

**Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009**

NFI Empik Media & Fashion S.A.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Introduction

Narodowy Fundusz Inwestycyjny Empik Media & Fashion Spółka Akcyjna (hereinafter “NFI Empik Media & Fashion S.A.”, the “Fund”, the “Company” or “NFI EMF”), a company incorporated under the laws of Poland, with its registered office located at ul. Marszałkowska 104/122, 00-017 Warsaw, is the parent entity of the NFI Empik Media & Fashion Capital Group.

The Fund is controlled by EMPiK Centrum Investments S.A. (incorporated in Luxembourg) which owns 60.33% of NFI Empik Media & Fashion S.A.’s shares. The ultimate parent company publishing the financial statements is Eastbridge S.a.r.l. (a company incorporated in the Netherlands with the principal place of business in Luxembourg).

NFI Empik Media & Fashion S.A. continues to operate under specific laws governing the activities of National Investment Funds. The shares of NFI Empik Media & Fashion S.A. are listed on the Warsaw Stock Exchange.

These condensed interim stand-alone financial statements were prepared to comply with the Warsaw Stock Exchange reporting requirements. They should be read in conjunction with the condensed interim consolidated financial statements for three-month period ended 30 September 2009, published together with these stand-alone financial statements and are available at our registered office at Marszałkowska 104/122 in Warsaw and on our web site www.emf.pl.

These condensed interim stand-alone financial statements have been approved by the Management Board of NFI Empik Media & Fashion S.A. on 13 November 2009.

.....
Maciej Dyjas
President of the Management Board

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Jacek Bagiński
Member of the Management Board

.....
Kjell Berggren
Member of the Management Board

.....
Dariusz Stolarczyk
Member of the Management Board

.....
Ewa Podgórska
Member of the Management Board

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Table of contents

Interim stand-alone total income statement	4
Interim stand-alone financial statement on financial standing	5
Interim stand-alone statement of changes in equity	6
Interim stand-alone cash flow statement	7
Notes to the condensed interim stand-alone financial statements	8

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Interim stand-alone total income statement for three-month period ended 30 September 2009

		9 months ended	3 months ended	9 months ended	3 months ended
	Note	30 September 2009	30 September 2009	30 September 2008	30 September 2009
		000 PLN	000 PLN	000 PLN	000 PLN
Sales of services revenue		14 437	4 921	8 771	3 049
Employee compensation and benefit expenses	2	(12 140)	(2 344)	(14 878)	(4 387)
Other operating income	3	21 147	3 126	11 269	5 482
Other operating expenses	4	(11 092)	(5 829)	(9 678)	37
Amortisation, depreciation and impairment charges		(702)	(260)	(422)	(139)
Other income, net	5	277 631	(32)	17 382	562
Profit from operating activities		289 281	(418)	12 444	4 604
Financial expenses, net	6	(16 981)	(4 605)	(13 792)	(5 699)
Profit before income tax		272 300	(5 023)	(1 348)	(1 095)
Net profit		272 300	(5 023)	(1 348)	(1 095)
Basic and diluted loss per share (not in thousands)		2.630		-0.013	

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Interim stand-alone financial statement on financial standing as at 30 September 2009

	Note	As at	
		30 September 2009	31 December 2008
		000 PLN	000 PLN
ASSETS			
Non-current assets			
Property, plant and equipment		2 318	2 919
Intangible assets		17 559	15 035
Investments in subsidiaries	7	601 307	580 274
Investments in affiliates		-	12 497
Receivables under purchased bonds	10	96 000	96 000
Long-term borrowings	10	9 185	78 907
Other long-term receivables	10	3 070	-
Financial assets available for sale		-	1
		729 439	785 633
Current assets			
Short-term borrowings	10	210 103	72 482
Receivables under purchased bonds	10	55 453	56 182
Dividend receivables	10	259 057	-
Trade and other receivables	10	27 537	16 839
Derivative financial instruments	8	-	80 148
Cash and cash equivalents		3 016	1 033
		555 166	226 684
Total assets		1 284 605	1 012 317
EQUITY AND LIABILITIES			
Equity attributable to the Company's equity holders			
Share capital	11	743 382	736 660
Other reserves		13 394	10 281
Retained earnings		109 349	(162 951)
		866 125	583 990
LIABILITIES			
Long-term liabilities			
Borrowings	9,10	231 583	200 441
		231 583	200 441
Short-term liabilities			
Borrowings	9,10	181 332	216 886
Trade and other payables	10	5 481	11 000
Derivative financial instruments	8	84	-
		186 897	227 886
Total liabilities		418 480	428 327
Total equity and liabilities		1 284 605	1 012 317

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Interim stand-alone statement of changes in equity

	Equity	Surplus on the sale of shares above the nominal value (share premium)	Retained earnings	Other reserve capital	Total
	000 PLN	000 PLN	000 PLN	000 PLN	000 PLN
As at 1 January 2008	10 258	718 130	(191 987)	3 189	539 590
Net profit for the period	-	-	29 036	-	29 036
Share capital increase	57	1 738	-	-	1 795
Share-based incentive scheme					
- value of services provided				13 569	13 569
- shares exercised	-	6 477	-	(6 477)	-
As at 1 January 2009	10 315	726 345	(162 951)	10 281	583 990
Net profit for the period	-	-	272 300	-	272 300
Share capital increase	58	-	-	-	58
Share-based incentive scheme					
- value of services provided				9 777	9 777
- shares exercised	-	6 664	-	(6 664)	-
As at 30 September 2009	10 373	733 009	109 349	13 394	866 125

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Interim stand-alone cash flow statement

	9 months ended	9 months ended
	30 September 2009	30 September 2008
	000 PLN	000 PLN
Profit from operating activities before income tax	272 300	(1 348)
Adjustments for:		
Amortisation, depreciation and impairment charges	702	422
Financial expenses, net	16 981	13 792
Gain on interests, commissions and guarantees granted	(19 471)	(3 693)
Gains on valuation of derivative financial instruments	1 147	(17 426)
Gain on disposal of affiliates	(17 766)	-
Loss on the disposal of investments and part of business activities	-	30
Dividend received	(261 057)	-
Share-based incentive scheme	8 827	10 420
Other, including currency gains/(losses) on loans granted	19	-
Operating profit before working capital changes	1 682	2 197
Changes in working capital:		
Trade and other receivables	(11 214)	(8 069)
Trade and other payables	(4 593)	(16 982)
Net cash flows from operating activities	(14 124)	(22 854)
Purchase of property, plant and equipment	(614)	(700)
Purchase of intangible assets	(5 986)	(5 252)
Interest received	11 732	3 693
Purchase of investments and entities for investment	(20 082)	(25 084)
Loans granted to affiliates	(70 377)	(19 568)
Bonds purchased	-	(131 500)
Repayment of loans granted	11 014	-
Inflows from disposal of investments	110 230	-
Net cash flows from investing activities	35 917	(178 411)
Inflows from share issues	57	1 795
Repayment of loans to affiliates	(10 000)	-
Inflows from borrowings	-	4 316
Inflows from bond issues	-	194 300
Repayment of borrowings	(30 283)	(29 271)
Redemption of bonds	(949)	(17 100)
Interest paid	(20 326)	(10 297)
Net cash flows from financing activities	(61 501)	143 743
Net decrease in cash and cash equivalents	(39 708)	(57 522)
Cash and cash equivalents at the beginning of the period	(43 038)	46 279
Foreign currency translation gains/(losses) on valuation of cash and cash equivalents	(1 823)	389
Increase in cash and cash equivalents	(39 708)	(57 522)
Cash and cash equivalents at the end of the period	(84 569)	(10 854)
including:		
Cash at the bank	3 016	(14 302)
Current account overdraft	(87 585)	3 448

Notes on pages 9 to 29 are an integral part of these condensed interim stand-alone financial statements

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements

1.	Accounting policies.....	9
1.1.	Basis for preparation	9
1.2.	Translation of foreign currency items	13
1.3.	Investments in subsidiaries and affiliates	15
2.	Employee compensation and benefit expenses	18
3.	Other operating income	20
4.	Other operating expenses	20
5.	Other income, net	21
6.	Financial expenses, net.....	21
7.	Investments in subsidiaries.....	21
8.	Derivative financial instruments.....	22
9.	Borrowings.....	23
10.	Related party transactions	24
11.	Share capital	27
12.	Contingent liabilities and future liabilities	28
13.	Guarantees granted.....	29
14.	Events after the balance-sheet date.....	29
	Additional information	31

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1. Accounting policies

1.1. Basis for preparation

These condensed stand-alone financial statements have been prepared in accordance with the International Accounting Standard No. 34 ("IAS 34") "Interim financial reporting". The amounts presented in these financial statements are given in thousands of PLN.

The accounting standards that form the basis for preparing these condensed financial statements for nine-month period ended 30 September 2009, comply with all applicable International Accounting Standards as adopted by the EU, published and legally binding as at the date of preparing the financial statements. The same accounting policies and methods of calculation as the ones applied in the stand-alone financial statements for the year ended 31 December 2008 were applied in these financial statements.

These enclosed condensed interim stand-alone financial statements should be read in conjunction with the condensed interim consolidated financial statements for nine-month period ended 30 June 2009.

Standards, amendments and interpretations effective in 2009

IFRS 2 (Amendment) "Share-based Payments"

On 17 January 2008, the International Accounting Standards Board issued an amendment to IFRS 2 that is effective for annual periods beginning on or after 1 January 2009. The amendment to the Standard deals with two matters: first, it clarifies that vesting conditions are service conditions and second, operational performance conditions of the entity only. Other features of a share-based payment are not vesting conditions. It also specifies that all cancellations, whether by the entity or by other parties, should receive the same accounting treatment.

The Company applied the amended version of IFRS 2 as of 1 January 2009. This change did not have an impact on financial statements of the Company.

IFRS 8 "Operating Segments"

On 30 November 2006, the International Accounting Standards Board issued IFRS 8 that is effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 "Segment Reporting". This standard specifies new requirements for disclosures about operating segments as well as for disclosures about products and services, geographical areas in which the operations are carried out, or about major customers. IFRS 8 requires an entity to adopt the "management approach" to reporting on the financial performance of its operating segments.

The Company applied IFRS 8 as of 1 January 2009; however, it currently does not affect the financial statements of the Company (the Company does not identify operational segments).

IAS 1 (Amendment) "Presentation of Financial Statements"

On 6 September 2007, the International Accounting Standards Board issued an amended IAS 1 that is effective for annual periods beginning on or after 1 January 2009. The introduced amendments mainly pertain to the presentation of changes in equity and their purpose was to improve the ability of the users of financial statements to analyse and compare the information presented in financial statements.

The Company applied the amended version of IAS 1 as of 1 January 2009. The abovementioned changes were included in the financial statements of the Company.

IAS 23 (Amendment) "Borrowing Costs"

On 29 March 2007, the International Accounting Standards Board issued an amendment to IAS 23 that is effective for annual periods beginning on or after 1 January 2009. This amendment pertains to the accounting approach to borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale. As part of this amendment, the possibility of immediate recognition of such costs in the income statement for the period in which they were incurred has been dismissed. To fulfil the new requirement of the standard, these costs should be capitalised.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.1. Basis for preparation (cont.)

In accordance with the Management Board's decision, the IAS 23 amendment has been introduced to NFI Empik Media & Fashion S.A.'s accounting policies as of 1 January 2008.

Amendments to IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements"

On 14 February 2008, the International Accounting Standards Board issued an amendment to IAS 32 and IAS 1 that are effective for annual periods beginning on or after 1 January 2009. The amendments apply to the accounting approach to some financial instruments similar to equity instruments but classified as financial liabilities. Pursuant to the new requirements set forth in the Standard, financial instruments such as puttable instruments and instruments with obligations for a pro rata share of the net assets of the entity on its liquidation are presented as equity upon meeting specific conditions.

The Company implemented the above amendment to the standard from its effective date, i.e. from 1 January 2009; however, it currently does not affect the financial statements of the Company.

Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards" and IAS 27 "Consolidated and Separate Financial Statements"

On 23 May 2008, the International Accounting Standards Board issued amendments to IFRS 1 and IAS 27 that are effective for annual periods beginning on or after 1 January 2009.

The amendments will permit an entity to use either fair value or carrying amount determined on the basis of previous accounting standards for subsidiaries, associates and jointly controlled entities in stand-alone financial statements as "alleged cost". In addition, the cost method definition has been abolished and replaced by the principle of recognising revenue in relation with received dividend in stand-alone financial statements.

The Company implemented the amendments to IFRS 1 and IAS 27 as of 1 January 2009; however, it currently does not affect the financial statements of the Company.

IFRIC 13 "Customer Loyalty Programmes"

On 27 June 2007, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 13 that is effective for annual periods beginning on or after 1 July 2008. This interpretation provides guidance to the accounting approach on how to recognise in the books transactions resulting from customer loyalty programmes, such as loyalty cards or loyalty points programmes implemented by an entity. IFRIC 13 addresses, in particular, how companies should account for their obligation to provide free or discounted goods or services if and when the customers redeem their "points".

IFRIC 13 is in effect from 1 January 2009; however, it currently does not affect the financial statements of the Company.

IFRIC 15 "Agreements for the Construction of Real Estate"

On 3 July 2008, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 15 that is effective for annual periods beginning on or after 1 January 2009. The interpretation provides guidance on how to determine whether an agreement for the construction of real estate shall be presented in the financial statements within the scope of IAS 11 Construction Contracts or IAS 18 Revenue. Furthermore, IFRIC 15 presents accordingly when the revenue from the construction should be recognised.

IFRIC 15 is in effect from 1 January 2009; however, it currently does not affect the financial statements of the Company.

IFRIC 16 "Hedges of a Net Investment in a Foreign Operation"

On 3 July 2008, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 16 that is effective for annual periods beginning on or after 1 October 2008. The interpretation provides guidance whether risk arises from the foreign currency exposure to the functional currency of the foreign operation and the presentation currency of the parent entity's consolidated financial statements. Furthermore, IFRIC 16 clarifies which entity within a capital group can hold a hedging instrument in a hedge of a net investment in a foreign operation and in particular whether the parent entity holding the net investment in a foreign operation must also hold the hedging instrument. IFRIC 16 further clarifies how an entity should determine the amounts to be reclassified from equity to income statement for both the hedging instrument and the hedged item when the entity disposes of the investment.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.1. Basis for preparation (cont.)

IFRIC 16 is in effect from 1 January 2009; however, it currently does not affect the financial statements of the Company.

Amendments to IAS 39 “Financial Instruments: Recognition and Measurement” – “Eligible Hedged Items”

On 31 July 2008, the International Accounting Standards Board issued an amendment to IAS 39 - “Eligible Hedged Items” that is effective for annual periods beginning on or after 1 July 2009.

The amendment clarifies how the principles that determine whether a hedged risk or portion of cash flows is eligible for designation should be applied in particular situations. An entity may not designate an inflation component of issued or acquired fixed-rate debt in a fair value hedge. An entity also may not include time value in a one-sided risk in a hedged item if options are designated as a hedging instrument.

The Company implemented the amendments to IAS 39 from 1 January 2009; however, it currently does not affect the financial statements of the Company.

Amendments to IFRS 7 “Financial Instruments: Disclosures”

On 5 March 2009, the International Accounting Standards Board issued an amendment to IFRS 7 “Financial Instruments: Disclosures” that is effective for annual periods beginning on or after 1 January 2009.

The amendments establish a three-level hierarchy for making fair value measurements and require enhanced disclosures about the relative reliability of fair value measurements. In addition, the amendments clarify and enhance the existing requirements for disclosures about liquidity risk.

The Company implemented the amended IFRS 7 from 1 January 2009; however, it currently does not affect the financial statements of the Company.

Amendments to IFRIC 9 and IAS 39 “Embedded derivatives”.

On 12 March 2009, the International Accounting Standards Board issued amendments to IFRIC 9 and IAS 39 “Embedded derivatives” that are effective for annual periods ended on or after 30 June 2009.

The amendments clarify the accounting treatment of embedded derivatives set forth in the amendment to IFRS 7 and IAS 39 issued in October 2008. These amendments clarify that on reclassification of a financial asset out of the 'fair value through profit or loss' category, all embedded derivatives have to be assessed and, if necessary, separately accounted for in financial statements.

The Company implemented the above amendment from its effective date, i.e. from 1 January 2009; however, it currently does not affect the financial statements of the Company.

IFRIC 12 “Service Concession Arrangements”

On 30 November 2006, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 12 that is effective for annual periods beginning on or after 29 March 2008. This interpretation provides guidance on how to apply the existing standards by entities that are parties to service concession arrangements made between the public and the private sector. IFRIC 12 refers to the arrangements, under which the ordering party controls what services are provided by the operator using the infrastructure, to whom and at what price.

The Company implemented IFRIC 12 from its effective date, i.e. from 1 January 2008; however, it currently does not affect the financial statements of the Company.

IFRIC 14 “The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction”

On 5 July 2007, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 14 that is effective for annual periods beginning on or after 1 January 2008. This interpretation provides general guidance on how to assess the limit, in line with IAS 19, of the surplus of the fair value of a defined benefit asset above the current value of a defined benefit liability, which can be recognised as an asset. IFRIC 14 also explains how a defined benefit asset or liability may be affected when there is a statutory or contractual minimum funding requirement.

The Company implemented IFRIC 14 from its effective date, i.e. from 1 January 2008; however, it currently does not affect the financial statements of the Company.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.1. Basis for preparation (cont.)

Standards, amendments, and interpretations that are not yet effective and were not adopted by the Company.

Improvements to IFRS 2009

On 16 April 2009, the International Accounting Standards Board issued "Improvements to IFRS 2009" - a collection of amendments to 12 standards. The improvements include changes to presentation, recognition and valuation as well as terminological and editing changes. The effective date for the majority of amendments is for annual periods beginning on or after 1 January 2010.

The Company will implement the improvements to IFRS 2009 in accordance with the interim regulations concerning the above improvements. The Management Board is currently evaluating the impact of the amendments on the financial statements of the Company.

IFRS 3 (Amendment) "Business Combinations"

On 10 January 2008, the International Accounting Standards Board issued an amendment to IFRS 3 that is prospectively effective to business combinations with an acquisition date in reporting year beginning on or after 1 July 2009. The introduced changes include the possibility to recognise minority interest either at fair value or at their share in fair value of identifiable net assets, revaluation of shares previously held in acquired entity to fair value, with the difference to be recognised in income statement and additional guidelines for the use of acquisition method, which includes treating the transaction costs as cost for the period in which they were incurred.

The Company will apply the amended standard as described as soon as it becomes effective, i.e. on 1 January 2010, as the Company's reporting year is a calendar year. The Management Board is currently assessing the impact of the aforesaid amendment on the accounting policies of the Company.

IAS 27 (Amendment) "Consolidated and Separate Financial Statements"

On 10 January 2008, the International Accounting Standards Board issued an amendment to IAS 27 that is effective for annual periods beginning on or after 1 July 2009. The standard requires that the consequences of transactions with minority shareholders be directly recognised in equity, provided that the parent entity retains control over its subsidiary. The standard further specifies the manner of recognition if the entity loses control over its subsidiary, i.e. it requires that any investment retained in that subsidiary be measured at its fair value and the difference be recognised in the income statement.

The Company will apply the amended standard as described as soon as it becomes effective, i.e. on 1 January 2010, as the Company's reporting year is a calendar year. The Management Board is currently assessing the impact of the aforesaid amendment on the accounting policies of the Company.

Amendments to IFRS 2 "Share-based Payments"

On 18 June 2009, the International Accounting Standards Board issued amendments to IFRS 2 "Share-based Payments" that are effective for annual periods beginning on or after 1 January 2010.

The amendments clarify the accounting for group cash-settled share-based payment transactions. The amendments clarify the scope of IFRS 2 and provide the guidance on joint application of IFRS 2 and other standards. The amendments also incorporate guidance previously included in IFRIC 8 and IFRIC 11.

The Company will apply the amended version of IFRS 2 as of 1 January 2010. The Management Board is currently assessing the impact of the aforesaid amendment on the financial statements of the Company.

Amendments to IFRS 1 "First-time Adoption of International Financial Reporting Standards"

On 23 July 2009, the International Accounting Standards Board issued an amendment to IFRS 1 "First-time Adoption of International Financial Reporting Standards" that is effective for annual periods beginning on or after 1 January 2010.

The amendments introduce further exemptions from valuation of assets as at the first-time adoption of IFRS for oil and gas companies.

The Company will implement the amendments to IFRS 1 from 1 January 2010. The Management Board is currently assessing the impact of the amendment on the financial statements of the Company.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.1. Basis for preparation (cont.)

IFRIC 17 “Distributions of Non-cash Assets to Owners”

On 27 November 2008, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 17 that is effective for annual periods beginning on or after 1 July 2009. This interpretation provides guidance on the moment of recognition of dividend, its valuation and on when an entity should recognise the difference between the value of dividend and the carrying amount of the assets distributed.

The Company will implement IFRIC 17 from 1 January 2010; however, it currently does not affect the financial statements of the Company.

IFRIC 18 “Transfers of Assets from Customers”

On 29 January 2009, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 18 that is effective for annual periods beginning on or after 1 July 2009. This interpretation provides guidance on the recognition of transfer of assets from customers; namely, the interpretation clarifies the circumstances in which the definition of an asset is met, the recognition of the asset and its measurement on initial recognition, the identification of the separately identifiable services (one or more services in exchange for the transferred asset), the recognition of revenue and the accounting for transfers of cash from customers.

The Company will implement IFRIC 18 from 1 January 2010; however, it currently does not affect the financial statements of the Company.

As at the date of these financial statements the above described amendments to IAS 27, IFRS 3 and IFRS 1 are still to be approved by the European Union.

1.2. Translation of foreign currency items

(i) Functional and presentation currency

The financial information is presented in Polish zloty (PLN), which is the functional and presentation currency of NFI Empik Media & Fashion S.A. Functional currency is the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency exchange gains and losses resulting from the settlement of such transactions, and from the balance-sheet valuation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement, except when deferred in equity when qualified as cash flow hedges.

Translation differences on valuation of non-monetary assets and financial liabilities are recognised as part of the fair value valuation gain or loss. Translation gains and losses resulting from the valuation of non-monetary assets and financial liabilities such as capital instruments at fair value through profit and loss are recognised in the income statement as fair value valuation gain or loss. Translation differences on valuation of non-monetary financial assets classified as available for sale are recognised in the fair value reserve in equity.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

The applicable foreign currency exchange rates are as follows:

Currency	9 months ended 30 September 2009		12 months ended 31 December 2008		9 months ended 30 September 2008	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
EUR	4.22	4.16	4.17	3.52	3.41	3.43
USD	2.89	2.86	2.96	2.41	2.37	2.26
CZK	0.17	0.16	0.16	0.14	0.14	0.14
CHF	2.80	2.75	2.80	2.22	2.16	2.13
UAH	0.35	0.34	0.37	0.46	0.47	0.47
RUB	0.10	0.09	0.10	0.10	0.09	0.09

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.3. Investments in subsidiaries and affiliates

(i) Subsidiaries and affiliates

The following companies are direct and indirect subsidiaries and affiliates of NFI Empik Media & Fashion S.A.

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			30 September 2009	31 December 2008	30 September 2009	31 December 2008
			% share	% share	% share	% share
Subsidiaries						
EMPiK Sp. z o.o.	Poland	Books, newspapers and multimedia retail network; photography sales points and language schools	100.00	100.00	100.00	100.00
EMPiK Technologies Sp. z o.o. ⁽¹⁾	Poland	Retail trading of IT products	100.00	100.00	-	-
EMPiK Comfort Media Sp. z o.o. ⁽¹⁾	Poland	Publisher of "EMPiK News" magazine	82.00	82.00	-	-
Esprentino Trading Limited ⁽¹⁾	Cyprus	Special purpose vehicle holding Magalla Holdings Limited shares	100.00	100.00	-	-
EMPiK Beauty Sp. z o.o.- Empik Internet ⁽¹⁾	Poland	Management of Empik.com	100.00	-	-	-
Magalla Holdings Limited ⁽¹⁵⁾	Cyprus	Investment vehicle holding 100% of shares in Buk Investment LLC and 1 share in Bukva Closed Joint Stock Company	14.00	79.00	-	-
Buk Investment LLC ⁽¹⁵⁾	Ukraine	Investment vehicle holding 100% less one share in Bukva Closed Joint Stock Company	14.00	79.00	-	-
Bukva Closed Joint Stock Company ⁽¹⁵⁾	Ukraine	Operator of bookstores network	14.00	79.00	-	-
Polperfect Sp. z o.o. ⁽¹⁾	Poland	Distributor of Polish & international newspapers and magazines	94.00	94.00	-	-
Learning Systems Poland Sp. z o.o. ⁽¹⁾	Poland	Operator of language schools	75.65	71.50	9.69	7.22
LSP Master Sp. z o.o. ⁽²⁾	Poland	Holder of license for an integrated school management and language teaching system	75.65	71.50	-	-
Learning Systems Ukraina ⁽²⁾	Ukraine	Operator of language schools	60.52	-	-	-
Cenzora Enterprises LTD	Cyprus	Investment vehicle holding Magalla Holdings Limited shares	100.00	-	100.00	-
Smyk Sp. z o.o.	Poland	Children's mega-stores network	100.00	100.00	100.00	100.00
Smyk GmbH ⁽³⁾	Germany	Operator of children's mega-stores network	100.00	100.00	-	-

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.3. Investments in subsidiaries and affiliates (cont.)

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			30 September 2009	31 December 2008	30 September 2009	31 December 2008
			% share	% share	% share	% share
Subsidiaries						
Kids International Sp. z o.o. ⁽³⁾	Poland	Operator of children's stores network	100.00	-	1.00	-
Prolex Services Limited ⁽³⁾	Cyprus	Investment vehicle holding 100% of shares in Smyk-Rus Limited	100.00	100.00	-	-
Smyk-Rus Limited ⁽³⁾	Russia	Operator of children's mega-stores network	100.00	100.00	-	-
Madras Enterprises Limited ⁽³⁾	Cyprus	Investment vehicle holding 100% of shares in Paritet – Smyk LLC	80.00	65.00	-	-
Paritet – Smyk LLC ⁽⁴⁾	Ukraine	Operator of children's mega-stores network	80.00	65.00	-	-
Smyk Ukraine LLC ⁽³⁾	Ukraine	Logistics and other support services for Paritet – Smyk LLC	100.00	100.00	-	-
Optimum Distribution Sp. z o.o.	Poland	Wholesale trading of selected cosmetics, optical products and sportswear in Poland	100.00	100.00	100.00	100.00
Optimum Distribution CZ&SK s.r.o.	Czech Republic	Wholesale trading of selected cosmetics, optical products and sportswear in the Czech Republic and Slovakia	100.00	100.00	100.00	100.00
PolAnd 1 Development Sp. z o.o. ⁽⁸⁾	Poland	Special purpose vehicle holding 100% of shares in PolAnd 1 Sp. z o.o. and Soul Sp. z o.o.	100.00	-	-	-
Amersport Sp. z o.o. ⁽⁸⁾	Poland	Trading in sportswear and athletic gear	100.00	-	-	-
Amersport Rosja ⁽¹¹⁾	Russia	Trading in sportswear and athletic gear	100.00	-	-	-
PolAnd 1 Sp. z o.o. ⁽¹⁰⁾	Poland	Trading in sportswear and athletic gear	100.00	-	-	-
Soul Sp. z o.o. ⁽⁹⁾	Poland	Trading in sportswear and athletic gear	100.00	-	-	-
Soul Shop s.r.o. ⁽¹⁰⁾	Czech Republic	Trading in sportswear and athletic gear	100.00	100.00	-	-
Amersport Ukraina ⁽¹¹⁾	Ukraine	Trading in sportswear and athletic gear	95.00	95.00	-	-
Ultimate Fashion Sp. z o.o.	Poland	Franchise operations of Wallis, Esprit, River Island, etc.	100.00	100.00	100.00	100.00
Ultimate Fashion International Sp. z o.o.	Poland	Wholesale trading in clothes, footwear and other selected products	100.00	-	100.00	-
Licomp EMPiK Multimedia Sp. z o.o.	Poland	Distributor of interactive entertainment software	100.00	100.00	100.00	100.00
EMF Investment Project Sp. z o.o.	Poland	Investment vehicle holding 48.33% of shares in HDS WP Sp. z o.o.	100.00	100.00	100.00	100.00
East Services S.A.	Switzerland	Wholesale trading of selected cosmetics and sportswear	100.00	100.00	100.00	100.00
HDS WP Sp. z o.o.	Poland	Non-operating company	48.33	48.33	-	-

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.3. Investments in subsidiaries and affiliates (cont.)

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			30 September 2009	31 December 2008	30 September 2009	31 December 2008
			% share	% share	% share	% share
Subsidiaries						
Maratex Limited ⁽⁵⁾	Cyprus	Investment vehicle holding shares of B4 S.A., ZAO Maratex, ZAO BTI Systems and Baza Limited	100.00	100.00	43.30	43.30
B4 S.A. ⁽⁶⁾	Switzerland	Franchise operations of Peacock, Esprit etc.	100.00	100.00	-	-
BAZA Limited ⁽⁶⁾	Ukraine	Franchise operations of Peacock, Esprit etc.	100.00	100.00	-	-
ZAO Maratex (previously ZAO BTI Systems M) ⁽⁶⁾	Russia	Franchise operations of Esprit, Peacocks, Lulu Castagnette etc.	100.00	100.00	-	-
TOO BTI Systems M ⁽⁶⁾	Kazakhstan	Franchise operations of Peacock, Esprit etc.	100.00	100.00	-	-
TOO BTI Systems ⁽⁶⁾	Kazakhstan	Franchise operations of Peacock, Esprit etc.	100.00	100.00	-	-
LuxPol Invest S.a.r.l	Luxembourg	Investment vehicle holding 80% of shares in EPCD Sp. z o.o.	75.00	-	75.00	-
EPCD Sp. z o.o. ⁽⁷⁾	Poland	Distributor of selected cosmetics in Poland	60.00	-	-	-
EPCD Cz&Sk s.r.o. ⁽¹²⁾	Czech Republic	Distributor of selected cosmetics in the Czech Republic and Slovakia	60.00	-	-	-
Smyk Çocuk Giyim Oyuncak ve Aksesuarlari ⁽³⁾	Turcja	Operator of children's mega-stores network	100.00	-	-	-
Affiliates						
Zara Polska Sp. z o.o.	Poland	Franchise operations of Zara	-	20.00	-	20.00
Empik Cafe ⁽¹³⁾	Poland	Coffee bars network	49.00	-	-	-

(1) Subsidiaries of Empik Assets Sp. z o.o.

(2) Subsidiary of Learning Systems Poland Sp. z o.o.

(3) Subsidiaries of Smyk Sp. z o.o.

(4) Subsidiary of Madras Enterprises Limited

(5) The Group holds 51% of votes of Maratex Limited

(6) Subsidiaries of Maratex Limited

(7) Subsidiaries of LuxPol Invest S.a.r.l

(8) Subsidiaries of Optimum Distribution Sp. z o.o.

(9) Subsidiary of Poland 1 Development Sp. z o.o.

(10) Subsidiary of Soul Sp. z o.o.

(11) Subsidiary of Amersport Sp. z o.o.

(12) Subsidiaries of EPCD Sp. z o.o.

(13) Subsidiaries of Cenzora Enterprises Limited

(14) Subsidiaries of Empik Sp. z o.o.

(15) On 30 September 2009, an increase of share capital took place in Magalla Holdings Limited with its principal office in Cyprus, in control of Bukva Closed Joint Stock Company and Buk Investment LLC, controlled previously by NFI EMF. The share capital of Magalla was increased through the issuance of 15,012 new shares, all of which were assigned to entities from outside the NFI EMF capital group (including the management staff of Bookva, whose shares belong entirely to Magalla). As a result of this transaction the shareholding of NFI Group in the share capital of Magalla Holdings Limited decreased from 100% to 14%.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

1.3. Investments in subsidiaries and affiliates (cont.)

(ii) Subsidiaries

Subsidiaries are those entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of a majority of the voting rights in governing bodies. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Fund controls another entity.

Investments in subsidiaries are recognised at purchase price less any potential accumulated impairment write-offs.

(iii) Affiliates

Affiliates are all entities over which the Fund has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights in governing bodies. Investments in affiliates are recognised at cost (purchase price) less accumulated impairment write-offs.

2. Employee compensation and benefit expenses

9 months ended	30 September 2009	30 September 2008
	000 PLN	000 PLN
Wages, salaries and social security charges	3 313	4 458
Share options granted	8 827	10 420
	12 140	14 878

Employee compensation expenses include compensations under the employee share-option incentive scheme amounting to PLN 8,827,000 (PLN 10,420,000 in 2008). The following members of senior management of the NFI EMF Group are entitled to participate in the incentive scheme:

- Mr Maciej Dyjas (President of the Management Board)
- Mr Jacek Bagiński (Member of the Management Board)
- Mrs Ewa Podgórska (Member of the Management Board)
- Mr Dariusz Stolarczyk (Member of the Management Board)
- Mr Kjell Berggren (Member of the Management Board)
- Mr Eyal Lahav (President of the Management Board of EMPiK Sp. z o.o.)
- Mr Tomasz Paszkowski (Member of the Management Board of Ultimate Fashion Sp. z o.o.)

The President of the Management Board has the right to subscribe for Series F, G, H, E1 registered subscription warrants. Series F, G, H warrants authorise their holder to subscribe for 275,000 Series C ordinary shares for the issue price of PLN 0.10 each. Series E1 warrants shall authorise their holder to subscribe for one Series C ordinary share for the nominal price of PLN 0.10 each. The warrants were issued and allocated free of charge. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

On 20 January 2009, Jonquille Investments Limited, with its registered office in Cyprus, a company wholly owned by Mr Maciej Dyjas, the President of the Management Board of NFI EMF, acquired 150,000 Series B bearer ordinary shares of NFI EMF and 125,000 Series C bearer shares of NFI EMF at a nominal price of PLN 0.10 per share. The shares were acquired as a result of exercising rights resulting from Series D and Series D1 subscription warrants issued by NFI EMF on the basis of the Resolution No. 6 of the General Shareholders Meeting of 8 December 2005 and on the basis of the Resolution No. 14 of the General Shareholders Meeting of 13 July 2007.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

2. Employee compensation and benefit expenses (cont.)

On 25 May 2009, Jonquille Investments Limited, with its registered office in Cyprus acquired 68,837 Series B bearer ordinary shares of NFI EMF and 200,924 Series C bearer ordinary shares of NFI EMF at the nominal price of PLN 0.10 per share. The shares were acquired as a result of exercising rights resulting from Series E subscription warrants issued by NFI EMF on the basis of Resolution No. 6 of the General Shareholders Meeting of 8 December 2005 and Series E1 subscription warrants issued by NFI EMF on the basis of Resolution No. 14 of the General Shareholders Meeting of 13 July 2007.

On 25 June 2009 Jonquille Investments Limited sold 200,000 of the NFI EMF shares.

Mr Jacek Bagiński is entitled to subscribe for Series I, J and K registered subscription warrants. Each warrant authorises its holder to subscribe for 300,000 Series D ordinary shares. In 2Q 2009, Mr Bagiński's warrants were modified. As a result of the modification the issue price, which presently amounts to PLN 8 per share, has been changed and the subscription warrants' exercise period has been extended until 31 December 2013. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

In addition, Mr Bagiński was granted rights to new warrants up to a maximum number of 600,000, which entitle him to subscribe for Series G shares. One warrant shall entitle its holder to acquire one Series G share. The issue price of the Series G shares shall amount to PLN 5. The rights under the warrants may be exercised until the end of 2013.

On 15 January 2008, Mrs Ewa Podgórska was granted options to acquire shares issued by the Company by way of acquisition of subscription warrants. The option holder is entitled to subscribe for Series N registered subscription warrants. The warrant entitles to subscribe for 30,000 Series E ordinary shares at a nominal price of PLN 0.10 per share. The warrant may be exercised by 31 December 2011.

The warrants were issued and allocated free of charge. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

On 20 January 2009, Mrs Ewa Podgórska acquired 30,000 Series E bearer ordinary shares of NFI EMF at the nominal price of PLN 0.10 per share. Total price of the transaction amounted to PLN 3,000. The shares were acquired as a result of exercising rights under the Series M subscription warrants issued by NFI EMF on the basis of Resolution No. 16 of the General Shareholders Meeting of NFI EMF of 13 July 2007.

Mr Dariusz Stolarczyk is entitled to subscribe for 17,765 Series L registered subscription warrants for the average market price of shares of NFI EMF as quoted on the Warsaw Stock Exchange during the period of three months ended 31 December 2007. Each warrant authorises its holder to subscribe for Series E ordinary shares. The rights under the warrants may be exercised at any time, but no later than by 31 December 2011. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

In addition, on 24 April 2008 Mr Eyal Lahav (President of the Management Board of Empik Sp. z o.o., a subsidiary of NFI EMF) was granted subscription warrants for Series E shares of NFI EMF. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

Mr Kjell Berggren has been granted 160,000 Series L and M subscription warrants giving the right to subscribe for the same number of shares of NFI EMF for the average market price of shares of NFI EMF as quoted on the Warsaw Stock Exchange, in the following periods:

Series L	three months ended 31 December 2007
Series M	three months ended 31 December 2008

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

2. Employee compensation and benefit expenses (cont.)

Series L warrants may be exercised at any time prior to 31 December 2011. Series M warrants may be exercised from 1 January 2010 until 31 December 2012. Exercising of each warrant is conditional upon the holder of the option still rendering his/her services for the benefit of the Company as at the date of warrant execution.

On 27 October 2008 an incentive scheme concerning the acquisition of Series F ordinary shares by Mr Tomasz Paszkowski, Member of the Management Board of Ultimate Fashion Sp. z o.o., based on Series L subscription warrants, was launched. Mr Tomasz Paszkowski is entitled to acquire Series F ordinary shares of NFI EMF at the price as quoted on the Warsaw Stock Exchange during the period of three months ended 31 December 2008. Rights under the warrants may be exercised at any time until 31 December 2011.

3. Other operating income

9 months ended	30 September 2009	30 September 2008
	000 PLN	000 PLN
Commissions on guarantees granted	780	603
Interest income - third party	2 141	1 042
Interest income - related party	17 331	8 221
Currency translation differences	(47)	-
Other	942	1 403
	21 147	11 269

4. Other operating expenses

9 months ended	30 September 2009	30 September 2008
	000 PLN	000 PLN
Advisory services	6 642	1 082
Marketing services	150	466
Lease of space	532	495
Postage and IT services	823	1 581
Business travel	1 398	1 769
Non-deductible VAT	528	365
Lease payments	300	241
Currency translation differences	67	1 037
Other	651	2 642
	11 092	9 678

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

5. Other income, net

9 months ended	30 September 2009	30 September 2008
	000 PLN	000 PLN
Loss/Gain from valuation of derivative financial instruments - Zara	(1 147)	16 210
Gains from the valuation of security for the value of Zara option	-	1 216
Gains from disposal of shares in Zara	17 766	-
Dividends due from subsidiaries	261 057	-
Other	(44)	(44)
Total other income, net	277 631	17 382

On 22 January 2009, NFI EMF sold its shares in Zara Polska Sp. z o.o. to Industria de Diseño Textil S.A. ("INDITEX S.A.") obtaining a profit for the transaction in the amount of PLN 17,766,000.

The PLN 261,057,000 amount of the dividend comprises dividends from the following: Empik Sp. z o.o., Smyk Sp. z o.o., Licomp Empik Multimedia Sp. z o.o. and Optimum Distribution Sp. z o.o.

6. Financial expenses, net

9 months ended	30 September 2009	30 September 2008
	000 PLN	000 PLN
Interest expenses - third party	(15 025)	(12 081)
Interest expenses - related party	(2 195)	(1 970)
Currency translation gains	239	259
Total financial expenses, net	(16 981)	(13 792)

7. Investments in subsidiaries

	30 September 2009		31 December 2008	
	Current value of shares	Shares held	Current value of shares	Shares held
	000 PLN	%	000 PLN	%
Smyk Sp z o.o.	103 695	100.0	100 195	100.0
Ultimate Fashion Sp z o.o.	50 082	100.0	49 887	100.0
Empik Sp z o.o.	270 295	100.0	269 539	100.0
Licomp Empik Multimedia Sp z o.o.	6 503	100.0	6 503	100.0
East Services S.A.	20 260	100.0	20 260	100.0
Optimum Distribution CZ&SK sro	22 817	100.0	22 817	100.0
Optimum Distribution Sp z o.o.	35 557	100.0	35 557	100.0
Learning System Poland Sp. z o.o.	6 723	9.7	6 723	7.2
Maratex Ltd	85 183	43.3	68 606	43.3
Ultimate Fashion International Sp. z o.o.	50	100.0	50	-
LuxPol Invest SARL	136	75.0	136	-
Cenzora Enterprises Ltd	5	100.0	-	-
Kids International Sp. z o.o.	1	1.0	1	-
	601 307		580 274	

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

7. Investments in subsidiaries (cont.)

On 8 June 2009, NFI EMF adopted a resolution on the increase of share capital in Smyk Sp. z o.o, its subsidiary. The share capital in Smyk Sp. z o.o. was increased by PLN 3,500,000 (from PLN 28,604,000 to PLN 32,104,000). The shares in the increased share capital were taken up on 9 June 2009. The amount of PLN 3,500,000 consists of 7,000 shares with a nominal value of PLN 500 each.

On 7 August 2009, NFI EMF and Mint Capital II LP agreed on the price for an option to sell the shares held by Mint Capital in Maratex Ltd to NFI EMF; NFI EMF made a partial payment of EUR 3,880,000 toward the price. In addition, EMF was granted a right to use all shares held by Mint Capital II LP in Martex Ltd. The outstanding portion of the price shall be payable prior to 31 December 2010.

8. Derivative financial instruments

	30 September 2009		31 December 2008	
	Assets	Liabilities	Assets	Liabilities
	000 PLN	000 PLN	000 PLN	000 PLN
Short-term derivative financial instruments				
Zara put option	-	-	80 148	-
Other liabilities	-	84	-	-
Total derivative financial instruments	-	84	80 148	-

On 22 January 2009 NFI EMF sold its shares in Zara Polska Sp. z o.o. to Industria de Diseño Textil SA (“INDITEX SA”) generating a profit of PLN 17,766,000 from the transaction.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

9. Borrowings

Long-term borrowings

	Effective interest rate	Repayable	30 September 2009 000 PLN	31 December 2008 000 PLN
Mid-Term Notes	WIBOR 6M + margin	2012	193 951	193 817
Bank credit facility of PLN 25 million	WIBOR 3M + margin	2014	19 130	-
Loans received	WIBOR 3M + margin	2011	18 502	6 624
			231 583	200 441

Short-term borrowings

	Effective interest rate	Repayable	30 September 2009 000 PLN	31 December 2008 000 PLN
Bank credit facility of PLN 25 million	WIBOR 3M + margin	2010	5 556	25 000
Bank credit facility of EUR 7 million	EURIBOR 1M + margin	January 2009	-	29 207
Current account overdraft PEKAO SA	WIBOR 1M + margin	30 June 2010	26 903	-
Current account overdraft ABN AMRO	WIBOR T/N + margin	30 July 2010	60 682	44 071
Short-Term Notes	WIBOR + margin	December 2009	25 573	29 900
Loans received and liabilities under intragroup financial settlements system	WIBOR 1M + margin		62 619	88 505
Other			-	202
			181 332	216 886

In January 2006, NFI EMF obtained a EUR 7 million investment credit. The credit facility was repaid on 22 January 2009 with the funds received for the sale of shares held in Zara Polska Sp. o.o.

On 26 June 2009, NFI EMF signed an amendment to the credit facility agreement in the current account with PEKAO S.A. extending the repayment period of the short-term part of the credit, in the amount of PLN 50 million, to 30 June 2010.

On 7 July 2009, a credit facility agreement was signed between NFI EMF and its subsidiaries Empik Sp. z o.o., Smyk Sp. z o.o., and Ultimate Fashion Sp. z o.o. (together the borrowers) and BRE Bank S.A. Pursuant to the agreement, BRE Bank S.A. granted the borrowers a credit facility in the total amount of PLN 40 million (including NFI EMF PLN 25 million). The credit facility will be repaid in 18 equal credit instalments by 30 June 2014.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

10. Related party transactions

NFI Empik Media & Fashion S.A. is controlled by Empik Centrum Investments S.A. (with its registered office in Luxembourg) that holds 60.33% of shares in NFI Empik Media & Fashion S.A. The ultimate parent company in the Fund is Eastbridge B.V./S.a.r.l. (a company with its registered office in the Netherlands and the principal place of business in Luxembourg). Empik Centrum Investments S.A. and its subsidiaries, Eastbridge B.V./S.a.r.l. and its subsidiaries are considered related parties for the purpose of these condensed stand-alone financial statements.

Transactions with subsidiaries and affiliates of NFI Empik Media & Fashion S.A.

Transactions with subsidiaries pertain to loans that the Fund extended to its subsidiaries, charging interest equal to WIBOR or EURIBOR plus a 1.0 - 2.2 p.p. of margin, and a one-off commission of 0.5% - 1% of the loan principal.

In addition, NFI Empik Media & Fashion S.A. took up bonds issued by its subsidiaries, charging an arrangement fee for the organisation of the bonds issue in the amount of 0.11% to 2.19% of the value of the issue.

Moreover, the Fund provided business and management advisory services to its subsidiaries and granted and received loans to and from its related parties.

These condensed stand-alone financial statements prepared for the period of three months ended 30 September 2009 present the following balances and turnovers with subsidiaries (in PLN thousand):

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

10. Related party transactions (cont.)

As at	30 September 2009	31 December 2008	30 September 2009	31 December 2008
	Receivables		Liabilities	
	000 PLN	000 PLN	000 PLN	000 PLN
Empik Sp. z o.o.	231 755	11 481	10 929	66 254
Empik Cafe Sp. z o.o.	316	316	-	-
Bookva	-	59	-	-
Ultimate Fashion Sp. z o.o.	94 558	91 101	133	5 082
Ultimate Fashion International Sp. z o.o.	7	3	-	-
LuxPol Invest Sarl	3 139	2 867	-	-
Smyk Sp. z o.o.	139 975	88 034	-	615
Paritet Smyk	302	91	-	-
Smyk Turcja	44	-	-	-
Kids International	-	-	22	-
EMF Investment Project Sp. z o.o.	225	15	-	-
Learning Systems Poland Sp. z o.o.	2 475	205	30	30
LSP Master Sp. z o.o.	-	120	-	-
Optimum Distribution Poland Sp. z o.o.	31 912	27 714	8 537	17 685
Optimum Sport Sp. z o.o.	-	783	-	-
EPCD Czechy	-	648	-	-
Poland 1 Development	-	35	-	-
Licomp Empik Multimedia Sp. z o.o.	6 016	23	-	-
Amersport	253	-	-	-
Smyk GmbH	24	19	6	4
Optimum Distribution CZ&Sk	825	582	-	-
East Services S.A.	-	-	4 328	5 973
Madras Enterprises Limited	10 157	10 130	3	-
Magalla Holdings Limited *	-	20 245	-	-
Eastbridge BV SARL	-	142	84	101
Maratex Limited	95 415	47 548	-	-
Empik Assets	45	-	51 814	-
	617 443	302 161	75 886	95 744

* On 30 September 2009, an increase of share capital took place in Magalla Holdings Limited with its principal office in Cyprus, in control of: Bukva Closed Joint Stock Company and Buk Investment LLC, controlled previously by NFI EMF. The share capital of Magalla was increased through the issuance of 15,012 new shares, all of which were assigned to entities from outside the NFI EMF capital group (including the management staff of Bookva, whose shares belong entirely to Magalla).

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

10. Related party transactions (cont.)

As at	30 September 2009	31 December 2008	30 September 2009	31 December 2008
	Receivables		Liabilities	
	000 PLN	000 PLN	000 PLN	000 PLN
Main receivables and liabilities				
Loans	128 191	112 583	19 043	38 043
Interest from loans	7 696	3 082	1 512	1 655
Bonds acquired	130 500	150 500	-	-
Interest from acquired bonds	916	1 682	-	-
Cash pool	69 140	26 248	53 618	55 735
Interest from cash pool	3 130	-	-	-
Financial lease receivables	3 734	-	-	-
Consulting and advisory services	6 801	2 059	1 371	-
Dividends	259 057	-	-	-
Other receivables/trade payables	8 279	6 007	257	311
Financial instrument settlements	-	-	84	-
	617 443	302 161	75 886	95 744
9 months ended				
	30 September 2009	30 September 2008	30 September 2009	30 September 2008
	Revenues		Expenses	
	000 PLN	000 PLN	000 PLN	000 PLN
Empik Sp. z o.o.	211 583	4 128	689	1 568
Ultimate Fashion Sp. z o.o.	5 302	4 473	-	-
Ultimate Fashion International Sp. z o.o.	6	1	-	-
Smyk Sp. z o.o.	53 964	4 520	-	1
Paritet	248	-	-	-
Smyk Turcja	59	-	-	-
EPCD Czechy	15	-	-	-
EMF Investment Project Sp. z o.o.	128	144	-	-
Optimum Distribution Poland Sp. z o.o.	10 040	1 736	368	474
Optimum Sport Sp. z o.o.	-	493	-	-
Licomp Empik Multimedia Sp. z o.o.	6 180	173	-	-
LSP Master Sp. z o.o.	(69)	-	-	-
Optimum Distribution CZ&Sk	1 120	859	-	-
East Services S.A.	20	-	1 937	-
Smyk GmbH	5	7	5	19
Madras Enterprises Limited	535	427	746	-
Magalla Holdings Limited *	-	543	-	-
LuxPol Invest Sarl	70	694	-	-
Maratex Limited	5 810	475	-	-
Poland 1 Development	-	21	-	-
Eastbridge BV SARL	(51)	780	391	393
Amersport	207	-	-	-
Zara Polska Sp. z o.o.	-	10	-	-
Learning Systems Poland Sp. z o.o.	347	268	-	5
Empik Assets	1 094	-	-	-
Amersport Ukraina	91	-	-	-
	296 704	19 752	4 136	2 460

* On 30 September 2009, an increase of share capital took place in Magalla Holdings Limited with its principal office in Cyprus, in control of: Bukva Closed Joint Stock Company and Buk Investment LLC, controlled previously by NFI EMF. The share capital of Magalla was increased through the issuance of 15,012 new shares, all of which were assigned to entities from outside the NFI EMF capital group (including the management staff of Bookva, whose shares belong entirely to Magalla).

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

10. Related party transactions (cont.)

9 months ended	30 September 2009	30 September 2008	30 September 2009	30 September 2008
	Revenues		Expenses	
	000 PLN	000 PLN	000 PLN	000 PLN
Main revenues and expenses				
Interest from loans	8 696	5 178	1 055	1 970
Interest from acquired bonds	7 550	2 616	-	-
Consulting and advisory services	13 093	6 161	2 990	393
IT and logistics services	1 050	1 539	-	-
Financial agency services	97	625	-	-
Revenues from granting guarantees	804	603	-	-
Financial lease revenues	45	-	-	-
Re-invoicing	4 313	3 030	5	92
Dividend revenues	261 057	-	-	-
Financial instrument costs	-	-	84	-
Other	-	-	2	5
	296 704	19 752	4 136	2 460
<i>Interest from cash pool</i>	<i>206</i>	<i>264</i>	<i>1 346</i>	<i>692</i>
	206	264	1 346	692

11. Share capital

	Number of shares (not in thousands)	Share capital	Surplus on the sale of shares above the nominal value (share premium)	Total
		000 PLN	000 PLN	000 PLN
As at 1 January 2008	102 586 645	10 258	718 130	728 388
Issue of shares – share-based incentive scheme	568 163	-	6 477	6 477
Employee shares taken up	-	57	1 738	1 795
As at 1 January 2009	103 154 808	10 315	726 345	736 660
Redemption of shares	-	-	-	-
Issue of shares – share-based incentive scheme	574 761	58	6 664	6 722
Other issue of shares	-	-	-	-
As at 30 September 2009	103 729 569	10 373	733 009	743 382

The nominal value of one share is PLN 0.10 (not in thousands). As at 30 September 2009 the share capital of NFI Empik Media & Fashion S.A. is 10,372,956.90 (not in thousands) and is divided into 101,893,645 Series A ordinary shares, 1,200,000 Series B ordinary shares, 450,924 Series C ordinary shares and 185,000 Series E shares. The total number of votes arising from all issued shares after registration of the share capital increase is 103,729,569.

From 1 January to 30 September 2009 the share capital was increased by PLN 58,000 by way of issue of 574,761 shares with a value of 0.10 PLN (not in thousands) each.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

11. Share capital (cont.)

Shares held by the Management Board

As at 30 September 2009, Mr Maciej Dyjas, President of the Management Board, held through his subsidiary Jonquille Investments Limited 1,200,924 shares, i.e. 1.16% of share capital of NFI Empik Media & Fashion S.A. During the reporting period, Jonquille Investments Limited took up a total of 544,761 shares of NFI Empik Media & Fashion S.A. In addition, Mrs Ewa Podgórska, Member of the Management Board, took up 30,000 shares of NFI Empik Media & Fashion S.A. in the reporting period, which together with the previously acquired 30,000 shares, constitute an equivalent of 0.06% of the share capital.

As at 30 September 2009, the key shareholders of NFI Empik Media & Fashion S.A. were:

	<u>Number of shares (votes)</u>	<u>Direct shareholding</u>
As at 30 September 2009		
Empik Centrum Investments S.A.	62 578 383	60.33%
AVIVA OFE AVIVA BZ WBK	10 397 563	10.02%
Total number of shares	103 729 569	100%

The Company is controlled by Empik Centrum Investments S.A. (with its registered office in Luxembourg) that holds 60.33% of shares in NFI Empik Media & Fashion S.A. The ultimate parent company publishing financial statements is Eastbridge BV/S.a.r.l. (a company with its registered office in the Netherlands and the principal place of business in Luxembourg). The ultimate controlling party of the Company is Mr Yaron Bruckner.

12. Contingent liabilities and future liabilities

1. As provided by general provisions of law, the tax authorities may, at any time, inspect the books and records of the taxpayer within 5 years subsequent to the reported tax year, and, if any inaccuracies are found, may impose additional tax assessments and penalties. NFI Empik Media & Fashion S.A.'s Management Board is not aware of any circumstances which may give rise to a potential material liability in this respect.
2. The NFI Empik Media & Fashion S.A. also has contingent liabilities in respect of bank and other guarantees issued upon the request of the Group's subsidiaries by NFI Empik Media & Fashion S.A. to guarantee rents and trade liabilities of its subsidiaries and other matters arising in the ordinary course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities.
3. In order to protect Inditex and Young Fashion Sp. z o.o. (previously Zara Polska Sp. z o.o.) from any contingent liabilities arising from events that took place prior to the sale of 51% of shares in Young Fashion to Inditex S.A. i.e. when Young Fashion Sp. z o.o. was under the management and control of NFI Empik Media & Fashion S.A., ABN Amro Bank (Polska) S.A. issued, at the request of NFI Empik Media & Fashion S.A., a bank guarantee up to EUR 500,000 to the benefit of Young Fashion Sp. z o.o. Total responsibility of the Company resulting from the sale agreement of shares in Young Fashion Sp. z o.o. is limited to the amount of EUR 20 million. It is not anticipated that any material liabilities will arise from the contingent liabilities.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for three-month period ended 30 September 2009

Notes to the condensed interim stand-alone financial statements (cont.)

13. Guarantees granted

As at 30 September 2009, liabilities in respect of guarantees that the Fund granted for liabilities of its subsidiaries, mainly to suppliers and landlords, amounted to PLN 110,214,000 (EUR 26,101,000), PLN 770,000 (USD 267,000) and PLN 42,941,000.

As at 30 September 2009, liabilities from guaranties which the Fund and its subsidiaries granted to suppliers and lessors, amounted to: PLN 37,340,000 (EUR 8,843,000), PLN 25,012,000 (USD 8,669,000), EUR 5,802,000 (GBP 1,100,000), and PLN 3,440,000.

14. Events after the balance-sheet date

No significant events having an effect on these financial statements took place.

Additional information

Information required for the Warsaw Stock Exchange reporting is shown below.

Table of contents

1. Selected financial data	31
2. Investment portfolio	32

All amounts are given in PLN thousand, unless stated otherwise.

NFI Empik Media & Fashion S.A.

Additional information (cont.)

1. Selected financial data

SELECTED FINANCIAL DATA	000 PLN		000 EUR	
	9 months ended 30 September 2009	9 months ended 30 September 2008	9 months ended 30 September 2009	9 months ended 30 September 2008
I. Net sales	14 437	8 771	3 282	2 561
II. Gain/(loss) from continuing operations	289 281	12 444	65 756	3 634
III. Gain/(loss) before income tax	272 300	(1 348)	61 896	(394)
IV. Gain/(loss), net	272 300	(1 348)	61 896	(394)
V. Net cash flows generated from/(used in) operating activities	(14 124)	(22 854)	(3 211)	(6 673)
VI. Net cash flows generated from/(used in) investing activities	35 917	(178 411)	8 164	(52 095)
VII. Net cash flows from/(used in) financing activities	(61 501)	143 743	(13 980)	41 972
VIII. Total net cash flows	(39 708)	(57 522)	(9 026)	(16 796)
IX. Total assets	1 284 605	907 256	304 221	266 190
X. Liabilities and provisions for liabilities	418 480	356 331	99 105	104 548
XI. Long-term liabilities	231 583	235 077	54 844	68 972
XII. Short-term liabilities	186 897	121 254	44 261	35 576
XIII. Equity	866 125	550 925	205 117	161 642
XIV. Share capital	743 382	736 660	176 048	216 137
XV. Number of shares	103 729 569	103 154 808	103 729 569	103 154 808
XVI. Gain/(loss) per share (in PLN/EUR)	2.6251	-0.0131	0.5967	-0.0038
XVII. Diluted gain/(loss) per share (in PLN/EUR)				
XVIII. Book value per share (in PLN/EUR)	8.35	5.34	1.98	1.57

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio

No.	Name and legal form of the Company	Location	Activity	Capital relation	Number of shares	Book value of shares before adjustment	Adjustment of the book value of shares	Carrying amount of shares	Shareholding (%)	Total number of votes at GMS
1	Smyk Sp. z o.o.	Warsaw	Children's mega-stores network	Subsidiary	183 080	103 695		103 695	100	100
2	Ultimate Fashion Sp. z o.o.	Warsaw	Franchise operations of Esprit, Wallis, River Island etc.	Subsidiary	222 000	50 082		50 082	100	100
3	Empik Sp. z o.o.	Warsaw	Multimedia retail network and language schools	Subsidiary	51 147	270 295		270 295	100	100
4	Licomp Empik Multimedia Sp. z o.o.	Warsaw	Distributor of multimedia games	Subsidiary	11 500	6 503		6 503	100	100
5	East Services S.A.	Villars-sur-Glane, Switzerland	Wholesale trading of selected cosmetics, optical products and sportswear	Subsidiary	100	20 260		20 260	100	100
6	Optimum CZ&SK s.r.o.	Prague, Czech Republic	Wholesale trading of selected cosmetics, optical products and sportswear in the Czech Republic and Slovakia	Subsidiary	1	22 817		22 817	100	100
7	Optimum Distribution Sp. z o.o.	Warsaw	Wholesale trading of selected cosmetics, optical products and sportswear in the Poland	Subsidiary	1	35 557		35 557	100	100
8	Learning System Poland Sp. z o.o.	Warsaw	Operator of language schools	Subsidiary	1	6 723		6 723	100	100
9	Maratex Limited	Nicosia, Cyprus	Franchise operations of Esprit, Peacocks, Lulu Castagnette	Subsidiary	794 690	85 183		85 183	43	51
10	Ultimate Fashion International Sp. z o.o.	Poland	Wholesale trading of clothes, footwear and other selected products	Subsidiary	100	50		50	100	100
11	LuxPol Invest S.a.r.l.	Luxembourg	Investment company	Subsidiary	375	136		136	75	75

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

No.	Name and legal form of the Company	Location	Activity	Capital relation	Number of shares	Book value of shares before adjustment	Adjustment of the book value of shares	Carrying amount of shares	Shareholding (%)	Total number of votes at GMS
12	EMF Investment Project Sp. z o.o.	Warsaw	Non-operating company	Subsidiary	47	5 141	(5 141)	0	100	100
13	Kids International Sp. z o.o.	Warsaw	Operator of children's stores network	Subsidiary **	1	1		1	1	100
14	Cenzora Enterprises LTD	Nicosia, Cyprus	Investment company	Subsidiary	1	5		5	1	100
	Total					606 448	(5 141)	601 307		
** company of which 99% is owned by Smyk Sp. z o.o. and 1% by NFI Empik Media & Fashion S.A.										

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

No.	Company name	Net sales	Profit/(loss) from operating activities	Current assets	Short-term receivables	Long-term receivables	Inventories	Total assets
1	Smyk Sp. z o.o.	261 950	6 214	123 056	39 477	30 216	66 969	324 302
2	Ultimate Fashion Sp. z o.o.	157 077	(17 480)	71 248	6 934	1 437	62 204	185 454
3	Empik Sp. z o.o.	613 719	9 214	287 918	54 994	16 057	224 397	646 568
4	Licomp Empik Multimedia Sp. z o.o.	24 885	1 023	27 831	15 294	0	12 418	28 585
5	Maratex Limited	220 947	(10 746)	93 310	24 385	8 149	53 206	164 584
6	Optimum CZ&SK s.r.o.	27 722	(3 484)	25 026	9 092	252	9 604	27 092
7	Optimum Distribution Sp. z o.o.	43 365	(3 562)	52 382	31 854	546	14 901	85 995
8	EMF Investment Project Sp. z o.o.	0	(36)	19	0	83	0	1 641
10	East Services S.A.	0	1 643	16 097	15 869	12 993	0	29 089
11	LuxPol Invest S.a.r.l.	0	92	96	0	1 071	0	2 869
12	Ultimate Fashion International Sp. z o.o.	12 045	(1 634)	10 904	9 484	0	1 406	15 182
13	Kids International Sp. z o.o.	0	(1 224)	946	945	0	0	3 070
14	Cenzora Enterprises LTD	0	0	4	0	0	0	9 330
	Total	1 361 710	(19 980)	708 837	208 328	70 804	445 105	1 523 761

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

No.	Company name	Equity, including:						Liabilities			
		Total	Share capital	Payments for share capital due	Supplementary capital	Reserve capital	Retained earnings	Net profit / (loss)	Total	Short-term	Long-term
1	Smyk Sp. z o.o.	38 420	41 104		0	(3 053)	(116)	485	285 882	160 339	125 543
2	Ultimate Fashion Sp. z o.o.	10 110	41 206		0	(709)	(12 206)	(18 182)	175 344	157 601	17 743
3	Empik Sp. z o.o.	74 071	49 203		0	188	686	23 994	572 496	529 687	42 810
4	Licomp Empik Multimedia Sp. z o.o.	3 406	0		500	0	2 153	753	25 179	25 179	0
5	Maratex Limited	(63 954)	50 813		0	(19 903)	(97 874)	3 011	228 537	177 056	51 482
6	Optimum CZ&SK s.r.o.	2 496	1 914		0	1 535	2 041	(2 994)	24 595	16 687	7 909
7	Optimum Distribution Sp. z o.o.	31 948	50		36 069	27	40	(4 237)	54 047	26 568	27 480
8	EMF Investment Project Sp. z o.o.	(1 106)	88		0	0	(1 037)	(157)	2 747	196	2 551
10	East Services S.A.	28 671	269		68	4 604	21 789	1 941	418	397	21
11	LuxPol Invest S.a.r.l.	(279)	209		0	(84)	(427)	23	3 149	11	3 138
12	Ultimate Fashion International Sp. z o.o.	(2 432)	50		0	0	(967)	(1 515)	17 613	16 176	1 437
13	Kids International Sp. z o.o.	(1 606)	50		0	0	(297)	(1 358)	4 675	1 090	3 586
14	Cenzora Enterprises LTD	4	4		0	0	0	0	9 326	9 326	0
	Total	119 749	184 960	0	36 637	(17 395)	(86 215)	1 764	1 404 008	1 120 313	283 700

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

Change in the carrying amount of investment portfolio items	Main shareholdings	Minority interest	Shares in subsidiaries	Shares in co-subsidiaries	Shares in affiliates	Total
Carrying amount as at 1 January 2009		1	580 274		12 497	592 771
a. Increases (due to)			21 033			21 033
- share capital increase			3 500			3 500
- sale of majority interest			16 582			16 582
- establishment of share-based incentive scheme for employees of subsidiaries			951			951
b. Decreases (due to)			0		(12 497)	(12 497)
- revaluation write-off			0			0
- sale of shares at book value			0		(12 497)	(12 497)
- redemption of shares			0			0
Carrying amount as at 30 September 2009		1	601 307	0	0	601 307

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

Transferability of investment portfolio items	With unlimited transferability			With limited transferability
	Listed	OTC listed	Non-listed on regulated markets	
Lead shares				
carrying amount				
value at cost				
fair value				
market value				
Minority interest				
carrying amount				
value at cost				
fair value				
market value				
Shares in subsidiaries				
carrying amount			601 307	
value at cost			606 448	
fair value			601 307	
market value				
Shares in affiliates				
carrying amount			0	
value at cost			0	
fair value			0	
market value				
TOTAL				
carrying amount			601 307	
value at cost			606 448	
market value			601 307	

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

No.	Name of the company and its legal form	Registered office	Activity	Number of shares	Book value of shares before adjustment	Adjustment of the book value of shares	Carrying amount of shares	Market value for listed companies	Shareholding (%)	Total number of votes at GMS
1	Złotoryjskie Zakłady Obuwia S.A. *	Złotoryja	shoe production	186 723	3 520	(3 520)			33	33
	Total				3 520	(3 520)				

* The companies have filed for bankruptcy; no financial data available