization of the capital group of the Issuer with pointing to the entities subject to consolidation.**

HELIO S.A. does not form a capital group and is not a parent company.

**10. Information about changes in the structure of HELIO S.A., including mergers with other entities, takeovers or sale of the entities from the Issuer's capital group, long-term investments, division, restructuring and discontinuation of activity**

No such events took place.

**11. The position of the Management Board in relation to the possibility of accomplishing the previously published forecasts of financial results for the given year in the light of the results presented in the quarterly report in relation to the forecasted results.**

The Issuer did not publish financial result forecast for the current business year.

**12. Shareholders who own directly or indirectly by means of dependent entities at least 5% of the total number of votes at the Issuer's General Meeting of Shareholders for the date of passing the quarterly report and changes in the ownership structure of significant blocks of the Issuer's share in the period from passing the previous quarterly report.**

For the day of passing this quarterly report, in accordance with the knowledge of the Management Board of HELIO S.A. the structure of shareholders who own at least 5% of votes at the Issuer's General Meeting of Shareholders was as follows:

Name of the shareholder	Number of shares	Share in the share capital (%)	Number of votes at the General Meeting of Shareholders	Share in the total number of votes at the General Meeting of Shareholders (%)
<b>Leszek Wąsowicz</b>	<b>3 857 000</b>	<b>77.1</b>	<b>3 857 000</b>	<b>77.1</b>
<b>Bankowy Otwarty Fundusz Emerytalny</b>	<b>250 312</b>	<b>5.01</b>	<b>250 312</b>	<b>5.01</b>

In accordance with the knowledge of the Management Board, the ownership structure of the significant block of the Issuer's shares did not change in the period from passing the previous interim report (half-yearly report SA-P 2009 of 01.03.2010).

**13. List of the assets of shares of HELIO S.A. or rights to them for managing and supervising persons as of the date of passing the quarterly report with the changes in the ownership in the period from passing the previous quarterly report.**

The managing and supervising persons owned the following shares of the Company, as of the date of passing this quarterly report:

Shareholder	Number of shares	Percentage (%) share in the share capital	Number of votes at the General Meeting of Shareholders	Percentage (%) share in the total number of votes at the General Meeting of Shareholders
<b>Members of the Management Board</b>				
Leszek Wąsowicz	3.857.000	77.1	3.857.000	77.1
<b>Members of the Supervisory Board</b>				
Jacek Kosiński	17.800	0.4	17.800	0.4

In accordance with the knowledge of the Management Board, no changes in the ownership of shares of HELIO S.A. of the managing and supervising persons took place in the period from passing the previous quarterly report.

**14. Information on ongoing judicial proceedings, proceedings in authorities competent for arbitral proceedings or in public administration authorities**

In the period for which this report is presented, the Company did not participate in any legal proceedings which a single or total value was at least 10% of the Issuer's equity capital .

**15. Information about one or many transactions with affiliated entities concluded by the**

HELIO S.A. did not carry out any significant transaction with an affiliated entity on other terms than market.

**16. Information about granting by the Company credit securities or loans or guarantees – in total to one entity or a person dependent on this entity, if the total value of the existing securities and guarantees is equal to at least 10% of the equity capitals of the Company.**

The Company did not grant credit securities, loans or guarantee in the period for which this report of HELIO S.A. is presented.

**17. Other information that is essential in the Issuer's opinion for the assessment of its personnel, material and financial situation and its changes that may be essentials for the assessment of the possibility of accomplishing the Issuer's liabilities.**

In the assessment of the Company all essentials information was included in this quarterly report.

**18. List of factors that in the Issuer's assessment will influence the obtained results in the perspective of at least successive quarter of the year.**

Early date of this year's Easter (the beginning of the April) caused that the Company will not record increased revenues from pre-holiday sales in the last quarter of the current business year, thus earlier than in previous year will come into the period of summer's slowdown of sales. It must be remembered that after Easter, a period of summer decrease in sales of the Company's products follows. It is a typical for the Issuer's branch and it is inscribed in a seasonal character of generating profits by the Company.

Among the factors that have positive influence on the Company's activities, attention should be paid to a systematic increase in the popularity of nuts and dried fruits treated as a substitute for other kinds of snacks. On those grounds, in the last quarter of current business year the Company decided to launch a new product line, HELIO GOLD branded. The new range in HELIO offer is a premium products, characterized by the highest quality of materials and innovative packaging in its branch. The product will be directed to the most exacting part of the society, and distribution will be based on the best points of sales both of traditional and modern channels of distribution. Marketing support should ensure a fast popularization of the product, which in the context of the snack character of the product, should allow to reduce a seasonal decrease of sales.