

**ADDITIONAL INFORMATION
TO THE HALF-YEARLY FINANCIAL STATEMENT OF HELIO S.A.
FOR THE PERIOD
FROM 1 JULY 2011 TO 31 DECEMBER 2011**



Pursuant to the § 87 section 4 in conjunction with § 89 section 1 point 2 subsection "a" 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:

- Leszek Wąsowicz – President of the Management Board
- Justyna Wąsowicz – Vice President of the Management Board

hereby presents additional information to the half-yearly financial statement.

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 1st half-year of the business year 2011/2012 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 was adopted for the following periods:

- 30.06.2011 and 31.12.2010 for the balance sheet and statement of changes in equity,
- from 1 July 2010 to 31 December 2010 for the profit and loss account and cash flow statement.

All data presented in the report are provided in thousand of zlotys, unless otherwise states. Transactions in foreign currencies, as well as positions of the assets and the liabilities have been converted in to the Polish currency following the below presented rules:

- transaction in foreign currencies are included as of a date when they were paid, if payment of the debtors and the liabilities was effected in fact on that day following the exchange rate of that day, but when the exchange rate of the date of transaction is not justifiable, following the average exchange rate announced for a particular currency by the National Bank of Poland (NBP) of a prior day of such date, and in case the average exchange rate was not calculated and announced for such day, then the exchange rate calculated and announced lately is applied for conversion,
- positions of the assets and the liabilities as of the balance sheet date have been evaluated following the NBP exchange rate announced on 31st December 2011.

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 December 2011 converted at the average exchange rate for the balance-sheet date determined by the Polish National Bank for the Euro, Table No. 252/A/NBP/2011 of 30 December 2011, 1 EUR = PLN 4.4168,
- particular profit and loss account items and of the cash flow account for the period from 1 July 2011 to 31 December 2011 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:

Table No.	Date	Exchange rate (PLN)
146/A/NBP/2011	29.07.2011	4.0125
168/A/NBP/2011	31.08.2011	4.1445
190/A/NBP/2011	30.09.2011	4.4112
211/A/NBP/2011	31.10.2011	4.3433
231/A/NBP/2011	30.11.2011	4.5494
252/A/NBP/2011	30.12.2011	4.4168
Average exchange rate for 6 months	1 EUR =	4.3130

2. Information on adjustments for provisions, provisions for deferred income tax and deferred tax assets, write-offs revaluating assets

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

The provisions were created for:

- leaves not taken up as of 31.12.2011 (decrease by PLN thousand 22 up to the amount of PLN thousand 128),
- review of semi-annual financial statement (PLN thousand 10),
- financial leasing (PLN thousand 49).

The provisions were taken up for:

- audit of the financial statements for the 2010/2011 year (PLN thousand 20),
- financial leasing (PLN thousand 3).

Deferred tax assets refer to:

- promoting and marketing activities (PLN thousand 61),
- unpaid salaries and National Insurance contributions (PLN thousand 39),
- retirement and pension pays (PLN thousand 5),
- warehouses under construction, partially in use (PLN thousand 14),
- review of semi-annual financial statements (PLN thousand 2),
- leaves not taken up (PLN thousand 24),
- allowances for stock valuation (PLN thousand 11),
- negative differences of exchange rates as of the balance sheet date (PLN thousand 7),
- allowance for uncollectible accounts (PLN thousand 20),
- unpaid interest of banks credits (PLN thousand 37).

Provisions for deferred income tax refer to:

- financial leasing (PLN thousand 20),
- interest on receivables (PLN thousand 6).

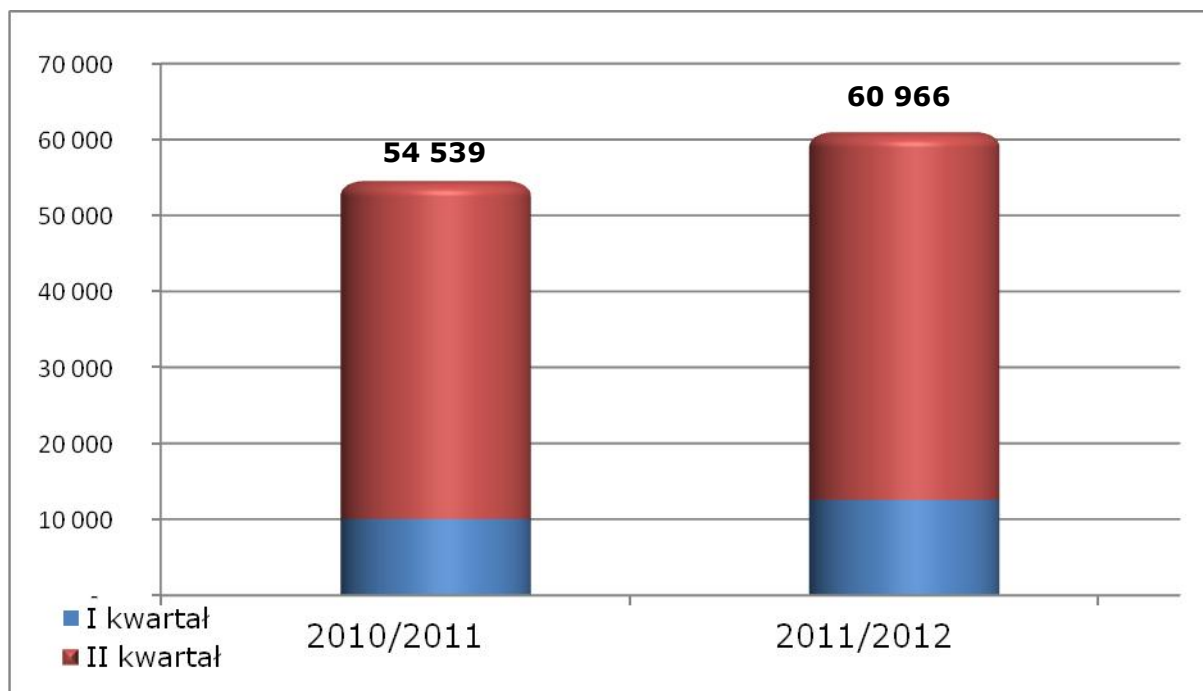
Taken up write-offs revaluating assets refer to:

- materials stock (PLN thousand 61),
- receivables (PLN thousand 107).

3. Description of essential achievements or failures in the period concerned

In the first half of the financial year 2011/2012 the Company gained record-breaking sales revenues per 6 months, which amounted to PLN 60 966 000. Referring to the data for the comparable period of the prior year, the Issuer increased its sale by 12 % (sales revenues for the period: July – December 2010 amounted to PLN thousand 54 539).

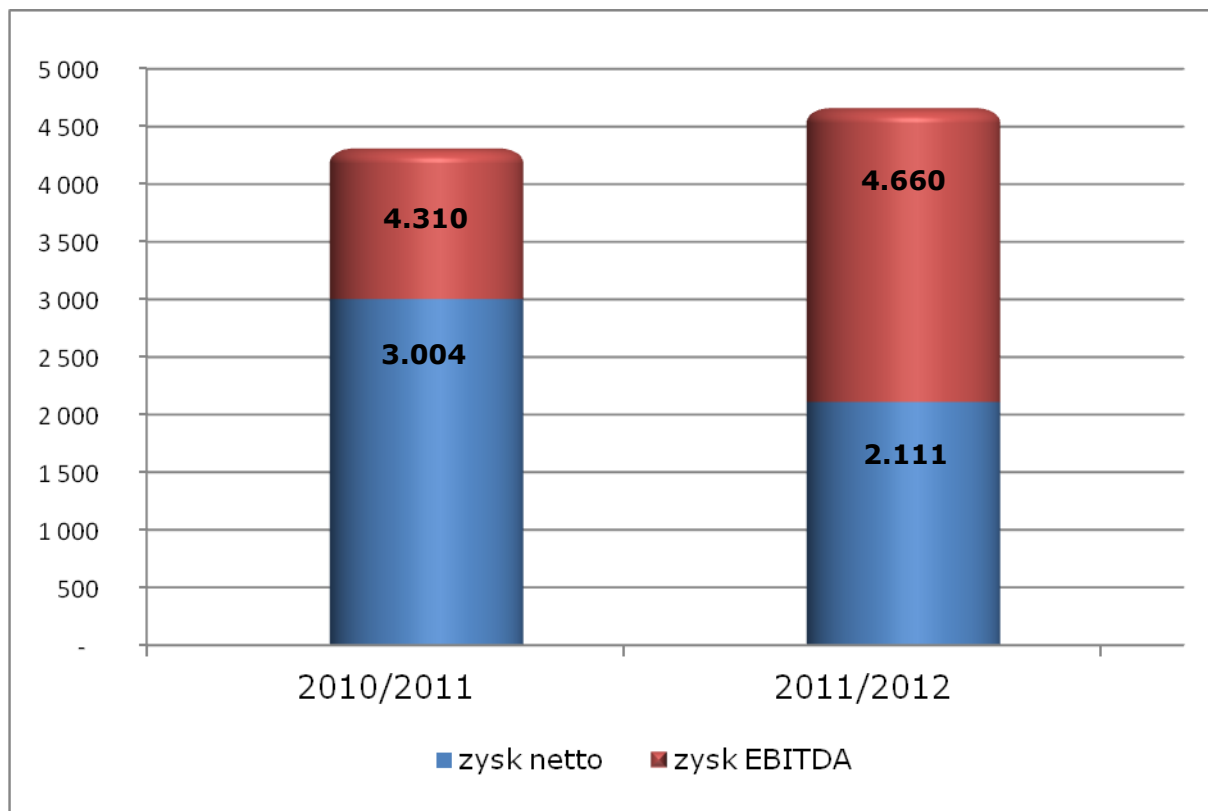
Figure 1: Increase of sales revenues in the first half of the current and prior business years (in thousand PLN)



Source: Management Board of HELIO S.A.

With the increase of sales revenues also the Company's EBITDA result has improved (operating profit + depreciation). In the first half of the fiscal year 2011/2012 it amounted to PLN thousand 4 660 PLN, which means an 8% improvement referring to the corresponding period of last year (for the period July - December 2010 the profit at the EBITDA level amounted to PLN thousand 4 310). It should be stressed at the same time, that this increase does not fully reflect the improvement of the Issuer's operational efficiency resulting from transferring the Company's business activity to the new manufacturing, warehouse and office complex in Brochów. During the previous six months there were one-off costs incurred for work organization and equipping the new plant with office and administrative measures, which resulted in the incidental increase of operating costs. Moreover, in the previous half of the year the external factors, particularly the sudden depreciation of the zloty and price increase of raw materials, were more severe for the Issuer than in previous years, which negatively influenced the level of profit margins on the Company's gross sales. In the context of the above facts and the assumed increase in depreciation expense and financial costs resulting from payment of interest on investment loans and increased working capital loans, the Company's net profit amounted to PLN thousand 2 111.

Figure 2: Change in the net and EBITDA profits in the first half of the current and prior business years (in thousand PLN)



Source: Management Board of HELIO S.A.

The certifying audit of the BRC - Global Standard for Food Safety positively completed in December 2011 should be regarded as the noteworthy success of the past six months. Independent assessment of international auditors confirmed the highest standards of quality and safety of food manufacturing in the Issuer's new plant in Brochów. Gaining the BRC certificate will strengthen the competitive position of the Company, both domestically and internationally.

4. Factors and events, especially of untypical nature that influence the obtained financial results.

The past six months covered the industry typical period commencing from the summer sales stagnation in the market of nuts and dried fruits, and ending with characteristic peak sales period of Christmas. Although the distribution of sales at that time was typical for the Issuer's industry, in the analyzed period there occurred events and factors of an unusual nature as related to the same period of last year, which influenced the achieved by HELIO S.A. financial results. Majority of these events were derived from the transfer of Issuer's business to the new plant in Brochów and unstable macroeconomic situation.

Transfer of the Company's business activity to the new plant in Brochów

In relation with putting the new manufacturing, warehouse and office complex in Brochów near Sochaczew into use at turn of the current fiscal year the Issuer moved its operations from the previously leased location to the new facility. This event resulted in changes in the cost structure of the Company. As expected by the Management Board, in the first half of the 2011/2012 fiscal year this was reflected mainly in the improved EBITDA profit. It was possible due to reduced operating costs resulting from optimization of internal logistics and reduced costs of warehouse space rental. One should however emphasize, that due to the one-off costs of organizing activities in the new location the financial result of the preceding period still does not reflect all the expected benefits. The first months after putting the completely new plant into use are the period for production start-up, equipping with manufacturing facilities and administration and office resources, as well as the period for organizing work in the new conditions. These factors resulted in a one-time increase of operating costs, including the overhead costs.

As factors untypical for the last year and directly related to the new plant putting into use, one should also mention the increased depreciation and financial costs resulting from payment of interests on investment loans. Increase of these costs was however included in the long-term Company development strategy. Within the context of the above costs, the event favourably influencing the financial results of HELIO SA in the last six months, in particular the ones of future periods, was the change, in favour of the Issuer, of bank margins on investment loans. The negative factor, independent of the Company, was increase of the WIBOR 1M and WIBOR 3M interest rates, that are the base rate of interest on Issuer's investment loans.

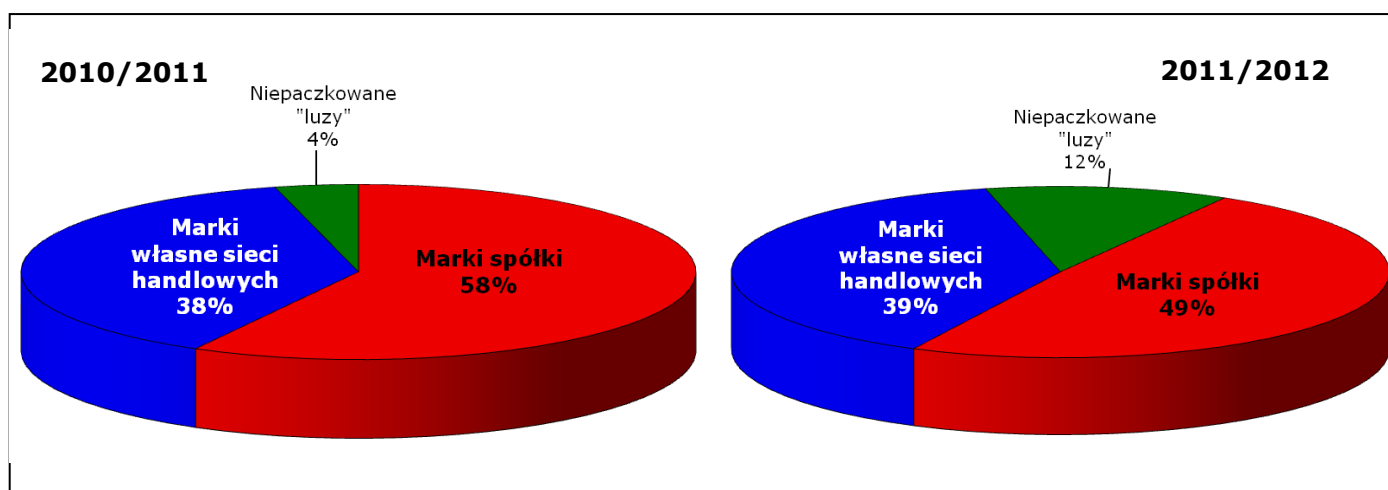
The overall conclusion is that the EBITDA profit improvement already in the first period of activity at the new facility in Brochów is the good predictor for future. Benefits of transferring business activity to the new plant in Brochów should be increasingly more noticeable due to systematic implementation of organizational improvements in the Issuer's activities in its new production location, and due to increasing possibilities of benefiting from economies of scale.

Diversification of customers and activation of new distribution channels

In the first half of the financial year 2011/2012 the Issuer took also actions to intensify sales. Increased production and storage capacity of the Company's new complex in Brochów created the potential to develop the entirely new sales segment in operation of the HELIO SA, which is the sale of nuts and dried fruits to industry customers (the B2B segment, i.e. sales to manufacturers of confectionery, bakeries, confectioneries, etc.). The department dealing with activation of this segment was created at the beginning of the financial year

2011/2012 and, in accordance with the Management Board's expectations, should generate at least over ten million PLN of additional sales revenue annually. Development of this segment is not only the prospect of increased sales revenues, but also improvement of inventory turnover and economies of scale resulting from increased purchases. Although sales development in this segment takes time, still in the first half year of its activity the Company has managed to attract dozens of customers. As indicated in the Figure 3, this contributed to the growth of the unpacked (bulk) product share in the sales structure of the Issuer (+8 pp). However, one should remember that this item also includes sales of "bulk" products within the modern channel of the delicacies market segment directed to the end consumer (B2C).

Figure 3: The share of delicacies brands in the Company's sales revenues in the first half of the fiscal years 2010/2011 and 2011/2012.



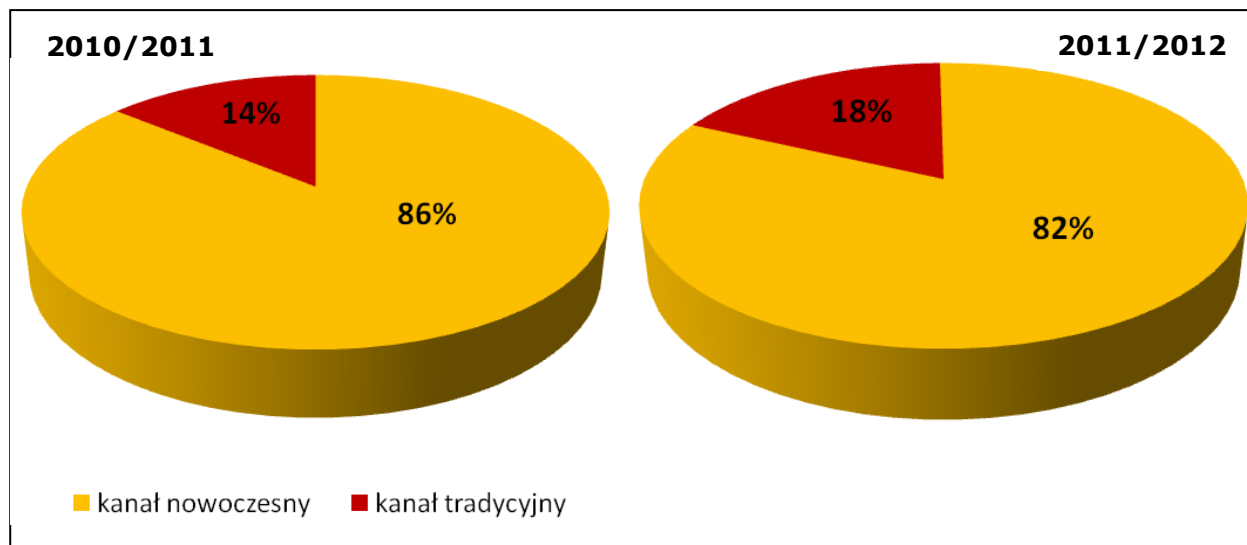
Source: Management Board of HELIO S.A.

Referring to the B2C segment, it is worth to mention that the growing sales of products under private labels of retail chains (+1 pp) is in line with the overall delicacies market trend changes.

In the previous half of the year there were evident as well the results of the previously taken actions aiming to penetrate the traditional sales channel of the B2C segment. As a reminder it is worthy to add that due to the poorly developed Company's sales in the traditional channel, the Issuer made in the financial year 2010/2011 efforts to expand its nationwide sales structures. The enlarged sales department was intended in particular to intensify sales in the traditional channel (wholesalers and distributors). Thus it is worth noting that the Issuer's sales value in this distribution channel grew in relation to the corresponding period of last year by 32% and now represents 18% of the Company's sales in the B2C segment (Figure 4). Therefore, the actions taken contributed in a measurable way to increase of the Issuer's total sales and diversification of its customers. According to the assumptions, the financial expenditures made for development

of this distribution channel were lower than in the last year, what reduced the costs of sales as compared to the corresponding period of fiscal year 2010/2011.

Figure 4: Sales structure in the B2C segment by distribution channels in the first half of fiscal years 2010/2011 and 2011/2012



Source: Management Board of HELIO S.A.

Within the sales developing activities, the Issuer also took a number of other actions, including established partnerships with new B2C contractors, also the ones operating on foreign markets of central Europe. Although effects of these actions were not significant in the context of the past six months, they offer good developmental prospects for the future.

Increase in raw material prices and depreciation of the zloty

Due to the fact that majority of raw materials for product preparation are imported by the Company directly from the countries of origin, the level of foreign exchange rate and raw material price fluctuations have an impact on the financial results of the Issuer. The main import directions continued to include the following countries: Argentina, Bulgaria, Chile, China, Czech Republic, Greece, Holland, India, Iran, Turkey, USA. Payments for imported goods were settled mainly in U.S. dollars (USD), euro (EUR) and Czech crowns (CZK).

Therefore, the increase of raw material prices and depreciation of the zloty had negative impact on the sales margins obtained by HELIO SA. Notwithstanding the Company renegotiated with its clients the prices of the products subject to sale, it was the process extended in the time, and at the same time it temporarily had negative influence on to the net result obtained in the first half-year of the 2011/2012 business year.

Seasonality of sale and development of the delicacies market

The past six months covered the industry typical period commencing from the summer sales stagnation in the market of nuts and dried fruits, and ending with characteristic peak sales period of Christmas. Therefore, in the first months of this period, the Company prepared itself for its critical season, by purchases of raw materials and inventories production for future sales, among others. Although the purchase of raw materials during the summer sales slowdown is characteristic for the Issuer's activity, it is worth noting that the volume of purchases in the past half of the year was much higher than last year. This resulted primarily from extended sales plans of the Company for the current fiscal year, due to incrementally increased production capacity of the Issuer, as well as rising prices of raw materials. The above factors directly influenced the greater Issuer's demand for working capital, necessary to fund these increases. Therefore, in the last six months the Company prolonged for another year the existing working capital facilities, while increasing their amount proportionally to seasonal needs, and renegotiating for benefit of the Issuer the margins on used amounts of loans.

While observing the demand on the domestic market, HELIO SA systematically adjusts its offer by introducing new products. The novelties of the first half of fiscal year 2011/2012 include above all the refreshed line of HELIO delicacies. This offer is addressed to consumers who are looking for proven products of certain quality, but in practical and modern Doypacks. The new proposal of HELIO attracts attention with outstanding choice of products, attractively calculated price and specially designed package with a string closure. The target group of the new line are consumers who use nuts and dried fruits in their daily menu, not only as a valuable snack, but in large part for culinary purposes - pastries, salads, desserts. This line gained positive reception of the market, that was confirmed by the "Best Product 2012" title granted in the consumer survey on market novelties conducted by the GfK Polonia research institute. At the same time, due to the increasing demand for products under private labels of retail chains, HELIO SA increased sales volume of these products and extended the existing list of private label assortments with new items. This strategy allows for ongoing offer adaptation to the customers' needs and preferences, and thus for further increase of the Company's sales.

In the past half of the year, in particular during the summer, the Company also sought to alleviate the inconveniences resulting from the industry seasonality by increasing sales of the more and more popular snack delicacies used for culinary purposes in daily menu. While monitoring this trend, the Issuer took several actions in the past year that aimed to intensification of sales of snack nuts and dried fruits, and the fudge creams characterized by smaller seasonality of demand than products from similar category of the poppy seed fillings. It also contributed undoubtedly to the sales revenue increase in the last period.

5. 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. It 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.

6. 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.

7. Information about declared or paid dividend

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

8. Events that occurred after 31 December 2011, 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 half-yearly financial statement was prepared.

9. 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.