

**Additional explanatory notes
to financial statement of HELIO S.A.
for the business year 2008/2009**

Explanatory notes to the balance-sheet

To NOTE 3 a

Negative temporary difference	2008/2009	2007/2008
1. Balance sheet amortisation and depreciation of warehouse	20	
2. Tangible fixed assets under leasing	124	100
1. Provision for promotional services	186	511
2. Unpaid payroll and social insurance (ZUS) benefits	153	299
3. Unrealized negative exchange rate differences	6	60
4. Provision for retirement and similar benefits	68	
5. Other provisions	12	0
Total	569	970

To NOTE 10 a

POSITIVE TEMPORARY DIFFERENCE	2008/2009	2007/2008
1. Tangible fixed assets under leasing	33	0
4. Unrealized interest on receivables	231	220
Total	264	220

To NOTES 11a and 12a

Long- and short-term liabilities resulting from leasing

As of 30 June 2009 and as of 30 June 2008, minimal deferred leasing rates on the grounds of the leasing agreements and current minimal value of net leasing rates are disclosed as follows:

Specification	30.06.2009		30.06.2008	
	Minimal rates	Current value of rates	Minimal rates	Current value of rates
In a period of 1 year	205	205	197	197
In a period from 1 up to 5 years	230	230	262	262
Above 5 years				
Minimal leasing rates in total	435	435	459	459
Deferred interest cost (negative value)	26		35	
Current value of minimal leasing rates, including:	409	435	424	459
short-term	184		173	
long-term	225		251	

Explanatory notes to Cash Flow Statement

NOTE 1

STRUCTURE OF CASH TO CASH FLOW STATEMENT	2008/2009	2007/2008
- cash in hand and at bank	2 981	147
Total	2 981	147

NOTE 2

DIRRERENCES BETWEEN BALANCE SHEET CHANGE IN SHORT-TERM LIABILITIES AND CHANGE IN CHANGE DISCLOSED IN CASH FLOW STATEMENT	2008/2009	2007/2008
Change in short-term liabilities by balance sheet	715	789
+/- change in liabilities for credits/loans	-1 526	1 113
+/- change in liabilities for financial leasing	8	-53
Change in cash flow statement	802	-270

Supplementary explanatory notes

NOTE 1

INFORMATION ON FINANCIAL INSTRUMENTS

A. Loans granted and own receivables

Own receivables cover trade (for supplies and services) receivables and other receivables as well as cash (pecuniary means)

B. Financial assets held up to maturity date

The Company has no financial assets held up to maturity date.

D. Financial assets available for disposal

The Company has no financial assets available for disposal.

E. Other financial liabilities

Other financial liabilities include: credits, trade liabilities and other liabilities as well as liabilities under leasing agreements

FINANCIAL ASSETS	Balance sheet value		Fair value		Category of financial instrument
	30.06. 2009	30.06. 2008	30.06. 2009	30.06. 2008	
Trade receivables and other receivables	6 875	7 355	6 875	7 355	Own receivables
Cash at bank and in hand	2 981	147	2 981	147	Own receivables

FINANCIAL LIABILITIES	Balance sheet value		Fair value		Category of financial instrument
	30.06. 2009	30.06. 2008	30.06. 2009	30.06. 2008	
Loan and credit interest, including	408	1 526	408	1 526	Other financial liabilities
Long-term interest by changeable interest rate	408		408		
Credit/facility in the current account		1 526		1 526	
Other liabilities (long-term)-leasing	435	459	435	459	Other financial liabilities
Trade liabilities and other liabilities	3 491	2 747	3 491	2 747	Other financial liabilities

NOTE 1.2 Table of financial instruments movements

2008/2009	Financial assets appraised in fair value by financial result	Financial liabilities appraised in fair value by financial result	Loans granted and other own receivables	Financial assets held up to maturity date	Financial assets available for disposal	Other financial liabilities
Position as of the beginning of the period			7 502			4 732
Increases			2 834			1 416
Credits and loans						408
cash at bank and in hand			2 834			
Leasing						264
Trade liabilities and other liabilities						744
Decreases			480			1 814
Repayment of credits and loans						1 526
Leasing						288
Trade receivables and other receivables			480			
Position as of the end of the period			9 856			4 334

NOTE 2

PURPOSES AND RULES OF MANAGING FINANCIAL RISK

Among primary financial instruments applied by the Company there are: pecuniary means (cash), short-term deposits and bank credits. The main purpose of the referred financial instruments is to gain financial resources for the Company's activity. The Company has also other financial instruments, such as trade (for supply and services) receivables and liabilities, which appear under activity run by the Company.

The principle applied by the Company currently and in the entire period covered by the examination is not to carry out transactions connected with financial instruments.

The primary types of risk resulting from the Company's financial instruments include currency risk, credit risk and the risk connected with liquidity. The Management Board verifies and adjusts the principles of managing each of the referred types of risk – the principles are briefly discussed herein below. Moreover, the Company also monitors the risk of market prices relating to all financial instruments possessed by the Company.

Currency risk

The Company is exposed to currency risk for contracted transactions. Such risks occur due to the fact that the Company imports directly from the countries of origin a significant part of the raw materials. In order to avoid the negative influence of the foreign currency exchange rates, the Company currently monitors the currency market by adopting proper measures. Managing the risk of foreign currency, the Company takes use of internal instruments, including, first of all, the Company adjusts pricing conditions offered customers to the costs of purchase of the raw material. At present the Company does not take use of instruments of the currency market (such as: options, futures, forward, CIRS).

The share of purchased goods imported in total in the business year 2008/2009 came to 56% and relatively: in cost of sold goods in USD – 55%, and in costs of manufactured finished goods in EUR – 70%. However in the business year 2007/2008 it was relatively: in USD – 39% and in EUR – 65%.

	Increase/decrease of currency exchange rate	Impact onto gross financial result
The year ended on 30 June 2009		
EUR	10%	-582
USD	10%	-2 026
EUR	-10%	582
USD	-10%	2 026
The year ended on 30 June 2008		
EUR	10%	-403
USD	10%	-1 158
EUR	-10%	403
USD	-10%	1 158

Risk of goods prices

The Company is threatened to fluctuation of prices of foodstuffs raw materials. Such fluctuation of the referred prices may periodically impact onto vale of the sale margins. Level of prices of the foodstuffs raw materials is influenced by factors irrespective from the Company, such as: rate of crops in a particular year, climatic conditions influencing the quality and availability of the raw materials. Owing to the skilled staff involved in purchase, the Company tries to response to the occurring position on the market relatively earlier, including first of all, to increase stock of the raw materials whose price will increase or respectively earlier, to renegotiate prices of supplied products with the clients.

Credit risk

The Company concludes transactions merely with entities of right credit rating capacity. The Company's greatest clients are first of all the greatest trade chains operating in Poland. All clients who desire to take use of merchant credits are subject to procedures of preliminary verification. Besides, due to current monitoring of receivables positions, threatening the Company to the risk of doubtful debts is really insignificant.

Material concentration of credit risk does not appear in the Company.

NOTE 3

DATA ON OFF-BALANCE SHEET ITEMS, ESPECIALLY CONTINGENT LIABILITIES INCLUDING SECURITIES AND GUARANTEES (ALSO BILL-OF-EXCHANGE) GRANTED BY THE COMPANY

None.

NOTE 4

LIABILITIES AGAINST NATIONAL BUDGET OR LOCAL GOVERNMENT UNITS INCLUDING OBTAINING PROPERTY RIGHT ON BUILDINGS AND STRUCTURES

None.

NOTE 5

REVENUES, EXPENSES AND RESULTS OF THE ACTIVITY DISCONTINUED IN THE GIVEN PERIOD OR EXPECTED TO BE DISCONTINUED IN THE SUCCESSION PERIOD

No such categories.

NOTE 6

COSTS OF MANUFACTURING TANGIBLE FIXED ASSETS UNDER CONSTRUCTION, TANGIBLE FIXED ASSETS FOR INTERNAL/OWN CONSUMPTION

Pos.	Specification	Expenditure in total
1	Group 1	2 205
2	Group 2	168
4	Group 4	146
5	Group 5	0
6	Group 6	0
7	Group 7	68
8	Group 8	61
9	Intangible assets	50
	Total	2 569

NOTE 7

INCURRED AND PLANNED CAPITAL EXPENDITURE IN THE NEXT 12 MONTHS FROM THE BALANCE-SHEET DATE CAPITAL EXPENDITURE INCLUDING NON-FINANCIAL FIXED ASSETS

Expenditure on	Incurred in the current business year	Planned for the next business year
1) Intangible assets	38	10
2) Tangible fixed assets	578	3 000
3) Tangible fixed assets under construction	1 860	12 000
Total	2 476	15 010

NOTE 8

INFORMATION ABOUT ISSUER'S TRANSACTIONS WITH AFFILIATED ENTITIES AND DATA CONCERNING THE AFFILIATED ENTITIES

The company does not have entities connected by capital.

NOTE 9

INFORMATION ON JOINT VENTURES WHICH DO NOT SUBJECT TO CONSOLIDATION

The above did not occur.

NOTE 10

INFORMATION ON AVERAGE EMPLOYMENT, INCLUDING DIVISION INTO DEPARTMENTS

DEPARTMENT	2008/2009	2007/2008
Commercial	6	6
Technical	93	91
Marketing and Organization	10	8
Employees in total	109	105

NOTE 11

TOTAL VALUE OF REMUNERATIONS AND REWARDS (IN CASH AND IN KIND) PAID OR DUE, INDIVIDUALLY FOR THE MANAGEMENT AND FOR SUPERVISORS

	01.07.2008 – 30.06.2009
Remuneration of the Management Board, including:	440
- Leszek Wąsowicz, President of the Management Board	292
- Justyna Wąsowicz, Vice President of the Management Board	148
Remuneration of the Supervisory Board	0
Remuneration in total	440

NOTE 12

INFORMATION ON VALUE OF UNPAID ADVANCE PAYMENTS, CREDITS, LOANS, GUARANTEES, WARRANTS OR OTHER AGREEMENTS OBLIGATING TO PERFORMANCES FOR THE BENEFIT OF THE COMPANY GRANTED BY THE COMPANY TO MANAGING AND SUPERVISION PERSONS

The above specified situation did not occur.

NOTE 13

INFORMATION ON SIGNIFICANT EVENTS RELATING TO THE PREVIOUS YEARS INCLUDED IN THE FINANCIAL STATEMENT FOR THE CURRENT PERIOD

The above mentioned events did not occur.

NOTE 14

INFORMATION ON SIGNIFICANT EVENTS THAT OCCURRED AFTER THE BALANCE SHEET DATE, NOT INCLUDED IN THE FINANCIAL STATEMENT

The above mentioned events did not occur.

NOTE 15

INFORMATION ON RELATIONSHIPS BETWEEN LEGAL PREDECESSOR AND THE COMPANY AS WELL AS ON THE WAY AND SCOPE OF TAKING OVER ASSETS AND LIABILITIES

The HELIO S.A. company was established by transformation of the "PH BONA" Sp. z o.o. company on the base of Resolution No. 1 of the Extraordinary Meeting of Shareholders of 18 July 2006 concerning transformation of the "PH BONA" spółka z ograniczoną odpowiedzialnością (limited liability/ public company) into the HELIO S.A. (joint stock company), by virtue of the notary deed prepared on 18 July 2006 at the Notary Office Jerzy Horban – Notary Public Małgorzata Kędzierska – Notary in Warsaw, Repertory A no. 5196/2006. On 25 August 2006, by the decision of the District (First Instance) Court (Sąd Rejonowy) for Warsaw capital city, XIV Economic Division of the National Court Register, the HELIO S.A. company was entered into the register of the National Court Register – Register of Entrepreneurs at a number of 262514.

NOTE 16

FINANCIAL STATEMENT CORRECTED BY INFLATION RATIO

There are no prerequisites to carry out corrections of the analyzed financial statements by inflation rate.

NOTE 17

DIFFERENCES AMONG DATA DISCLOSED IN THE FINANCIAL STATEMENT AND IN DATA COMPARABLE WITH EARLIER PREPARED AND NOT PUBLISHED FINANCIAL STATEMENT FINANCIAL STATEMENTS

The specified differences did not occur.

NOTE 18

CHANGES IN APPLIED RULES (POLICY) OF ACCOUNTING AND WAY OF ELABORATION OF FINANCIAL STATEMENT MADE IN COMPARISON TO THE PREVIOUS BUSINESS YEARS, REASONS OF SUCH CHANGES, TITLES AND IMPACT OF THE FINANCIAL RESULTS ONTO PROPERTY AND FINANCIAL POSITION, LIQUIDITY AS WELL AS FINANCIAL RESULT AND PROFITABILITY.

No changes occurred.

NOTE 19

MADE CORRECTIONS OF BASIC ERRORS, REASONS OF SUCH ERRORS, TITLES AND IMPACT OF THE FINANCIAL RESULTS ONTO PROPERTY AND FINANCIAL POSITION, LIQUIDITY AS WELL AS FINANCIAL RESULT AND PROFITABILITY.

The above did not occur.

NOTE 20

IN CASE OF OCCURRENCE OF UNCERTAINTY REGARDING OPPORTUNITIES TO CONTINUE THE ACTIVITY, DESCRIPTION OF SUCH UNCERTAINTIES AND ACKNOWLEDGEMENT ON NON-EXISTENCE OF SUCH UNCERTAINTY

The financial statement has been prepared with assumption on continuity of the activity. No circumstances, indicating threat to the activity in predictable future, exist.

NOTE 21

INFORMATION ON MERGER OF COMPANIES

In the periods covered by the financial statements published in the present report, the Company did not merge with other entities. The Company elaborates the unitary financial statement.

NOTE 22

INFORMATION ON AN ECONOMIC TYPE AND AIM OF AGREEMENTS CONCLUDED BY THE ENTITY NOT INCLUDED IN THE BALANCE SHEET IN A SCOPE INDISPENSABLE TO ESTIMATE IMPACT OF THEM ONTO PEOPERTY, FINANCIAL POSITION AS WELL AS FINANCIAL RESULT OF THE ENTITY

No agreements in concern occurred.

NOTE 23

INFORMATION ON SIGNIFICANT TRANSACTIONS (INCLUDING AMOUNTS OF SUCH TRANSACTIONS) CONTRACTED BY THE ENTITY WITH AFFILIATES ON TERMS OTHER THAN MARKET TERMS

During the last business year HELIO S.A. did not effect significant transactions with the affiliate on terms other than market terms.

NOTE 24

INFORMATION ON REMUNERATION FOR EXPERT AUDITOR OR ENTITY AUTHORIZED TO AUDIT FINANCIAL STATEMENTS, PAID OR DUE FOR THE CURRENT AND PRIOR BUSINESS YEAR

Name of a service	The business year 2008/2009	The business year 2007/2008
Audit/analysis of yearly financial statement	19	18
Other services acknowledging, including review of financial statement	11	10
Services relating to fiscal consulting	-	-
Other services	-	-