

**Condensed interim stand-alone financial statements
for the period of three months
ended 31 March 2009**

NFI Empik Media & Fashion S.A.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

Introduction

Narodowy Fundusz Inwestycyjny Empik Media & Fashion Spółka Akcyjna (“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.

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 consolidated financial statements for the period of three months ended 31 March 2009.

These condensed stand-alone financial statements have been approved by the Management Board of NFI Empik Media & Fashion S.A. on 15 May 2009.

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

.....
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 8 to 27 are an integral part of these condensed stand-alone financial statements

NFI Empik Media & Fashion S.A.

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Interim stand-alone income statement

	Note	3 months ended	
		31 March 2009	31 March 2008
		'000 PLN	'000 PLN
Sales of services		4 793	2 065
Employee compensation and benefit expenses	2	(3 770)	(4 854)
Other operating income	3	12 113	2 278
Other operating costs	4	(980)	(2 140)
Amortisation, depreciation and impairment charges		(172)	(144)
Other gains – net	5	16 609	12 890
Profit from operating activities		28 593	10 095
Finance costs - net	6	(7 538)	(2 787)
Profit before income tax		21 055	7 308
Income tax		-	-
Net profit		21 055	7 308
Other comprehensive net income		-	-
Total comprehensive income for current year		21 055	7 308
Basic and diluted profit per share attributable to the equity holders of the Company (not in thousands)		0.20	0.07

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Interim stand-alone balance-sheet

	Note	As at	
		31 March 2009	31 December 2008
		'000 PLN	'000 PLN
ASSETS			
Non-current assets			
Property, plant and equipment		2 789	2 919
Intangible assets		15 155	15 035
Investments in subsidiaries	7	580 523	580 274
Investments in associates	8	-	12 497
Derivative financial instruments	8	-	80 148
Intragroup receivables under purchased bonds	10	96 000	96 000
Long-term borrowings	10	4 896	78 907
Other long-term receivables	10	1 378	-
Financial assets available for sale		-	1
		700 741	865 781
Current assets			
Short-term borrowings	10	188 286	74 164
Intragroup receivables under purchased bonds	10	54 500	54 500
Trade and other receivables	10	19 900	16 839
Cash and cash equivalents		125 563	1 033
		388 249	146 536
Total assets		1 088 990	1 012 317
EQUITY AND LIABILITIES			
Capital attributable to the Company's equity holders			
Share capital	11	740 391	736 660
Other reserves		8 587	10 281
Retained earnings		(141 896)	(162 951)
		607 082	583 990
LIABILITIES			
Long-term liabilities			
Borrowings	9,10	199 837	200 441
		199 837	200 441
Short-term liabilities			
Borrowings	9,10	274 664	216 886
Trade and other payables	10	7 408	11 000
		282 072	227 886
Total liabilities		481 909	428 327
Total equity and liabilities		1 088 991	1 012 317

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Interim stand-alone statement of changes in equity

	Share capital	Surplus on the sale of shares above the nominal value	Retained earnings	Other reserves	Other reserve capital	Total
	'000 PLN	'000 PLN	'000 PLN	'000 PLN	'000 PLN	'000 PLN
As at 1 January 2008	10 258	718 130	(191 987)	9 645	(6 456)	539 590
Net profit for the period	-	-	29 036	-	-	29 036
Increase of share capital	57	1 738	-	-	-	1 795
Share-based incentive scheme	-	6 477	-	7 091	-	13 568
As at 1 January 2009	10 315	726 345	(162 951)	16 736	(6 456)	583 989
Net profit for the period	-	-	21 055	-	-	21 055
Increase of share capital	31	-	-	-	-	31
Share-based incentive scheme	-	3 700	-	(1 693)	-	2 007
As at 31 March 2009	10 346	730 045	(141 896)	15 043	(6 456)	607 082

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Interim stand-alone cash flow statement

	3 months ended	3 months ended
	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Profit from operating activities before income tax	21 055	7 308
Adjustments for:		
Amortisation, depreciation and impairment charges	172	144
Finance costs - net	7 538	2 787
Gain on interests, commissions and guarantees granted	(6 622)	(1 552)
Gain on valuation of derivative financial instruments	1 147	(12 890)
Gain on disposal of associates	(17 766)	-
Share-based incentive scheme	1 758	-
Other, including currency gains/losses on loans granted	(4 593)	898
Operational profit before working capital changes	2 689	(3 305)
Changes in working capital:		
Trade and other receivables	(4 245)	(476)
Trade and other payables	(4 513)	(5 560)
Net cash flows generated from operating activities	(6 069)	(9 341)
Purchase of property, plant and equipment	(6)	(1 431)
Purchase of intangible assets	(1 534)	-
Interest received	3 636	-
Purchase of investments and special purpose vehicles	-	(189)
Loans extended to related entities	(31 017)	(8 117)
Proceeds from disposal of investments	110 230	-
Net cash flows generated from investment activities	81 309	(9 737)
Proceeds of shares issue	31	28
Proceeds of bonds issue	-	151 100
Proceeds from borrowings from related entities	14 725	-
Repayment of borrowings	(61 536)	(32 383)
Interest paid	(10 641)	(1 114)
Net cash flows generated from financing activities	(57 421)	117 631
Net change in cash and cash equivalents	17 819	98 553
Cash and cash equivalents at the beginning of the period	(43 038)	46 279
Foreign currency translation changes on valuation of cash and cash equivalents	(420)	-
Increase in cash and cash equivalents	17 819	98 553
Cash and cash equivalents at the end of the period	(25 639)	144 832
including:		
Cash at the bank	125 563	154 786
Current account overdraft	(151 202)	(9 954)

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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 accounting standards, which form the basis for preparing these condensed financial statements for the period of three months ended 31 March 2009, comply with all applicable International Accounting Standards as adopted by the European Union, 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.

The amounts presented in these financial statements are given in thousands of PLN.

Comparable data

The Company changed its method of presentation of profits from valuation of derivative financial instruments related to the valuation of the option of selling shares in Zara Polska. In the financial statements prepared as of 31 March 2008, the value of these profits was reported in the category “Other operating income” in the income statement. As at 31 March 2009, these profits are presented in the category “Other gains-net”.

The change in the presentation of the above items is had the following impact:

<i>Change</i>	<i>Presentation in the income statement as at 31 March 2008</i>	<i>Presentation in the income statement as at 31 March 2009</i>
Profits from valuation of derivative financial instruments	Other operating income PLN 12,890,000	Other gains-net PLN 12,890,000

The above changes did not impact the amounts recognised in equity.

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, which is effective for annual periods beginning on or after 1 January 2009. The amendment to the Standard deals with two matters: it clarifies that vesting conditions are service conditions and 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, which 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).

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

1.1. Basis for preparation (cont.)

IAS 1 (Amendment) “Presentation of Financial Statements”

On 6 September 2007, the International Accounting Standards Board issued an amended IAS 1, which 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, which 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 fulfill the new requirement of the standard, these costs should be capitalised.

In accordance with the Management Board’s decision, the MSR 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, which 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 an amendment to IFRS 1 and IAS 27, which are effective for annual periods beginning on or after 1 January 2009.

The amendments will permit an entity to use either fair value or balance-sheet value determined on the basis of previous accounting standards for subsidiaries, associates and jointly controlled entities in stand-alone financial statements as “alleged cost”. Additionally, 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.

Improvements to IFRS 2008

The International Accounting Standards Board has issued “Improvements to IFRS” - a collection of amendments to 20 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 2009.

The Company implemented the improvements to IFRS in accordance with the interim provisions applicable to the above amendments.

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

1.1. Basis for preparation (cont.)

IFRIC 13 “Customer Loyalty Programmes”

On 27 June 2007, the International Financial Reporting Interpretations Committee issued an interpretation of IFRIC 13, which 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, which 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, which 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.

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

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

IFRS 3 (Amendment) “Business Combinations”

On 10 January 2008, the International Accounting Standards Board issued an amendment to IFRS 3, which 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 accounting of the Company.

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

1.1. Basis for preparation (cont.)

IAS 27 (Amendment) “Consolidated and Separate Financial Statements”

On 10 January 2008, the International Accounting Standards Board issued an amendment to IAS 27, which 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 accounting 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”, which are 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 Group will implement the amendments to IAS 39 from 1 January 2010. The Management Board is currently assessing the impact of the amendment on the financial statements of the Group.

As of the date of the hereby financial statements the above described amendments to IAS 27, IAS 39, IFRS 3 and IFRIC 15 are still to be approved by the European Union.

1.2. Foreign currency translation

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

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

1.2. Foreign currency translation (cont.)

The exchange rates applicable for the foreign currencies are presented in the table below:

Currency	3 months ended 31 March 2009		12 months ended 31 December 2008		3 months ended 31 March 2008	
	Closing rate	Average rate	Closing rate	Average rate	Closing rate	Average rate
EUR	4.17	4.50	4.17	3.52	3.53	3.58
USD	3.54	3.46	2.96	2.41	2.23	2.39
CZK	0.17	0.16	0.16	0.14	0.14	0.14
CHF	3.10	3.01	2.80	2.22	2.24	2.23
UAH	0.43	0.42	0.37	0.46	0.45	0.47
RUB	0.10	0.10	0.10	0.10	0.09	0.10

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

1.3. Investments in subsidiaries and associates

(i) Subsidiaries and associates

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

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			31 March 2009	31 December 2008	31 March 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 14% of shares in Magalla Holdings Limited	100.00	100.00	-	-
Magalla Holdings Limited ⁽¹⁾	Cyprus	Investment vehicle holding 100% of Buk Investment LLC and 1 share in Bukva Closed Joint Stock Company	100.00	79.00	-	-
Buk Investment LLC ⁽¹⁾	Ukraine	Investment vehicle holding 100% less one share in Bukva Closed Joint Stock Company	100.00	79.00	-	-
Bukva Closed Joint Stock Company ⁽¹⁾	Ukraine	Operator of bookstores network	100.00	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	73.97	71.50	9.69	7.22
LSP Master Sp. z o.o. ⁽²⁾	Poland	The owner of a license for the integrated language school management system and language teaching	73.97	71.50	-	-
Smyk Sp. z o.o.	Poland	Network of children's mega-stores	100.00	100.00	100.00	100.00
Smyk GmbH ⁽³⁾	Germany	Operator of children's mega-stores network	100.00	100.00	-	-
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 Smyk-Rus Limited	100.00	100.00	-	-

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

1.3. Investments in subsidiaries and associates (cont.)

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008
			% share	% share	% share	% share
Subsidiaries						
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 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% 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	-	-	-
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 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	-	-
Maratex Limited ⁽⁵⁾	Cyprus	Investment vehicle holding shares of B4 SA, ZAO Maratex, ZAO BTI Systems and Baza Limited	100.00	100.00	43.30	43.30

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1.3. Investments in subsidiaries and associates (cont.)

Name	Location	Activity	NFI EMF GROUP		NFI EMF S.A.	
			31 March 2009	31 December 2008	31 March 2009	31 December 2008
			% share	% share	% share	% share
Subsidiaries						
B4 SA ⁽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 (poprzednio 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 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 Aksesuarları ⁽³⁾	Turkey	Operator of children's mega-stores network	100.00	-	-	-
Associates						
Zara Polska Sp. z o.o.	Poland	Franchise operations of Zara	-	20.00	-	20.00
Empik Cafe ⁽¹³⁾	Poland	Coffee bars network	49.00	-	-	-

(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) Associate of Empik Sp. z o.o.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

(ii) Subsidiaries

Subsidiaries are all those entities in respect of which the Company has the power to govern their financial and operating policies, which usually accompanies holding of more than one half 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 a given entity.

(iii) Associates

Associates are all entities over which the Fund has significant influence but not control, which usually accompanies holding of between 20% and 50% of the voting rights in governing bodies. Investments in associates are stated at cost (purchase price) less accumulated impairment losses.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

2. Employee compensation and benefit expenses

3 months ended	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Wages, salaries and social charges	2 012	1 224
Share options granted	1 758	3 630
	3 770	4 854

Employee compensation costs comprise share-based incentive scheme programme remuneration in the amount of PLN 1,758,000 (in 2008 – PLN 3,630,000). The following members of senior management of 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);
- Ms Ewa Podgórska (Member of the Management Board);
- Mr Dariusz Stolarczyk (Member of the Management Board);
- Mr Kjell Berggren (President 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, E and 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. Each Series E and E1 warrant shall authorise its 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. Exercise 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 NFI EMF of 8 December 2005 and on the basis of the Resolution no. 14 of the General Shareholders Meeting of NFI EMF of 13 July 2007.

Mr Jacek Bagiński has the right 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 for the strike price equal to the issue price of Series D shares, amounting to PLN 14 per share, with the nominal value of the shares amounting to PLN 0.10 per share. The subscription warrants shall be exercised in whole or part on the following dates:

Series I	30 days from the date of registration of the conditional increase of share capital
Series J	July 2008
Series K	July 2009

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 15 January 2008, Ms 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 L, M, N registered subscription warrants. Each warrant entitles to subscribe for 30,000 Series E ordinary shares at a nominal price of PLN 0.10 PLN per share. The subscription warrants will be exercised during the following periods:

Series L	from the date of issue until 31 December 2011
Series M	from September 2008 until 31 December 2011
Series N	from September 2009 until 31 December 2011

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

2. Employee compensation and benefit expenses (cont.)

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 14 April 2008, Ms Ewa Podgórska subscribed for 30,000 Series E bearer ordinary shares of NFI EMF for a nominal price of PLN 0.10 per share. The total value of the transaction amounted to PLN 3,000. The shares were purchased as a result of the exercise of rights under Series L subscription warrants issued by NFI EMF pursuant to Resolution no. 16 of the General Meeting of NFI EMF dated 13 July 2007 amended by Resolution no. 1 of the General Meeting of NFI EMF dated 26 October 2007.

On 20 January 2009, Ms Ewa Podgórska subscribed for a further 30,000 Series E bearer ordinary shares of NFI EMF, for a nominal price of PLN 0.10 per share. The total value of the transaction amounted to PLN 3,000. The shares were acquired as a result of the exercise of rights under Series M subscription warrants issued by NFI EMF pursuant to Resolution No. 16 of the General Meeting of NFI EMF dated 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, however not 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.

Additionally, 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. As at 31 March 2009 Mr Lahav has the right to subscribe for Series M warrants. This warrant authorises its holder to subscribe for 125,000 shares for an issue price of PLN 14 per share. Subscription warrants can be exercised at any time until 31 May 2009.

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.

Additionally, Mr Kjell Berggren was granted a total of 160,000 Series L and M subscription warrants authorising their holder to purchase the same amount of NFI EMF shares at the average market price at the Warsaw Stock Exchange during the following periods:

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

Series L warrants may be executed at any time until 31 December 2011. Series M warrants may be executed during the period 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 was launched the motivation program relating to the acquisition of F series ordinary shares by Mr. Tomasz Paszkowski, Member of the Management Board of Ultimate Fashion Sp. z o.o., based on Series L subscription warrants. Mr. Tomasz Paszkowski is entitled to acquire Series F ordinary shares of NFI EMF at the market price during the period of three months ended 31 December 2008. The warrant rights may be exercised during any period until 31 December 2011.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

3. Other operating income

3 months ended	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Interest income - third party	680	251
Interest income - related party	5 833	1 552
Currency translation differences	5 159	(679)
Other	441	1 154
	12 113	2 278

4. Other operating costs

3 months ended	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Consulting services	-	212
Marketing services	43	128
Lease of space	160	105
Postage and IT services	271	691
Business travel	351	332
Non-deductible VAT	203	106
Lease payments	104	71
Other	(153)	494
	980	2 140

5. Other income - net

3 months ended	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Gain/Loss on valuation of derivative financial instruments - Zara option	(1 147)	12 890
Gains on disposal of Zara shares	17 766	-
Other	(10)	-
Total other gains-net	16 609	12 890

On 22 January 2009, NFI EMF sold shares in Zara Polska Sp. z o.o. to Industria de Diseño Textil SA ("INDITEX SA") resulting in profit of PLN 17,766,000.

6. Finance costs- net

3 months ended	31 March 2009	31 March 2008
	'000 PLN	'000 PLN
Interest costs - third party	(5 961)	(2 424)
Interest costs - related party	(505)	(700)
Positive translation differences	-	337
Negative translation differences	(1 072)	-
Total finance costs - net	(7 538)	(2 787)

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

7. Investments in subsidiaries

	31 March 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.	100 195	100.0	100 195	100.0
Ultimate Fashion Sp z o.o.	49 952	100.0	49 887	100.0
Empik Sp z o.o.	269 723	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	68 606	43.3	68 606	43.3
Ultimate Fashion International Sp. z o.o.	50	100.0	50	-
LuxPol Invest SARL	136	75.0	136	-
Kids International Sp. z o.o.	1	1.0	1	-
	580 523		580 274	

8. Derivative financial instruments

	31 March 2009		31 December 2008	
	Assets	Liabilities	Assets	Liabilities
	'000 PLN	'000 PLN	'000 PLN	'000 PLN
Long-term derivative financial instruments				
Zara put option	-	-	80 148	-
Total derivative financial instruments	-	-	80 148	-

The put option for shares in Zara Polska Sp. z o.o. reflected the fair value assigned to the put option resulting from an agreement entered into by and between NFI Empik Media & Fashion S.A. and Inditex S.A. on the sale of shares in Zara Polska Sp. z o.o. (Young Fashion Sp. z o.o.). On 22 January 2009, NFI EMF sold shares in Zara Polska Sp. z o.o. to Industria de Diseño Textil SA ("INDITEX S.A.").

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

9. Borrowings

Long-term borrowings

	Effective interest rate	Repayable	31 March 2009 ‘000 PLN	31 December 2008 ‘000 PLN
Mid-term Notes	6M WIBOR + margin	2012	193 882	193 817
Loans received	3M WIBOR + margin	2010	5 955	6 624
			199 837	200 441

Short-term borrowings

	Effective interest rate	Repayable	31 March 2008 ‘000 PLN	31 December 2008 ‘000 PLN
Bank loan of 25 mln PLN	WIBOR 1M + margin	17 September 2009	25 000	25 000
Bank loan of 7 mln EUR	EURIBOR + margin	January 2009	-	29 207
Current account overdraft PEKAO SA	WIBOR + margin	30 June 2009	21 624	
Current account overdraft ABN AMRO	WIBOR + margin	31 August 2009	129 578	44 071
Short-term notes	WIBOR + margin	2009	25 588	29 900
Loans taken and liabilities under intragroup financial settlements system	WIBOR 1M + margin		72 754	88 505
Other			118	202
			274 664	216 886

In January 2006, NFI EMF took an investment bank loan amounting to EUR 7,000,000. The loan was repaid on 22 January 2009 from a payment obtained from the sale of shares in Zara Polska Sp. o.o.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 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) which owns 60.49% of NFI Empik Media & Fashion S.A.'s shares. The ultimate parent company of the Fund is Eastbridge B.V./S.a.r.l. (a company with its registered office in the Netherlands with the principal place of business in Luxembourg).

Empik Centrum Investments S.A. and its subsidiaries, Eastbridge B.V./S.a.r.l. as well as its subsidiaries and Empik Cafe Sp. z o.o. are considered related parties for the purpose of the condensed interim stand-alone financial statements.

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

Transactions with subsidiaries pertain to loans which 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.

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

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

The following balances and movements in accounts with the subsidiaries were shown in these condensed interim stand-alone financial statements for the period of three months ended 31 March 2009 (in thousands PLN):

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

10. Related party transactions (cont.)

As at	31 March 2009		31 December 2008		31 March 2009		31 December 2008	
	Receivables				Liabilities			
	'000 PLN		'000 PLN		'000 PLN		'000 PLN	
Empik Sp. z o.o.	13 296	11 481	37 490	66 254				
Empik Cafe Sp. z o.o.	316	316	-	-				
Bookva	177	59	-	-				
Ultimate Fashion Sp. z o.o.	93 973	91 101	1 856	5 082				
Ultimate Fashion International Sp. z o.o.	-	3	-	-				
LuxPol Invest Sarl	3 179	2 867	-	-				
Smyk Sp. z o.o.	89 533	88 034	-	615				
Smyk Ukraine	245	91	-	-				
Smyk Russia	98	-	-	-				
Smyk Turkey	54	-	-	-				
Prolex	15	-	-	-				
Kids International	15	-	-	-				
EMF Investment Project Sp. z o.o.	126	15	-	-				
Learning Systems Poland Sp. z o.o.	246	205	30	30				
LSP Master Sp. z o.o.	-	120	-	-				
Optimum Distribution Poland Sp. z o.o.	27 782	27 714	26 295	17 685				
Optimum Sport Sp. z o.o.	-	783	-	-				
EPCD the Czech Republic	3 323	648	-	-				
Poland I Development	-	35	-	-				
Licomp Empik Multimedia Sp. z o.o.	45	23	-	-				
Amersport	253	-	-	-				
Smyk GmbH	34	19	5	4				
Optimum Distribution CZ&Sk	1 064	582	-	-				
East Services S.A.	20	-	13 289	5 973				
Madras Enterprises Limited	10 157	10 130	-	-				
Magalla Holdings Limited	20 053	20 245	-	-				
Eastbridge BV SARL	76	142	187	101				
Maratex Limited	80 935	47 548	-	-				
	345 016	302 161	79 152	95 744				

As at	31 March 2009		31 December 2008		31 March 2009		31 December 2008	
	Receivables				Liabilities			
	'000 PLN		'000 PLN		'000 PLN		'000 PLN	
Mains receivables and liabilities								
Loans	140 864	112 583	38 330	38 043				
Interest from loans	4 950	3 082	1 787	1 655				
Bonds acquired	150 500	150 500	-	-				
Interest from acquired bonds	1 109	1 682	-	-				
Cash pool	33 218	26 248	38 593	55 735				
Receivables for guarantees granted	1 378	-	-	-				
Consulting and advisory services	5 497	2 059	-	-				
Other receivables / trade payables	7 500	6 007	442	311				
	345 016	302 161	79 152	95 744				

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

10. Related party transactions (cont.)

3 months ended	31 March 2009		31 March 2008	
	Revenues		Expenses	
	'000 PLN	'000 PLN	'000 PLN	'000 PLN
Empik Sp. z o.o.	2 449	1 231	373	553
Bookva	104	-	-	-
Ultimate Fashion Sp. z o.o.	1 759	1 139	-	-
Smyk Sp. z o.o.	3 125	880	-	-
Smyk Ukraine	138	-	-	-
Smyk Russia	99	-	-	-
Smyk Turkey	59	-	-	-
Prolex	15	-	-	-
Kids International	15	-	-	-
EPCD the Czech Republic	15	-	-	-
EMF Investment Project Sp. z o.o.	49	44	-	-
Optimum Distribution Poland Sp. z o.o.	1 385	566	132	147
Licomp Empik Multimedia Sp. z o.o.	75	58	-	-
Optimum Distribution CZ&Sk	402	298	-	-
East Services S.A.	19	-	921	-
Smyk GmbH	15	-	1	-
Madras Enterprises Limited	217	-	259	-
Magalla Holdings Limited	419	-	-	-
LuxPol Invest Sarl	29	-	-	-
Maratex Limited	1 538	-	-	-
Eastbridge BV SARL	(51)	-	136	428
Amersport	207	-	-	-
Learning Systems Poland Sp. z o.o.	94	92	-	-
	12 175	4 308	1 823	1 128

3 months ended	31 March 2009		31 March 2008	
	Revenues		Expenses	
	'000 PLN	'000 PLN	'000 PLN	'000 PLN
Main revenues and expenses				
Interest from loans	2 775	1 552	505	700
Interest from acquired bonds	3 046	-	-	-
Consulting and advisory services	4 448	2 065	136	428
IT and logistics services	346	596	-	-
Re-invoicing	1 561	95	261	-
Other	-	-	921	-
	12 175	4 308	1 823	1 128
Including:				
<i>Interest from cash pool</i>	<i>11</i>	<i>-</i>	<i>596</i>	<i>108</i>
	11	-	596	108

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

11. Share capital

	Number of shares (not in thousands)	Share capital	Surplus on the sale of shares above the nominal value	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 exercised	-	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	305 000	31	3 700	3 731
Other issue of shares	-	-	-	-
As at 31 March 2009	103 459 808	10 346	730 045	740 391

The nominal value of one share is PLN 0.10 (not in thousands). As at 31 March 2009 the share capital of NFI Empik Media & Fashion is 10,345,980.80 (not in thousands) and is divided into 101,893,645 Series A ordinary shares, 1,131,163 Series B ordinary shares and 250,000 Series C ordinary shares and 185,000 Series E shares. The total number of votes arising from all issued shares is 103,459,808.

During the period from 1 January to 31 March 2009, the share capital was increased by PLN 30,000 by the issuance of 300,500 shares with a value of 0.10 PLN (not in thousands) each.

On 10 September 2008, the Company received the decision of the District Court of the capital city Warsaw, XII Commercial Division of the National Court Register, dated 3 September 2008 on the entry of a change in the nominal value of the conditional share capital increase. Share capital was conditionally increased by no more than PLN 50,000 through the issue of no more than 500,000 Series F bearer ordinary shares, each with nominal value of PLN 0.10. Following the registration of this amendment, the conditional share capital increase amounts to PLN 366,383.70.

Shares held by the Management Board

As at 31 March 2009, Mr Maciej Dyjas, President of the Management Board, possessed through his subsidiary Jonquille Investments Limited, 1,131,163 shares, that is, 1.09% of the share capital of NFI Empik Media & Fashion S.A. Additionally, Ms Ewa Podgórska, Member of the Management Board, obtained during the reporting period 30,000 shares of NFI Empik Media & Fashion S.A., which together with shares obtained earlier, amount to 0.06% of the share capital.

As at 31 March 2009, the key shareholders of NFI Empik Media & Fashion S.A. were:

	Number of shares (votes)	Direct shareholding
As at 31 March 2009		
Empik Centrum Investments S.A.	62 578 383	60.49%
Commercial Union OFE BPH CU WBK	10 000 000	9.67%
Total number of shares	103 459 808	100%

The Company is controlled by EMPiK Centrum Investments S.A. (with its registered office in Luxembourg) which holds 60.49% of shares in NFI Empik Media & Fashion S.A. The ultimate parent company publishing financial statements is Eastbridge B.V./S.a.r.l. (a company with its registered office in the Netherlands with the principal place of business in Luxembourg). The ultimate controlling party of the Company is Mr Yaron Bruckner.

NFI Empik Media & Fashion S.A.

Condensed interim stand-alone financial statements
for the period of three months ended 31 March 2009

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

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 result in a material increase of liabilities in this respect.
2. NFI Empik Media & Fashion S.A. has contingent liabilities in respect of bank and other guarantees issued upon the request of the NFI EMF Group's subsidiaries, provided 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 Zara Polska Sp. z o.o. (previously Young Fashion Sp. z o.o.) from any contingent liabilities arising from events that took place prior to the sale of 51% of shares in Zara Polska to Inditex S.A. i.e. when the company was under the management and control of NFI Empik Media & Fashion S.A., ABN Amro Bank (Poland) 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 Zara Polska Sp. z o.o. Total responsibility of the Group resulting from the sale agreement of shares in Zara Polska Sp. z o.o. is limited to the amount of EUR 20,000,000. The bank guarantee expires in 2010. It is not anticipated that any material liabilities will arise from the contingent liabilities.

13. Guarantees granted

As at 31 March 2009, liabilities in respect of guarantees which the Fund granted for liabilities of its subsidiaries, mainly to suppliers and landlords, amounted to PLN 164,532,000 (EUR 34,997,000), PLN 946,000 (USD 267,000) and PLN 42,835,000.

On 26 August 2004, NFI Empik Media & Fashion S.A. issued a guarantee in favour of Sephora Polska Sp. z o.o. for up to EUR 4,500,000 as collateral for potential claims of Sephora Sp. z o.o. against EMPiK Sp. z o.o. in respect of the contract for the sale of the cosmetics retail division of EMPiK Sp. z o.o. to Sephora Polska Sp. z o.o. of 8 July 2003.

On 26 June 2007 NFI Empik Media & Fashion S.A. issued a guarantee in favour of ABN AMRO Bank (Poland) S.A. up to the amount of PLN 36,000,000 in relation with the PLN 30,000,000 current account overdraft facility made available.

14. Post balance sheet events

No events that would affect the financial data as at 31 March 2009 took place after the balance-sheet date.

Additional information

We present below information we are required to disclose to meet the disclosure requirements of the Warsaw Stock Exchange.

Contents

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2. Investments portfolio	30

All amounts are presented in PLN thousands, unless stated otherwise.

NFI Empik Media & Fashion S.A.

Additional information (cont.)

1. Selected financial data

SELECTED FINANCIAL DATA	'000 PLN		'000 PLN	
	3 months ended 31 March 2009	3 months ended 31 March 2008	3 months ended 31 March 2009	3 months ended 31 March 2008
I. Net sales	4 793	2 065	1 042	580
II. Profit (loss) from operating activities	28 593	10 095	6 217	2 838
III. Profit (loss) before income tax	21 055	7 308	4 578	2 054
IV. Net profit (loss)	21 055	7 308	4 578	2 054
V. Net cash flows from operating activities	(6 069)	(9 341)	(1 320)	(2 626)
VI. Net cash flows from investing activities	81 309	(9 737)	17 678	(2 737)
VII. Net cash flows from financing activities	(57 421)	117 631	(12 484)	33 067
VII. Total net cash flows	17 819	98 553	3 874	27 704
IX. Total assets	1 088 990	885 550	231 636	251 163
X. Liabilities and provisions for liabilities	481 909	334 994	102 505	95 012
XI. Long-term liabilities	199 837	203 546	42 507	57 730
XII. Short-term liabilities	282 072	131 448	59 999	37 282
XIII. Equity	607 082	550 556	129 131	156 151
XIV. Share capital	740 391	731 740	157 486	207 539
XV. Number of shares	103 459 808	102 861 645	103 459 808	102 861 645
XVI. Profit (loss) per ordinary share (PLN/EUR)	0.2035	0.0710	0.0442	0.0200
XVII. Diluted profit (loss) per ordinary share (PLN/EUR)				
XVIII. Book value per share (PLN/EUR)	5.87	5.35	1.25	1.52
XIX. Diluted book value per share (PLN/EUR)				
XX. Dividend per share declared or paid (PLN/EUR)				

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 stores network	Subsidiary	176 080	100 195		100 195	100	100
2	Ultimate Fashion Sp. z o.o.	Warsaw	Franchise operations of Esprit, Wallis, River Island etc.	Subsidiary	222 000	49 952		49 952	100	100
3	Empik Sp. z o.o.	Warsaw	Multimedia and language schools retail chain	Subsidiary	51 147	269 723		269 723	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 sro	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	68 606		68 606	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
12	EMF Investment Project Sp. z o.o.	Warsaw	Capital market services excluding brokerage services	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
	Total					585 664	(5 141)	580 523		
	** 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.	76 565	(4 653)	91 808	26 729	31 518	47 278	287 475
2	Ultimate Fashion Sp. z o.o.	48 677	(10 031)	77 951	9 022	1 532	63 507	191 629
3	Empik Sp. z o.o.	205 387	2 945	378 858	92 527	123 418	254 304	730 743
4	Licomp Empik Multimedia Sp. z o.o.	4 596	(1 120)	17 193	9 314	0	7 826	18 138
5	Maratex Limited	63 323	6 502	101 435	25 945	7 261	65 261	183 989
6	Optimum CZ&SK sro	9 471	(366)	34 985	12 770	252	8 622	36 612
7	Optimum Distribution Sp. z o.o.	12 017	(2 650)	63 801	50 257	0	12 184	95 946
8	EMF Investment Project Sp. z o.o.	0	(11)	2	0	83	0	1 624
10	East Services SA	0	900	16 774	16 346	14 677	0	31 452
11	LuxPol Invest Sarl	0	(45)	30	0	1 192	0	3 117
12	Ultimate Fashion International Sp. z o.o.	854	(715)	1 814	136	0	1 659	6 074
	Total	420 889	(9 244)	784 652	243 046	179 933	460 642	1 586 800

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

No	Company name	Equity, including:	Share capital	Payments for share capital due	Supplementary capital	Reserve capital	Retained earnings	Net profit / (loss)	Liabilities	Short-term	Long-term
		Total							Total		
1	Smyk Sp. z o.o.	81 848	28 604		9 000	5 824	44 868	(6 448)	205 627	76 881	128 746
2	Ultimate Fashion Sp. z o.o.	19 870	31 050		10 156	2 182	(12 206)	(11 312)	171 759	154 987	16 772
3	Empik Sp. z o.o.	250 664	49 203		0	20 666	183 977	(3 183)	480 079	372 026	108 053
4	Licomp Empik Multimedia Sp. z o.o.	7 672	1 150		1 501	0	5 955	(936)	10 466	10 466	0
5	Maratex Limited	(67 965)	59 176		(8 362)	(25 418)	(97 603)	4 242	251 954	161 112	90 842
6	Optimum CZ&SK sro	4 847	2 272		0	608	2 041	(73)	31 765	26 239	5 526
7	Optimum Distribution Sp. z o.o.	38 811	50		0	(621)	42 477	(3 095)	57 135	29 946	27 189
8	EMF Investment Project Sp. z o.o.	(1 006)	88		0	0	(1 037)	(57)	2 630	113	2 517
10	East Services SA	30 206	313		24	7 729	21 789	351	1 246	1 110	136
11	LuxPol Invest Sarl	(412)	209		0	(121)	(427)	(74)	3 530	999	2 531
12	Ultimate Fashion International Sp. z o.o.	(1 560)	50		0	0	(967)	(643)	7 634	6 102	1 532
	Total	362 975	172 165	0	12 319	10 849	188 869	(21 228)	1 223 825	839 981	383 844

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 associates	Total
Carrying amount as at 1 January 2009		1	580 274		12 497	592 771
a. Increases (due to)			249			249
- increase of share capital			0			0
- sale of majority interest			0			0
- purchase and establishment of Company share-based incentive scheme for an employee of a subsidiary			249			249
b. Decreases (due to)			0		(12 497)	(12 497)
- write-down			0			0
- sale of shares at book value			0		(12 497)	(12 497)
- redemption of shares			0			0
Carrying amount as at 31 March 2009		1	580 523	0	0	580 523

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			580 523	
value at cost			585 664	
fair value			580 523	
market value				
Shares in associates				
carrying amount			0	
value at cost			0	
fair value			0	
market value				
TOTAL				
carrying amount			580 523	
value at cost			585 664	
market value			580 523	

NFI Empik Media & Fashion S.A.

Additional information (cont.)

2. Investment portfolio (cont.)

Minority interest:

No.	Name of the company and its legal form	Location	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	shoes production	186 723	3 520	(3 520)			33	33
	Total				3 520	(3 520)				

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