

Człuchów, 10.03.2010

Dear All,

Over the past year 2009 as the Company's Board, we have been forced to face some difficult choices on several occasions. Extremely fierce competition and the suspension of investment in our key sectors such as energy sector, already in the fourth quarter of 2008 made to us clear that the coming year will not be easy.

It was not a good period, but I strongly believe that as the Company we have not disappointed the expectations of our shareholders. Contrary to the difficult market income, the Group's income increased by over 18%, and we, not waiting for the revival, were looking for sectors where the crisis did not cripple the investments.

In 2009, we were winning the market. Many of our competitors have limited their activity domestically or completely withdrawn from it. This is proof that our investments paid off. Today, we are able to produce not only the best quality products, but also do it much more cost effectively than our competitors.

The crisis was an opportunity for us. Western customers looking for savings, have opened for new providers. Sales of our products in Germany has risen six-fold, in Italy three-fold. Over the years, we have built a solid foundation for developing sales in new markets.

Throughout the year with a view to shareholders, we led the purchase of own shares, a dividend was also paid out. All that time we had in mind that this year we wanted to complete the acquisition transaction, which shall significantly affect the size of the group. We succeeded, and in November a contract to purchase 100% of the Lublin's RURGAZ pipe systems manufacturer was signed. With this transaction, the proceeds of the Group shall increase at least twice.

This year we will face further challenges. We plan to significantly increase sales of all companies while improving margins. We hope for a revival in energy sector and we continue to focus on export. We also want to integrate the company in a group together to buy cheaper and sell more effectively. Like every year we focus on the core production activities, believing that in the term of 2-3 years we shall be able to significantly improve financial results.

On behalf of myself and the Company I would like to thank you for placing your trust in us by deciding to be co-owners of RADPOL SA.

Sincerely,

Andrzej Sielski
Chairman of the Board