

**CONSOLIDATED QUARTERLY
REPORT OF RADPOL S.A.**

FOR THE IV QUARTER OF 2008

**INCLUDING CONDENSED
QUARTERLY FINANCIAL
STATEMENT OF RADPOL S.A.**

**RADPOL S.A.
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1. Selected financial data

| Selected financial data | Currency: PLN (thousands) | | Currency: EUR (thousands) | |
|--|---|---|---|---|
| | 4 quarters cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4 quarters cumulatively / 2007 period from 2007-01-01 to 2007-12-31 | 4 quarters cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4 quarters cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
| I. Net revenues from sales of goods and materials | 45 056 | 35 821 | 12 756 | 9 484 |
| II. Profit (loss) from operating activities | 9 844 | 7 279 | 2 787 | 1 927 |
| III. Profit (loss) gross | 10 408 | 8 041 | 2 947 | 2 192 |
| IV. Profit (loss) net | 8 570 | 6 802 | 2 426 | 1 801 |
| V. Net cash flows from operating activities | 8 464 | 7 373 | 2 396 | 1 952 |
| VI. Cash flow from investing activities | -33 176 | -14 235 | -9 393 | -3 769 |
| VII. Cash flow from financial activities | 3 798 | 34 301 | 1 075 | 9 082 |
| VIII. Total net cash flow | -20 914 | 27 439 | -5 921 | 7 265 |
| IX. Total assets | 85 163 | 66 964 | 20 411 | 18 695 |
| X. Commitments and Provisions for liabilities | 26 282 | 11 719 | 6 299 | 3 272 |
| XI. Long-term liabilities | 2 280 | 117 | 546 | 33 |
| XII. Current liabilities | 15 276 | 8 891 | 3 661 | 2 482 |
| XIII. Capital | 58 363 | 55 245 | 13 988 | 15 423 |
| XIV. Share capital | 719 | 719 | 172 | 201 |
| XV. Number of shares | 23 879 751 | 21 621 473 | 23 879 751 | 21 621 473 |
| XVI. Profit (loss) per ordinary share (PLN / EUR) (annualized) | 0,36 | 0,31 | 0,10 | 0,08 |
| XVII. Diluted earnings (loss) per share (PLN / EUR) | 0,36 | 0,31 | 0,10 | 0,08 |
| XVIII. Book value per share (PLN / EUR) | 2,44 | 2,56 | 0,59 | 0,71 |
| XIX. Diluted book value per share (PLN / EUR) | 2,44 | 2,56 | 0,59 | 0,71 |
| XX. Declared or paid a dividend per share (PLN / EUR) | 0,15 | | 0,04 | |

On 21-04-2008, Regulation of General Assembly of the Company made a division of profit for 2007: profit of 6,802 thousand PLN was divided in such a way that the amount of 3,619 thousand PLN was earmarked for the payment of dividends and the amount of 3,183 thousand PLN earmarked for capital reserves. Paid dividend amounts to 3,593 thousand PLN, the amount of 26 thousand PLN is a profit for the past years. The split of the results of the subsidiary company for 2007 was made by Regulation of General Assembly on 05 June 2008: the profit of 670.5 thousand PLN was spent entirely on the capital reserves for investment.

Number of shares in the item XV is the weighted average number of ordinary shares that occurs during the period adjusted for number of shares purchased.

The consolidated financial statement includes data of Company from 01.01.2008 to 31.12.2008 and data of the subsidiary from the date of acquisition on 31.12.2008.

| Selected financial data | Currency: PLN (thousands) | | Currency: EUR (thousands) | |
|---|---|---|---|---|
| | 4 quarters cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4 quarters cumulatively / 2007 period from 2007-01-01 to 2007-12-31 | 4 quarters cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4 quarters cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
| I. Net revenues from sales of goods and materials | 35 653 | 35 821 | 10 377 | 9 484 |
| II. Profit (loss) from operating activities | 7 858 | 7 279 | 2 225 | 1 927 |
| III. Profit (loss) gross | 8 506 | 8 041 | 2 408 | 2 129 |
| IV. Profit (loss) net | 6 808 | 6 802 | 1 927 | 1 801 |
| V. Net cash flows from operating activities | 8 445 | 7 373 | 2 391 | 1 952 |
| VI. Cash flow from investing activities | -32 457 | -14 235 | -9 189 | -3769 |
| VII. Cash flow from financial activities | 2 577 | 34 301 | 730 | 9 082 |
| VIII. Total net cash flow | -21 435 | 27 439 | -6 069 | 7 265 |

| | | | | |
|--|------------|------------|------------|------------|
| IX. Total assets | 75 009 | 66 964 | 17 977 | 18 695 |
| X. Commitments and Provisions for liabilities | 18 408 | 11 719 | 4 412 | 3 272 |
| XI. Long-term liabilities | 2 280 | 117 | 546 | 33 |
| XII. Current liabilities | 8 277 | 8 891 | 1 984 | 2 482 |
| XIII. Capital | 56 601 | 55 245 | 13 566 | 15 423 |
| XIV. Share capital | 719 | 719 | 172 | 201 |
| XV. Number of shares | 23 879 751 | 21 621 473 | 23 879 751 | 21 621 473 |
| XVI. Profit (loss) per ordinary share (PLN / EUR) (annualized) | 0,29 | 0,31 | 0,08 | 0,08 |
| XVII. Diluted earnings (loss) per share (PLN / EUR) | 0,29 | 0,31 | 0,08 | 0,08 |
| XVIII. Book value per share (PLN / EUR) | 2,37 | 2,56 | 0,57 | 0,71 |
| XIX. Diluted book value per share (PLN / EUR) | 2,37 | 2,56 | 0,57 | 0,71 |
| XX. Declared or paid a dividend per share (PLN / EUR) | 0,15 | | 0,04 | |

On 21-04-2008, Regulation of General Assembly of the Company made a division of profit for 2007: profit of 6,802 thousand PLN was divided in such a way that the amount of 3,619 thousand PLN was earmarked for the payment of dividends and the amount of 3,183 thousand PLN earmarked for capital reserves. Paid dividend amounts to 3,593 thousand PLN, the amount of 26 thousand PLN is a profit for the past years.

Number of shares in the item XV is the weighted average number of ordinary shares that occurs during the period adjusted for number of shares purchased.

2. Balance

| Radpol S.A. | As of 2008-12-31 | As of 2007-12-31 |
|--|-------------------------|-------------------------|
| Assets | | |
| I. Fixed assets | 58 881 | 21 647 |
| 1. Intangible assets, including: | 1 272 | 573 |
| 2. Goodwill on consolidation | 1 493 | |
| 3. Tangible fixed assets | 50 981 | 20 499 |
| 4. Long-term investments | 4 | 4 |
| 4.1. Long-term financial assets | 4 | 4 |
| a) in other units | 4 | 4 |
| 5. Long-term prepaid expenses | 1 131 | 571 |
| 5.1. Deferred tax liabilities | 774 | 560 |
| 5.2. Other accruals | 357 | 11 |
| II. Current assets | 30 282 | 45 317 |
| 1. Stocks | 12 448 | 7 705 |
| 2. Short-term | 10 117 | 9 258 |
| 2.1. From other units | 10 117 | 9 258 |
| 3. Short-term investments | 7 478 | 28 305 |
| 3.1. Short-term financial assets | 7 478 | 28 305 |
| a) in other units | 35 | |
| b) cash and other monetary assets | 7 443 | 28 305 |
| 4. Short-term prepaid expenses | 239 | 49 |
| Assets in total | 85 163 | 66 964 |
| Liabilities | | |
| I. Shareholders' equity | 58 363 | 55 245 |
| 1. Share capital | 719 | 719 |
| 2. Own shares (negative figure) | 1 859 | |
| 3. Supplementary fund | 41 002 | 41 002 |
| 4. Other reserves | 9 905 | 6 722 |
| 5. Profit (loss) from previous years | 26 | |
| 6. Profit (loss) net | 8 570 | 6 802 |
| II. Minority capital | 518 | |
| III. Liabilities and reserves for liabilities | 26 282 | 11 719 |
| 1. Provisions for liabilities | 1 629 | 668 |
| 1.1. Provision for deferred income tax | 1 028 | 239 |
| 1.2. Provision for pensions and similar | 588 | 429 |
| a) Long-term | 438 | 242 |
| b) short-term | 150 | 187 |
| 1.3. Other provisions | 13 | |

| | | |
|-----------------------------|---------------|---------------|
| a) short-term | 13 | |
| 2. Long-term liabilities | 2 280 | 117 |
| 2.1. To other units | 2 280 | 117 |
| 3. Current liabilities | 15 276 | 8 891 |
| 3.1. To other units | 14 982 | 8 674 |
| 3.2. Special funds | 294 | 217 |
| 4. Accruals | 7 097 | 2 043 |
| 4.1. Other accruals | 7 097 | 2 043 |
| a) long-term | 5 943 | 1 111 |
| b) short-term | 1 154 | 932 |
| Liabilities in total | 85 163 | 66 964 |

| | | |
|--|------------|------------|
| Book value | 58 363 | 55 245 |
| Number of shares | 23 879 751 | 21 621 473 |
| Book value per share (in PLN) | 2,44 | 2,56 |
| Diluted number of shares | 23 879 751 | 21 621 473 |
| Diluted book value per share (in PLN) | 2,44 | 2,56 |

| Radpol S.A. | As of 2008-12-31 | As of 2007-12-31 |
|--|-------------------------|-------------------------|
| Assets | | |
| I. Fixed assets | 51 906 | 21 647 |
| 1. Intangible assets, including: | 894 | 573 |
| 2. Tangible fixed assets | 42 263 | 20 499 |
| 3. Long-term investments | 6 843 | 4 |
| 3.1. Long-term financial assets | 6 843 | 4 |
| a) in related entities, including: | 6 839 | |
| - Shares in subordinated entities valued using the equity method | 6 839 | |
| b) in other units | 4 | 4 |
| 4. Long-term prepaid expenses | 906 | 571 |
| 4.1. Deferred tax liabilities | 549 | 560 |
| 4.2. Other accruals | 357 | 11 |
| II. Current assets | 23 103 | 45 317 |
| 1. Stocks | 8 969 | 7 705 |
| 2. Short-term | 7 188 | 9 258 |
| 2.1. From related parties | 1 | |
| 2.2. From other units | 7 187 | 9 258 |
| 3. Short-term investments | 6 904 | 28 305 |
| 3.1. Short-term financial assets | 6 904 | 28 305 |
| a) in other units | 35 | |
| b) cash and other monetary assets | 6 869 | 28 305 |
| 4. Short-term prepaid expenses | 42 | 49 |
| Assets in total | 75 009 | 66 964 |

| Liabilities | | |
|---|---------------|---------------|
| I. Shareholders' equity | 56 601 | 55 245 |
| 1. Share capital | 719 | 719 |
| 2. Equities (shares) his (negative) | (1 859) | |
| 3. Share premium | 41 002 | 41 002 |
| 4. Other reserves | 9 905 | 6 722 |
| 5. Profit (loss) from previous years | 26 | |
| 6. Profit (loss) | 6 808 | 6 802 |
| II. Liabilities and reserves for liabilities | 18 408 | 11 719 |
| 1. Provisions for liabilities | 768 | 668 |
| 1.1. Provision for deferred income tax | 380 | 239 |
| 1.2. Provision for pensions and similar | 388 | 429 |
| a) Long-term | 269 | 242 |
| b) short-term | 119 | 187 |
| 2. Long-term liabilities | 2 280 | 117 |
| 2.1. To other units | 2 280 | 117 |
| 3. Current liabilities | 8 277 | 8 891 |
| 3.1. In view of the related | 12 | |
| 3.2. To other units | 7 991 | 8 674 |
| 3.3. Special funds | 274 | 217 |

| | | |
|-----------------------------|---------------|---------------|
| 4. Accruals | 7 083 | 2 043 |
| 4.1. Other accruals | 7 083 | 2 043 |
| a) long-term | 5 943 | 1 111 |
| b) short-term | 1 140 | 932 |
| Liabilities in total | 75 009 | 66 964 |

| | | |
|--|------------|------------|
| Book value | 56 601 | 55 245 |
| Number of shares | 23 879 751 | 21 621 473 |
| Book value per share (in PLN) | 2,37 | 2,56 |
| Diluted number of shares | 23 879 751 | 21 621 473 |
| Diluted book value per share (in PLN) | 2,37 | 2,56 |

3. Off-balance sheet

| Radpol S.A. | As of 2008-12-31 | As of 2007-12-31 |
|---|-------------------------|-------------------------|
| 1. Contingent liabilities | 6 996 | 6 308 |
| 1.1. For the remaining units (due to) | 6 996 | 6 308 |
| - Submitted bills to cover other transactions | 6 996 | 6 196 |
| - A letter of guarantee submitted to the promissory note discount | | 112 |
| Off-balance sheet in total | 6 996 | 6 308 |

| Radpol S.A. | As of 2008-12-31 | As of 2007-12-31 |
|---|-------------------------|-------------------------|
| 1. Contingent liabilities | 7 946 | 6 308 |
| 1.1. For the related units (due to) | 950 | |
| - Guarantees and sureties | 950 | |
| 1.2. For the remaining units (due to) | 6 996 | 6 308 |
| - Submitted bills to cover other transactions | 6 996 | 6 196 |
| - A letter of guarantee submitted to the promissory note discount | | 112 |
| Off-balance sheet in total | 9 946 | 6 308 |

4. Profit and loss account

| RADPOL S.A. | 4th quarter / 2008 period from 2008-10- 01 to 2008-12- 31 | 4th quarter cumulatively / 2007 period from 2007- 01-01 to 2007-12-31 | 4th quarter / 2008 period from 2008- 10-01 to 2008-12-31 | 4th quarter cumulative y / 2007 period from 2007- 01-01 to 2007-12-31 |
|--|--|--|---|--|
| I. Net revenues from sales of goods and materials, including: | 11 412 | 45 056 | 9 072 | 35 821 |
| 1. Net revenues from sales of products | 10 054 | 39 265 | 7 773 | 31 092 |
| 2. Net revenues from sales of goods and materials | 1 358 | 5 791 | 1 299 | 4 729 |
| II. Cost of sold products, goods and materials, including: | 6 161 | 26 674 | 5 517 | 20 504 |
| 1. The cost of manufacturing of products sold | 5 541 | 22 970 | 4 911 | 18 146 |
| 2. The value of goods sold and materials | 620 | 2 704 | 606 | 2 358 |
| III. Profit (loss) from sales of (I-II) | 5 251 | 19 382 | 3 555 | 15 317 |
| IV. Cost of sales | 1 381 | 4 721 | 943 | 3 440 |
| V. Administrative expenses | 2 866 | 6 938 | 1 318 | 4 486 |
| VI. Profit (loss) on sales (III-IV-V) | 1 004 | 7 723 | 1 294 | 7 391 |
| VII. Other operating income | 1 939 | 2 781 | 180 | 521 |
| 1. Profit on disposal of non-financial fixed assets | 2 | 77 | (7) | |
| 2. Grants | 329 | 548 | 83 | 233 |
| 3. Other operating income | 1 608 | 2 156 | 104 | 288 |
| VIII. Other operating expenses | 447 | 660 | 128 | 633 |
| 1. Loss on disposal of non-current assets | 45 | 45 | 68 | 68 |
| 2. Revaluation of non-financial assets | 557 | 557 | | |
| 3. Other operating expenses | (155) | 58 | 60 | 565 |
| IX. Profit (loss) from operations (VI + VII-VIII) | 2 496 | 9 844 | 1 346 | 7 279 |
| X. Financial income | 126 | 726 | 341 | 1 022 |
| 1. Interest, including: | 116 | 631 | 341 | 1 022 |
| 2. Other | 10 | 95 | | |
| XI. Financial expenses | 105 | 162 | 55 | 260 |

| | | | | |
|--|--------------|---------------|--------------|--------------|
| 1. Interest, including: | 173 | 211 | 14 | 214 |
| 2. Other | (68) | (49) | 41 | 46 |
| XII. Profit (loss) from ordinary activities (IX + X-XI) | 2 517 | 10 408 | 1 632 | 8 041 |
| XIII. Profit (loss) (XII) | 2 517 | 10 408 | 1 632 | 8 041 |
| XIV. Income Taxes | 271 | 1 708 | 335 | 1 239 |
| a) part of the current | 311 | 1 590 | 350 | 1 316 |
| b) the portion of deferred | (40) | 118 | (15) | (77) |
| XV. (Profit) loss of minority | 29 | 130 | | |
| XVI. Profit (loss) (XIII-XIV + /-XV) | 2 217 | 8 570 | 1 297 | 6 802 |

| | | | | |
|---|--|------------|--|------------|
| Profit (loss) (annualized) - net | | 8 570 | | 6 802 |
| The weighted average number of ordinary shares | | 23 879 751 | | 21 621 473 |
| Profit (loss) per share (in PLN) | | 0,36 | | 0,31 |
| Diluted weighted average number of ordinary shares | | 23 879 751 | | 21 621 473 |
| Diluted earnings (loss) per share (in PLN) | | 0,36 | | 0,31 |

| RADPOL S.A. | 4th quarter / 2008 period from 2008-10-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 | 4th quarter / 2008 period from 2008-10-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
|--|--|---|--|---|
| I. Net revenues from sales of goods and materials, including: | 7 047 | 36 653 | 9 072 | 35 821 |
| - From related parties | 2 | 2 | | |
| 1. Net revenues from sales of products | 5 720 | 30 927 | 7 773 | 31 092 |
| 2. Net revenues from sales of goods and materials | 1 327 | 5 726 | 1 299 | 4 729 |
| II. Cost of sold products, goods and materials, including: | 4 029 | 20 953 | 5 517 | 20 504 |
| 1. The cost of manufacturing of products sold | 3 423 | 18 287 | 4 911 | 18 146 |
| 2. The value of goods sold and materials | 606 | 2 666 | 606 | 2 358 |
| III. Profit (loss) from sales of (I-II) | 3 018 | 15 700 | 3 555 | 15 317 |
| IV. Cost of sales | 1 120 | 4 137 | 943 | 3 440 |
| V. Administrative expenses | 1 095 | 4 398 | 1 318 | 4 486 |
| VI. Profit (loss) on sales (III-IV-V) | 803 | 7 165 | 1 294 | 7 391 |
| VII. Other operating income | 463 | 1 125 | 180 | 521 |
| 1. Profit on disposal of non-financial fixed assets | 2 | 77 | (7) | |
| 2. Grants | 329 | 548 | 83 | 233 |
| 3. Other operating income | 132 | 500 | 104 | 288 |
| VIII. Other operating expenses | 187 | 432 | 128 | 633 |
| 1. Loss on disposal of non-current assets | | | 68 | 68 |
| 2. Other operating expenses | 187 | 432 | 60 | 565 |
| IX. Profit (loss) from operations (VI + VII-VIII) | 1 079 | 7 858 | 1 346 | 7 279 |
| X. Financial income | 53 | 653 | 341 | 1 022 |
| 1. Interest, including: | 110 | 625 | 341 | 1 022 |
| 2. Other | -57 | 28 | | |
| XI. Financial expenses | 2 | 5 | 55 | 260 |
| 1. Interest, including: | 2 | 5 | 14 | 214 |
| 2. Other | | | 41 | 46 |
| XII. Profit (loss) from ordinary activities (IX + X-XI) | 1 130 | 8 506 | 1 632 | 8 041 |
| XIII. Profit (loss) (XII) | 1 130 | 8 506 | 1 632 | 8 041 |
| XIV. Income Taxes | 261 | 1 698 | 335 | 1 239 |
| a) part of the current | 267 | 1 546 | 350 | 1 316 |
| b) the portion of deferred | (6) | 152 | (15) | (77) |
| XV. Profit (loss) (XIII-XIV + /-XV) | 869 | 6 808 | 1 297 | 6 802 |

| | | | | |
|---|--|------------|--|------------|
| Profit (loss) (annualized) - net | | 6 808 | | 6 802 |
| The weighted average number of ordinary shares | | 23 879 751 | | 21 621 473 |
| Profit (loss) per share (in PLN) | | 0,29 | | 0,31 |
| Diluted weighted average number of ordinary | | 23 879 751 | | 21 621 473 |

| | | | |
|--|--|------|------|
| shares | | | |
| Diluted earnings (loss) per share (in PLN) | | 0,29 | 0,31 |

5.Statement of changes in ownership capital

| RADPOL S.A. | 4th quarter cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
|--|--|--|
| I. Equity at the beginning of the period (opening balance) | 55 245 | 7 404 |
| I.a. Equity at beginning of period (opening balance), in agreement with comparable data | 55 245 | 7 404 |
| 1. Share capital at beginning of period | 719 | 512 |
| 1.1. Changes in share capital | | 207 |
| a) increase (due to) | | 207 |
| - Issue of shares (share issue) | | 190 |
| - Increase in the capital by increasing the nominal value of | | 17 |
| 1.2. Share capital at end of period | 719 | 719 |
| 3. Equities (shares) at the beginning of its period | | |
| 3.1. Changes in shares (shares) own | (1 859) | |
| a) increase (due to) | (1 859) | |
| - Buying shares | (1 859) | |
| 3.2. Equities (shares) in an end of the period | (1 859) | |
| 4. Capital surplus at beginning of period | 41 002 | 171 |
| 4.1. Changes in capital | | 40 831 |
| a) increase (due to) | | 40 831 |
| - Issue of shares above the nominal value of | | 40 831 |
| 4.2. Capital surplus at end of period | 41 002 | 41 002 |
| 5. Other reserve capital at the beginning of the period | 6 722 | 2 399 |
| 5.1. Changes in other reserve capital | 3 183 | 4 323 |
| a) increase (due to) | 3 183 | 4 323 |
| - The allocation of financial results | 3 183 | 4 323 |
| 5.2. Other capital reserves at the end of the period | 9 905 | 6 722 |
| 6. Profit (loss) from previous years at the beginning of the period | 6 802 | 4 323 |
| 6.1. Profit from previous years at the beginning of the period | 6 802 | 4 323 |
| 6.2. Profit from previous years, at the beginning of the period, after reconciliation with comparable data | 6 802 | 4 323 |
| a) the reduction (due to) | 6 776 | 4 323 |
| -division of the result on reserves | 3 183 | 4 232 |
| - division of the result for the payment of dividends | 3 593 | |
| 6.3. Profit from previous years at the end of the period | 26 | |
| 6.4. Profit (loss) from previous years at the end of the period | 26 | |
| 8. Net result | 8 570 | 6 802 |
| a) Net profit | 8 570 | 6 802 |
| II. Shareholders' equity at end of period (closing balance) | 58 363 | 55 245 |
| III. Shareholders' equity, after taking account of the proposed distribution of profit (coverage of losses) | 58 363 | 55 245 |

| RADPOL S.A. | 4th quarter cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
|--|--|--|
| I. Equity at the beginning of the period (opening balance) | 55 245 | 7 404 |
| I.a. Equity at beginning of period (opening balance), in agreement with comparable data | 55 245 | 7 404 |
| 1. Share capital at beginning of period | 719 | 512 |
| 1.1. Changes in share capital | | 207 |
| a) increase (due to) | | 207 |
| - Issue of shares (share issue) | | 190 |
| - Increase in the capital by increasing the nominal value of | | 17 |
| 1.2. Share capital at end of period | 719 | 719 |
| 2. Equities (shares) at the beginning of its period | | |

| | | |
|--|----------------|---------------|
| 2.1. Changes in shares (shares) own | (1 859) | |
| a) increase (due to) | (1 859) | |
| - Buying shares | (1 859) | |
| 2.2. Equities (shares) in an end of the period | (1 859) | |
| 3. Capital surplus at beginning of period | 41 002 | 171 |
| 3.1. Changes in capital | | 40 831 |
| a) increase (due to) | | 40 831 |
| - Issue of shares above the nominal value of | | 40 831 |
| 3.2. Capital surplus at end of period | 41 002 | 41 002 |
| 4. Other reserve capital at the beginning of the period | 6 722 | 2 399 |
| 4.1. Changes in other reserve capital | 3 183 | 4 323 |
| a) increase (due to) | 3 183 | 4 323 |
| - The allocation of financial results | 3 183 | 4 323 |
| 4.2. Other capital reserves at the end of the period | 9 905 | 6 722 |
| 5. Profit (loss) from previous years at the beginning of the period | 6 802 | 4 323 |
| 5.1. Profit from previous years at the beginning of the period | 6 802 | 4 323 |
| 5.2. Profit from previous years, at the beginning of the period, after reconciliation with comparable data | 6 802 | 4 323 |
| a) the reduction (due to) | 6 776 | 4 323 |
| -division of the result on reserves | 3 183 | 4 232 |
| - division of the result for the payment of dividends | 3 593 | |
| 5.3. Profit from previous years at the end of the period | 26 | |
| 7.7. Profit (loss) from previous years at the end of the period | 26 | |
| 8. Net result | 6 808 | 6 802 |
| a) Net profit | 6 808 | 6 802 |
| II. Shareholders' equity at end of period (closing balance) | 56 601 | 55 245 |
| III. Shareholders' equity, after taking account of the proposed distribution of profit (coverage of losses) | 56 601 | 55 245 |

6. Cash flow statement

| RADPOL S.A. | 4th quarter cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
|---|--|--|
| I. Net profit (loss) | 8 570 | 6 802 |
| II. Total adjustments | (106) | 571 |
| 1. Gains (losses) of minorities | 130 | |
| 2. Depreciation | 2 826 | 1 385 |
| 3. (Profit) loss on foreign exchange differences | (32) | 8 |
| 4. Interest and participation in profits (dividends) | 214 | 167 |
| 5. (Profit) loss from investment activities | (32) | 76 |
| 6. Change in reserves | (50) | (49) |
| 7. Change in inventories | (1 724) | (4 170) |
| 8. Change in receivables | 1 701 | (1 729) |
| 9. Change in current liabilities, except for loans and credits | (792) | 4 668 |
| 10. Change in accruals | (2 347) | 266 |
| 11. Other adjustments | | (51) |
| III. Net cash flows from operating activities (I + /-II) | 8 464 | 7 373 |
| B. Cash flows from investing activities | | |
| I. Receipts | 177 | 103 |
| 1. Disposal of intangible and tangible fixed assets | 147 | 103 |
| II. Expenditure | 33 353 | 14 338 |
| 1. Acquisition of intangible and tangible fixed assets | 26 450 | 14 338 |
| 2. For financial assets, including: | 6 838 | |
| a) in related | 6 838 | |
| - Acquisition of financial assets | 6 838 | |
| 3. Other capital expenditure | 65 | |
| III. Net cash flows from investing activities (I-II) | (33 176) | (14 235) |
| C. Cash flows from financing activities | | |
| I. Receipts | 12 158 | 43 564 |
| 1. Net proceeds from the issuance of shares (share issue) and other equity instruments, and payments to capital | 1 200 | 41 038 |

| | | |
|--|-----------------|---------------|
| 2. Loans | 5 150 | 1 484 |
| 3. Issuance of debt securities | | |
| 4. Other financial revenue | 5 808 | 1 042 |
| II. Expenditure | 8 360 | 9 263 |
| 1. Acquisition of shares (shares) own | 1 859 | |
| 2. Dividends and other payments to owners | 3 593 | |
| 3. Repayment of loans | 1 532 | 8 991 |
| 4. Payment in respect of finance leases | 15 | 69 |
| 5. Interest | 214 | 203 |
| 6. Other financial expenses | 1 147 | |
| III. Net cash flows from financing activities (I-II) | 3 798 | 34 301 |
| D. Total net cash flow (A. III + /-B.III + /-C.III) | (20 914) | 27 439 |
| E. Change in cash, including: | (20 910) | 27 432 |
| - Change in cash flows from exchange rate | (2) | 7 |
| F. Cash and cash equivalents at beginning of period | 28 352 | 863 |
| G. Cash and cash equivalents at end of period (F + / - D), including: | 7 438 | 28 302 |
| - With limited use of their opportunities | 157 | 25 |

| RADPOL S.A. | 4th quarter cumulatively / 2008 period from 2008-01-01 to 2008-12-31 | 4th quarter cumulatively / 2007 period from 2007-01-01 to 2007-12-31 |
|---|--|--|
| I. Net profit (loss) | 6 808 | 6 802 |
| II. Total adjustments | 1 637 | 571 |
| 1. Depreciation | 2 575 | 1 385 |
| 2. (Profit) loss on foreign exchange differences | | 8 |
| 3. Interest and participation in profits (dividends) | 1 | 167 |
| 4. (Profit) loss from investment activities | (77) | 76 |
| 5. Change in reserves | 100 | (49) |
| 6. Change in inventories | (1 264) | (4 170) |
| 7. Change in receivables | 2 070 | (1 729) |
| 8. Change in current liabilities, except for loans and credit | (672) | 4 668 |
| 9. Change in accruals | (1 096) | 266 |
| 10. Other adjustments | | (51) |
| III. Net cash flows from operating activities (I + /-II) | 8 445 | 7 373 |
| I. Receipts | 135 | 103 |
| 1. Disposal of intangible and tangible fixed assets | 105 | 103 |
| 2. Other investment proceeds | 30 | |
| II. Expenditure | 32 592 | 14 338 |
| 1. Acquisition of intangible and tangible fixed assets | 25 689 | 14 338 |
| 2. For financial assets, including: | 6 838 | |
| a) in related | 6 838 | |
| - Acquisition of financial assets | 6 838 | |
| 3. Other capital expenditure | 65 | |
| III. Net cash flows from investing activities (I-II) | (32 457) | (14 235) |
| I. Receipts | 8 358 | 43 564 |
| 1. Net proceeds from the issuance of shares (share issue) and other equity instruments, and payments to capital | | 41 038 |
| 2. Loans | 2 550 | 1 484 |
| 3. Other financial revenue | 5 808 | 1 042 |
| II. Expenditure | 5 781 | 9 263 |
| 1. Acquisition of shares (shares) own | 1 859 | |
| 2. Dividends and other payments to owners | 3 593 | |
| 3. Repayment of loans | 328 | 8 991 |
| 4. Payment in respect of finance leases | | 69 |
| 5. Interest | 1 | 203 |
| III. Net cash flows from financing activities (I-II) | 2 577 | 34 301 |
| D. Total net cash flow (A. III + /-B.III + /-C.III) | (21 435) | 27 439 |
| E. Change in cash, including: | (21 436) | 27 432 |
| - Change in cash flows from exchange rate | (2) | 7 |
| F. Cash and cash equivalents at beginning of period | 28 302 | 863 |
| G. Cash and cash equivalents at end of period (F + / - D), including: | 6 867 | 28 302 |
| - With limited use of their opportunities | 137 | 25 |

7. ADDITIONAL INFORMATION

RADPOL S.A.

Consolidated quarterly financial report for the fourth quarter of 2008 of RADPOL S.A. have been prepared in accordance with International Financial Reporting Standards (IFRS). The items shown in the consolidated quarterly report shall be determined in accordance with the rules of valuation of assets and liabilities and the measurement of net income set out in the balance sheet date, while on a prudent basis and reflect the actual position of the Capital Group. In accordance with the applicable provisions of the third quarter of 2008, RADPOL S.A. draws up a consolidated report in accordance with International Accounting Standards, International Financial Reporting Standards and related interpretations announced by the European Commission Regulations. The consolidated financial statement includes data of the Company for the period from 01-01-2008 to 31-12-2008 and of the subsidiary from the date of takeover on the 31-12-2008. The selected financial data from the balance sheet, profit and loss account and cash flow have been converted from PLN into EUR according to:

- the assets and liabilities at the balance sheet on 31.12.2008 according to the exchange rates table 1254/A/NBP/2008 on 31.12.2008: 1 EUR = 4.1724,

- the individual items of the profit and loss account and cash flow for the period from 01.01.2008 to 31.12.2008 have been converted into EUR at the exchange rates announced by the NBP in the tables of courses: No 22/A/NBP/2008 of 31.01.2008, No 43/A/NBP/2008 of 29.02.2008, No 63/A/NBP / 2008 of 31.03.2008, No 85/A/NBP/2008 of 30.04.2008, No 105/A/NBP/2008 of 30.05.2008, No 126/A/NBP/2008 of 30.06.2008, No 149/A/NBP/2008 of 31.07.2008, No 169/A/NBP/2008 of 29.08.2008, No 191/A/NBP/2008 of 30.09.2008, No. 214 / A/NBP/2008 from the date of 31.10.2008, No 233/A/NBP/2008 of 28.11.2008, No 254/A/NBP/2008 of 31.12.2008. The arithmetic mean accounts to 42.3851: 12 = 3.5321.

In the fourth quarter of the year there has been no significant events having an impact on the estimates and, therefore, reserves and assets for deferred income taxes and depreciation on assets.

ELEKTROPORCELANA CIECHÓW S.A.

The financial statement for the fourth quarter of 2008 of ELEKTROPORCELANA CIECHÓW S.A. was prepared in accordance with the provisions of the Act of 24 September 1994 on Accounting (Consolidation Acts. Laws of 2002, No. 76, item. 694, with subsequent amendments), regulations to the Act, including provisions relating to public companies. Valuation of assets and liabilities of the balance sheet and the results of the measurement was made using the principles set out in the balance sheet date. In this period, the Company has not amended the rule (policy) of accounting, setting the value of assets and liabilities and the measurement of financial results.

As of 31.12.2008, the Company has made copies of:

1. Release of provisions for retirement - 21 712.86 PLN
2. Created for unused holidays - 15 894.18 PLN
3. Resolved the stock write-offs - 177 947.97 PLN

EURO exchange used to convert financial data:

- a) items of assets and liabilities at the balance sheet on 31.12.2008 shown on the title page on quarterly report have been converted into euro according to the exchange rates table 254/A/NBP/2008 of 31.12.2008: 1 EUR = 4.1724
- b) individual items of the profit and loss account and cash flow for the period from 01.01.2008 to 31.12.2008 have been converted into euro at the exchange rates announced by the NBP in the tables of courses: No 22/A/NBP/2008 of 31.01.2008, No 43/A/NBP/2008 of 29.02.2008, No 63/A/NBP/2008 of 31.03.2008, No 85/A/NBP/2008 of 30.04.2008, No. 105 / A/NBP/2008 from the date of 30.05.2008, No 126/A/NBP/2008 of 30.06.2008 nr149/A/NBP/2008 of 31.07.2008, No 169/A/NBP/2008 dated 29.08.2008 at the latest, No 191/A/NBP/2008 of 30.09.2008, No 214/A/NBP/2008 of 31.10.2008, No 233/A/NBP/2008 of 28.11.2008, No 254/A/NBP/2008 of 31.12.2008.

The arithmetic mean of 42.3851: 12 = 3.5321

8. OTHER INFORMATION

8.1.A brief description of the significant achievement or failures of the Capital Group over the period of the report, together with a list of the most important events concerning them

RADPOL S.A.

- a) As a result of its activities, the Company has developed revenue from sales of 7,047 thousand PLN in the fourth quarter and a net profit of 869 thousand PLN. Cumulative, after four quarters, a growth by 2.32%, a growth of EBITDA of 20.4% and net profit growth of 0.09% was noted. A small increase in net profit is the result of increased depreciation charges related to the completion of the investment firm, whose impact on revenue will be visible in the years 2009-2011.
- b) In addition, in the fourth quarter, the Company implemented projects from its own resources, including:
 - Construction of new lines for cross-linking products in continuous system. The value of investments at 31.12.2008 was worth 1,383 thousand PLN

- The purchase of a new hydraulic press for the production of connecting cables. The value of investments on 31.12.2008 was worth 123 thousand PLN
 - Launching new lines for pressing products at the Department of heat-shrinkable materials. The value of investments at 31.12.2008 was worth 565 thousand PLN
 - In December 2008, the Company has received a final payment amounting to 5,025 million as for project funding under the EU SPOWKP/2.2.1/1/22/155
 - In December 2008, two accelerators of the Company received unlimited permission to use from the National Atomic Energy Agency. The approval confirms the highest safety and quality standards met by the Company's accelerators.
 - In October, the Company officially launched the second accelerator, which is the crowning of 2-year investment program. As a result, the Company multiplied its capacity.
- c) The Company continues to work on accelerator station for cross-linking of heat-shrinkable products and related equipment and lines, which is co-financed by the Technological Loan Fund. The value of expenditures incurred for 31.12.2008 amounts to 14,595 thousand PLN
- d) The Company has consistently pursued a strategy of developing the product offering for energy sector, which, due to the need for infrastructure investment will be one of the drivers of sales growth. RADPOL S.A. thanks to implemented investments and acquisitions, wants to increase the scale of activity within the next few years by several times.

ELEKTROPORCELANA CIECHÓW S.A.

- a) In 2008, the Company improved its net profit by 212.38%, reaching 1,423 thousand PLN. The company has achieved such a good results in spite of the lower sale rates of 9.35%, which amounted to 16,584 thousand PLN. Dynamically increasing profitability is a result of restructuring process, extending the product offering of ceramic insulators with polymer, and the completion of repayment of the court. Reduced revenues are the result of restrictions on export sales of 14.9% i.e. 1,076 thousand PLN.
- b) The main objective of the Board of Elektroporcelana Ciechów S.A. is the expansion of the Company, increase of sales and market share enlargement of energy products.
- The Company plans to achieve this objective by developing its own unique and high-tech products with high margin. The Company's further strategy focuses on the offering for energy sector, including work on technologies of composite insulators, and the development of new long rod line porcelain insulators.

8.2. Description of factors and events, in particular of the unusual nature, that may have had a significant impact on the achieved financial results

During the reporting period there were no unusual events that would impact on the achieved result.

Due to the specifics of production based on the unique technologies in the national scale, highly specialized production process group successfully defends himself against the effects of deterioration in the economic downturn. The group is also taking a number of actions aimed at strengthening cooperation with key contractors and attract new markets. These actions, combined with the production capacity of products multiplication heat-shrinkable with the opening of the second accelerator should result in a significant increase in the scale of operations in subsequent quarters.

ELEKTROPORCELANA CIECHÓW S.A.

The financial statement of Elektroporcelana Ciechów SA for the first half of 2008 was reviewed by the auditor. As a result of the research, a comparability of the Company's accounting policies for subsidiary accounting rules of RADPOL S.A. was achieved. Therefore, it was necessary to create a subsidiary of the Company's reserves for the write-downs and employee turnover at the property affected the result of a reduction of 582 thousand PLN. In the fourth quarter of 2008, the Company fully repaid the obligations covered by the judicial system of 14 February 2001, which allowed it to charge in the amount of other operating income of 948.6 thousand PLN by 40% remission of debts repaid.

8.3. Guidance on the seasonality or cyclicity of the group in the period presented

The Capital Group is seasonal. The continuous expansion of the product offering has a positive effect on reducing this phenomenon. In the fourth quarter of 2008, the seasonality of sales did not differ significantly from the trends observed in the corresponding period last year.

8.4. Information concerning the issue, redemption and repayment of debt and equity securities

RADPOL S.A.

In the fourth quarter of 2008, the company RADPOL S.A. has not made any issue of shares, repayment of debt and equity securities. As of 07.07.2008, the Company began to acquire its own shares for their redemption in the program to repurchase its own shares. Details of the buy back program was made available to the public in a current report No 21/2008 on 07-07-2008.

Under the repurchase, the Company will acquire not more than 2,371,209 own shares for a total amount not exceeding 14,227,254.00 PLN. Acquired own shares will provide the right to do no more than 9.90% of the total number of votes at the General Meeting. Implementation of the buy back program will be completed no later than on 01.10.2009.

On 31-12-2008, the Company acquired a total of 350,328 own shares at an average price of 5.31 PLN per share, representing 1.46% of share capital and total votes at the General Meeting. On the day of quarterly report issue, RADPOL S.A. acquired a total of 379,556 own shares, representing 1.58% of share capital and giving a right to 379,556 votes at the General Meeting of RADPOL S.A. (1.58% of the total number of votes). The average price of all of its own shares purchased to date amounted to 5.35 PLN per share.

ELEKTROPORCELANA CIECHÓW S.A.

On 17 December 2008, the registration was made in the District Court for Wrocław - Fabryczna in Wrocław, VI Division NCR increase of the share capital amounts to 2,200,000.00 PLN by issuing 24,000 shares Series B, with a nominal value of PLN 50.00 each. All Series B shares have been acquired by RADPOL S.A. on the basis of Resolutions of the Supervisory Board of Elektroporcelana Ciechów S.A. No 1 dated 20 November 2008 and as a result, the share of the Issuer in the capital increased to 91.06%, and votes at the General Meeting to 94.22%.

In addition, in December 2008, the issuer bought 952 shares of common stock of the subsidiary from minor shareholders, therefore as of 31.12.2008 had a total of 93.23% of share capital and 95.62% of votes at the General Meeting. Until the issue of the report, the Issuer has acquired an additional 408 shares of minority shareholders of Elektroporcelana Ciechów S.A. and has a total of 41,428 shares representing 94.15% of the share capital and 96.22% of votes at the General Meeting.

Acquisition of shares Elektroporcelana Ciechów S.A. was financed from own resources of RADPOL S.A. from the public issue of shares series B and is a confirmation of the implementation of the planned issue of shares of RADPOL S.A. - acquisition.

8.5. Information on paid (or declared) dividends, total and per share, divided into ordinary shares and preference shares

RADPOL S.A.

On 24 April 2008, the Ordinary General Assembly has undertaken a Resolution No. 4 on distribution of profit for the year 2007. In accordance with a resolution, the net profit has been divided as follows:
- the amount of 3,619,218.90 PLN for the payment of dividends to shareholders, which is a 0.15 PLN per share
- the amount of 3,183,036.80 PLN to increase the Company's capital reserve.

Day of determining entitlement to a dividend was set on 20.06.2008, while the dividend was paid on 11.07.2008.

ELEKTROPORCELANA CIECHÓW S.A.

In 2008, the company did not pay dividends, nor declared its payment.

8.6. An indication of events that occurred after the date of issue of condensed quarterly financial statements, not included in this report, and which could significantly affect future financial results of the Group

Events of this nature do not occur at RADPOL S.A.

8.7. Information on changes in contingent liabilities or contingent assets that have occurred since the end of last year

RADPOL S.A.

In the fourth quarter of 2008, there was no change in contingent liabilities. The amount of liabilities of 6,996 thousand PLN consists predominantly of bills tabled in securing funding for the implementation of support. Promissory notes were valued at amounts of allocated funding.

ELEKTROPORCELANA CIECHÓW S.A.

Liabilities and assets did not occur during the reporting period.

8.8 Description of the Company, indicating the units subject to consolidation

RADPOL S.A. is the parent company to Elektroporcelana Ciechów. The company produces heat-shrinkable products and cable accessories. Specializes in the range of polyethylene-based refining equipment manufactured on the basis of its own unique blends of materials suitable for radiation treatment of cross-linking.

Elektroporcelana Ciechów S.A. is a subsidiary company to RADPOL S.A. He specializes in the manufacturing of porcelain electrical insulators, such as insulation medium and low voltage. In addition, the company offers electrical and lighting fixtures, including: fuse socket, porcelain holder and luminaires. Significant position in the range of products are also other porcelain tailor-made products.

As announced during the public offering, RADPOL S.A. intends to rapidly increase its share of important markets: heating and electricity and the purchase of shares Elektroporcelana Ciechów - a key energy producer in the professional segment - is the confirmation of such strategy.

The volume of employment in the Group is as follows:

| Name of the company | As of end of 2008 | As of end of 2007 | Dynamics |
|--------------------------------------|-------------------|-------------------|----------|
| RADPOL S.A. | 242 | 222 | 109,01% |
| ELEKTROPORCELANA CIECHÓW S.A. | 173 | 192 | 90,11% |
| Total | 415 | 414 | 100,25% |

8.9. The indication of the effects of changes in the structure of the enterprise, including business combinations, acquisitions or sales of units of group long-term investment, distribution, restructuring and discontinuing operations

Changes in the structure of RADPOL S.A. have been discussed in point. 8.4. In June 2008, RADPOL S.A. has signed a definitive agreement to buy 80.34% shares of Elektroporcelana Ciechów S.A. The inclusion of Elektroporcelana into the structure of RADPOL S.A. is the next step - after entering the stock market - towards the implementation of development strategies. The Executive Board is convinced that the cooperation of companies will contribute to increasing the competitiveness of products offered under the brand RADPOL. With the extension of the offer range of Elektroporcelana, RADPOL will provide customers a broader range of products and increase its market share power. As part of the development of the product offering for the professional energy, the company in the third quarter of 2008 has acquired, through Elektroporcelana Ciechów SA, license rights, technology, certification and authorization, and a line for the manufacture of ceramic insulators with polymer from a company Enecco Głogów. As a result of this investment - RADPOL S.A. acquired knowledge and experience of Enecco and therefore a status of the only European manufacturer of insulators with polymer-ceramic composite. This product will not only significantly increase the market share of RADPOL in energy sector, but on the basis of this, the company intends to introduce further innovative solutions on a global scale for overhead electricity transmission sits.

In the fourth quarter of 2008, after registration of the increase of share capital of Elektroporcelana Ciechów S.A. and after the redemption by RADPOL S.A. of small shareholders' shares of Elektroporcelana Ciechów S.A. (the events described in Section 8.4), RADPOL S.A. gained share in the capital of a subsidiary amounting to 93.23% and in the votes at the General Meeting of 95.62%. RADPOL S.A. intends to continue to actively restructure the subsidiary to bring its business to profitability in the amount of several percent of net profit.

8.10. The statement of the Executive Board regarding the possibility of achieving the results according to previously published forecasts for the year, in light of the results presented in the quarterly report in relation to the results projected

The issuer did not publish forecasts results for 2008.

8.11. An indication of shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the general meeting at the issuer's quarterly report issue date, together with an indication of the number of shares owned by these entities, their percentage share of capital, the number of votes resulting from and their percentage of the total number of votes at a general meeting and an indication of changes in ownership of large blocks of shares during the period from the previous quarterly report

As of quarterly report issue date, according to the information of the Company, the following shareholders of the Company shall have at least 5% of the total number of votes at the General Meeting of Shareholders:

| Name | Number of ordinary shares as of report for IV quarter of 2008 issue date | Number of votes as of report for IV quarter of 2008 issue date | % of votes at the General Meeting and % share of the share capital as of report for IV quarter of 2008 issue date |
|--|--|--|---|
| TAR HEEL CAPITAL R LLC | 5 407 385 | 5 407 385 | 22,58 |
| Grzegorz J. Bielowski | 3 031 572 | 3 031 572 | 12,66 |
| Marcin Wysocki | 3 031 572 | 3 031 572 | 12,66 |
| ING Nationale-Nederlanden OFE | 1 814 854 | 1 814 854 | 7,58 |
| Aviva Investors Poland S.A. (formerly Commercial Union Investment Management (Poland) S.A.) | 1 536 936 | 1 536 936 | 6,42 |
| BZ WBK AIB AM, including BZ WBK AIB TFI | 1 315 000 | 1 315 000 | 5,49 |
| Commercial Union Specialized Open | 1 228 528 | 1 228 528 | 5,13 |

| Investment Fund | | | |
|-----------------|--|--|--|
|-----------------|--|--|--|

All shares issued by the RADPOL S.A. are ordinary bearer shares.

On 19 November 2008, the Company has received from Aviva Investors Poland SA information on the fact that "Commercial Union Investment Funds Specialist Open" together with the Fund "Commercial Union Investment Funds Open" (the funds) had exceeded the level of involvement of 5% of the total number of votes at the general meeting of RADPOL S.A.. As of 14 November 2008, Investment funds have a total of 1 536 936 shares of the Issuer, representing 6.42% of share capital of RADPOL S.A. and an entitlement to 1 536 936 votes (6.42% of the total number of votes) at the general meeting of the Company.

Prior to the above mentioned change, the investment funds together had 357 515 shares of RADPOL S.A., representing 1.49% of share capital and entitling the Issuer to 357 515 votes (1.49% of the total number of votes) at the general meeting of the Company.

Notwithstanding the foregoing, Aviva Investors Poland S.A. indicates that the involvement of the total number of votes at the general meeting of the Company at all of its managed portfolios of securities, of which as manager on behalf of clients may exercise the right to vote, remained unchanged, and still stands at more than 5% of the total number of votes.

On 2 January 2009, RADPOL S.A. received an information from Aviva Investors Poland SA on the fund "Commercial Union Investment Funds Specialist Open Sub fund CU" exceeding the level of involvement of 5% of the total number of votes at the general meeting of RADPOL S.A.. As a result of transactions of 22 December 2008 (settled on 30 December 2008) - purchasing shares of RADPOL SA. The Fund has a 1 228 528 shares of the Issuer, representing 5.13% of share capital RADPOL S.A. and an entitlement to 1 228 528 votes (5.13% of the total number of votes) at the general meeting of the Company.

Prior to the above mentioned change, the Fund had 1 192 278 shares of RADPOL S.A., representing 4.98% of share capital and entitling the Issuer to 1 192 278 votes (4.98% of the total number of votes) at the general meeting of the Company.

Notwithstanding the foregoing, Aviva Investors Poland SA indicates that the involvement of the total number of votes at the general meeting of the Company at all of its managed portfolios of securities, of which as manager on behalf of clients may exercise the right to vote, remained unchanged, and still stands at more than 5% of the total number of votes.

On 19 December 2008 and 20 January 2009, the Company has received information of the acquisition by the "TAR HEEL CAPITAL R, LLC" – an entity closely related to a Member of the Supervisory Board of the Issuer, 5 900 shares, representing 0.03% of share capital of RADPOL S.A. and certificates for the 5 900 votes (0.03% of the total number of votes) at the general meeting of the Company (CR CR No 40/2008 and No 3 / 2009).

Prior to the above mentioned change, the shareholder owned 5 401 485 shares of RADPOL S.A., representing 22.55% of share capital and entitling the Issuer to 5 401 485 votes (22.55% of the total number of votes) at the general meeting of the Company.

Mr. Grzegorz J. Bielowski under powers of attorney granted by TAR HEEL CAPITAL LLC and Mr. Gabriel Wroblewski and the acquisition of shares RADPOL S.A. by an entity controlled by him ("TAR HEEL CAPITAL Limited company" Limited Partnership, based in Warsaw) is entitled to vote from shares of those persons, resulting in a total of:

- Number of shares 8,726,807
- Number of votes 8,726,807
- Share capital 36.44%
- Total number of votes 36.44%

8.12. Statement of changes in the holding of the issuer's shares or rights to them (options) for those managing and supervising the issuer, according to information held by the issuer during the period from the previous quarterly report

Board

| Name | number of ordinary shares as of issue date of report for III quarter | number of shares purchased as of issue date of report for IV quarter | number of shares sold as of issue date of report for IV quarter | number of ordinary shares as of issue date of report for IV quarter |
|-------------------------|--|--|---|---|
| Andrzej Sielski | 182 203 | | | 182 203 |
| Grzegorz Malczyk | 182 203 | | | 182 203 |

Supervisory Board

| Name | number of ordinary shares as of issue date of report for III quarter | number of shares purchased as of issue date of report for IV quarter | number of shares sold as of issue date of report for IV quarter | number of ordinary shares as of issue date of report for IV quarter |
|------------------------------|--|--|---|---|
| Grzegorz J. Bielowski | 3 031 572 | | | 3 031 572 |
| Tomasz Firczyk | 1 000 | | | 1 000 |

From the date of the issue of quarterly report for III quarter of 2008, the Company controlled by Mr. Gregory J. Bielowski, "TAR HEEL CAPITAL Limited company" Limited Partnership, based in Warsaw, acquired on 27-11-2008 1,650 shares at

an average share price of 6 14 PLN per share with a total value of 10,131.20 PLN (this information was submitted report No 39/2008 of 05-12-2008).

8.13. Indication of the proceedings pending before the court, the authority responsible for arbitration or a public authority, including information on

- a) proceedings relating to liabilities or claims the issuer or its subsidiary entities, the value of which represents at least 10% of the equity capital to the issuer, the identity: an investigation, the value of the claim, the date of initiation of proceedings, the parties initiated the proceedings and the issuer's position,
- b) two or more proceedings regarding the liabilities and receivables, which represents the total value of at least 10% equity of the issuer, stating the total value of the group separately in the claims and liabilities, together with the position of the issuer in this case and, for most of the group commitment and group claims - an indication of their subject matter, amount in dispute, the date of initiation of proceedings and the parties that initiated the proceedings;

Such proceedings were not conducted.

8.14. Information about the conclusion of the issuer or its subsidiary body of one or more transactions with related parties, if the value of the transaction (the aggregate value of all transactions concluded during the period from the beginning of the year) exceeds the equivalent of gold expressed in the amount of 500,000 EUR - if they are not typical transactions and routine, concluded in market conditions between related parties and the nature and conditions resulting from the current operating activities, carried out by an issuer or its subsidiaries, except for transactions by an issuer that is associated with a fund, together with an indication of their total value, and, in relation to the contract with the highest value, the presentation of the information about:

- a) the entity with which the transaction was concluded,
- b) the relationship between the issuer or its subsidiary entities of the entity that is party to a transaction
- c) the transaction
- d) the relevant transactions, with particular emphasis on the financial conditions and an indication by the parties set out specific conditions, specific to this contract, in particular different from the commonly used terms for the type of contracts;

Such transactions were not completed during the period covered by such report.

8.15. Information about a loan granted by the issuer or by a subsidiary or a loan guarantee or grant guarantees - including a single entity or a subsidiary of the entity if the aggregate value of the existing guarantee or warranty is equivalent to at least 10% equity issuer, specifying:

- a) name of entity (company) to which guarantees or warranties were given,
- b) the total amount of credits or loans, wholly or in part have been referred to or backed or guaranteed
- c) the period for which guarantees or warranties were given,
- d) the financial conditions under which a guarantee has been granted, identifying the issuer or the entity pay its subsidiary for the granting of guarantees
- e) the nature of the relationship existing between the issuer and subject, which enlisted the loan or loans;

Guarantees and warranties of the value were not granted.

8.16. Other information that in the opinion of the issuer are relevant for the assessment of the circumstances of employment, property, financial, financial results and their changes, and information that are relevant to assess the feasibility of the implementation of the obligations of the issuer

There are no significant factors.

RADPOL S.A., in accordance with its development strategy, is rapidly increasing scale of activities, i.a. by multiplying the potential for production as a result of investment in fixed assets exceeding 50 million in the last 24 months - running second accelerator, a comprehensive modernization of the plant and production lines. Due to the expansion of productive capacity and steadily increasing interest in the products, RADPOL S.A. systematically increases the Company's personnel. The dynamic development of RADPOL S.A. - expansion of the product offering and expansion on new markets - is progressing fast and is bringing results expected by the Board and shareholders. Moreover, in the long run, the company plans to benefit from increase of production capacity. On the 23 October 2008 RADPOL S.A. officially launched a new electron accelerator by more than 2-fold greater power than the one, that has been used by the company for over 25 years. In the III quarter, RADPOL S.A. acquired through Elektroporcelana Ciechów SA, from a company Enecco Głogów license rights, technology, certification and authorization, and a line for the manufacture of ceramic insulators with polymer. Polymer-ceramic insulators used in overhead transmission networks to the unique products because of their physical properties and production processes significantly more efficient than that of conventional products. Based on acquired technology, RADPOL S.A. intends to further increase its offer based on its own R & D that will allow the Company to introduce innovative solutions to the world's energy market.

Market surveys show that there are new market segments, such as: Radiation treatment of foods, cross-linking of polymeric pipes for hot water and sterilization of raw materials for the manufacture of pharmaceuticals, which RADPOL S.A. is likely

to enter with its product range, expanding the portfolio of existing customers. An important factor in the Company's sales growth will also be exploration of new market segments for use of heat-shrinkable devices in gas, coal mines, copper mines, and automotive electronics.

The company is actively looking for acquisitions that may substantially affect the performance of its financial results both at the level of consolidation and market-product synergies. The Company intends to finance the acquisition from its own resources and bank loans. Executive Board assesses the current capacity of the company at around 40 million PLN.

8.17. Information concerning the revenues and the results per individual business or geographical segments, as determined in accordance with IAS, depending on which division is the division of the primary segments

The activities of the Group is divided into the following segments:

a) business segments:

- Cable accessories segment - includes products from non-ferrous metals (aluminum and copper), mainly connectors and cable ends - intended to connect and end pipes, fixtures and clamps, cable, cable glands - for mounting and sealing pipes and electricity cables.
- Heat-shrinkable accessories segment - the segment that includes heat-shrinkable products (refined products made from polyethylene; adopting the shape of the object, that is shrank. The insulation and sealing products, which are widely used in power generation, automotive, electronics, telecommunications, household appliances, rail, aviation, construction, mining, shipbuilding, and heating).
- Segment of conductors of electricity - the segment that includes hoses for veins type: Ohms, OMYp, O ye LgY.
- Segment of porcelain electrical - produced assortment includes: insulators and power and lighting products

b) Geographical Segment:

- Domestic sales
- Export sales

Using the criterion of division into segments, was inspired by an internal organizational structure and the Group's financial reporting system, which allows you to specify the types of risk and return on the investments involved. For the complementary distribution of the activities of the Group, the geographical division into segments using geographic location of customers was adopted.

| Trade branches (in thousands PLN) | Cable accessories for 4 quarters | | Heat-shrinkable accessories for 4 quarters | | Power cables for 4 quarters | | Porcelain electrical products for 4 quarters | | Total for 4 quarters | |
|-----------------------------------|----------------------------------|-------|--|--------|-----------------------------|-------|--|--------|----------------------|--------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Revenues from sales | | | | | | | | | | |
| Sales outside | 8 553 | 7 848 | 19 636 | 19 336 | 7 881 | 7 996 | 16 396 | 18 189 | 52 466 | 53 369 |
| Sales between segments | | | | | | | | | | |
| Gross sales | 3 416 | 3 220 | 10 692 | 11 894 | 1 360 | 2 179 | 6 440 | 7 391 | 21 908 | 26 684 |

| Geographical Segments (in thousands PLN) | Domestic sales for 4 quarters | | Export sales for 4 quarters | | Total for 4 quarters | |
|--|-------------------------------|--------|-----------------------------|-------|----------------------|--------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Revenues from sales | 36 655 | 29 256 | 7 816 | 5 924 | 44 471 | 35 180 |
| Gross sales | 15 769 | 14 077 | 3 388 | 3 216 | 19 157 | 17 293 |

8.18. An indication of factors which in the assessment of the issuer will have an impact on the results achieved by it in perspective, at least the next quarter

Priority of the Board of RADPOL S.A. are primarily investments in new technologies with a view to extending the range of the company and thus competitiveness in the Polish market and abroad. The company has two industrial accelerators which are the only devices of this type in Poland.

The Executive Board of RADPOL S.A. is convinced of the innovative products and solutions, and therefore actively reports requests for funding of projects and intends to continue to invest in rapidly developing technology and fixed assets to improve the market position of the Company.

Further investments in the modernization of the production plant are planned, such as termomodernization. As a result of that activity, RADPOL S.A. will use thermal energy from production machinery to heat the plant. This will allow the savings of about 200-300 thousand PLN per year. RADPOL S.A. plans to carry out further acquisitions which will extend its offer for the wider range of energy market.

Vice President Grzegorz Malczyk

RADPOL S.A.

Extended consolidated quarterly report for the IV quarter of 2008

Chairman of the Board Andrzej Sielski

Człuchów, 02-03-2009