

HLB SARNOWSKI & WIŚNIEWSKI

**RADPOL SA
UL. BATOREGO 14
77-300 CZŁUCHÓW**

**INDEPENDENT AUDITOR'S REPORT REVIEWING
CONDENSED CONSOLIDATED HALF-YEARLY FINANCIAL
STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2009
AND CONDENSED CONSOLIDATED UNITARY HALF-YEARLY
FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1 JANUARY TO 30 JUNE 2009**

INDEPENDENT AUDITOR'S REPORT REVIEWING CONDENSED CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2009 AND CONDENSED CONSOLIDATED UNITARY HALF-YEARLY FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY TO 30 JUNE 2009

To the General Meeting, the Supervisory Board and Board of Directors of RADPOL SA:

We have conducted a review of the consolidated financial statements of RADPOL SA Capital Group (Capital Group) and condensed consolidated half-yearly financial statements of RADPOL SA (The Company), based in Czulchów, ul. Batorego 14, prepared in accordance with International Accounting Standards / International Financial Reporting Standards.

Condensed consolidated financial statements of the Capital Group include:

- Condensed consolidated half-yearly financial statements prepared on 30 June 2009, which assets and liabilities amount to 83 230 thousand PLN,
- Condensed consolidated half-yearly profit and loss account for the period from 1 January 2009 to 30 June 2009 showing a net profit of 2 734 thousand PLN,
- Condensed consolidated half-yearly income sheet for the period from 1 January 2009 to 30 June 2009 showing a total income in the amount of 2 730 thousand PLN,
- Condensed consolidated half-yearly statement of changes in equity for the period from 1 January 2009 to 30 June 2009 showing a decrease in equity by the amount of 1 357 thousand PLN,
- Condensed consolidated half-yearly statement of cash flows for the period from 1 January 2009 to 30 June 2009 showing a decrease in cash flow during the financial year in an amount of 6 783 thousand PLN,
- Selected explanatory information

Condensed consolidated half-yearly statements of the Company comprises of:

- Condensed consolidated unitary half-yearly statements of the financial position as at 30 June 2009, which assets and liabilities amounts to 73 113 thousand PLN,
- Condensed consolidated unitary half-yearly profit and loss account for the period from 1 January 2009 to 30 June 2009 showing a net profit of 1 772 thousand PLN,
- Condensed consolidated unitary half-yearly income statements for the period from 1 January 2009 to 30 June 2009 showing a total income in the total amount of 1 772 thousand PLN,
- Condensed consolidated unitary half-yearly summary report on the changes in equity for the period from 1 January 2009 to 30 June 2009 showing a decrease in equity by the amount of 2 121 thousand PLN,
- Condensed consolidated unitary half-yearly financial statements of cash flows for the period from 1 January 2009 to 30 June 2009 showing a decrease in cash during the financial year in an amount of 6 374 thousand PLN,
- Selected explanatory information

For preparing the condensed consolidated half-yearly financial statements and the condensed consolidated unitary half-yearly statements Management Unit of our company was responsible. Our task was to review these accounts and draw the report of the review on its basis.

Overview was conducted in accordance with applicable Polish laws and standards of auditing issued by the National Council of Statutory Auditors.

These provisions require that we plan and perform the required review in such a way as to obtain reasonable assurance that the condensed consolidated half-yearly financial statements and the Condensed consolidated unitary half-yearly financial statements to contain no misstatement material.

Condensed consolidated half-yearly financial statements was primarily accomplished through validation applied to accounting principles and data analysis; condensed consolidated unitary half-yearly financial statements through access to the accounts and the use of information obtained from the Board and staff responsible for finance and accounting of the company.

Scope and method of review of financial statements differs from the studies forming the basis of opinions about the reliability, accuracy and clarity of financial statements, and therefore we can not give any opinion on the attached condensed consolidated half-yearly report and a condensed consolidated unitary half-yearly separate financial statements.

The accomplished review did not demonstrate the need to make significant changes in the summary, the condensed consolidated half-yearly financial statements or condensed consolidated unitary half-yearly financial statements that should provide fair and clear overview of the financial position of RADPOL SA Capital Group and RADPOL SA on 30 June 2009 and its financial results for the period from 1 January to 30 June 2009 in accordance with International Accounting Standards / International Financial Reporting Standards and related interpretations announced in the form of implementing regulations of the European Commission, as well as the Ordinance of the Minister of Finance on current and periodic information disclosed by issuers of securities and the conditions for recognition as equivalent to the information required by the laws of a non - Member States of 19 February 2009 (OJ L, of 2009 No. 33, item. 259).

We would also like to draw attention to the fact that with effect from 1 January 2009 the Company changed the valuation principles for work in progress. In accordance with IAS 8, a change in accounting policy shall be applied retrospectively by adjusting the opening balance of each component of equity, where the change concerns, and reveals other comparative data for each period as if the amended accounting policy has always been applied. The company did not correct the position of the financial statements and did not disclose the comparative data of each period, posting only a description of the notes on the change in accounting policy. Taking into account changes in valuation would increase the value of stocks on 1 January 2008 on the amount of 213 thousand PLN and at 31 December 2008 an amount of 982 thousand PLN. An adjustment would increase the financial results of previous years, taking into account the income tax on the amount of 795 thousand PLN and increasing cost of products sold by the same amount in the current period. None of the preceding adjustments will not affect the value of equity at 30 June 2009.

We have read the report on the activities of RADPOL SA Capital Group for the period from 1 January to 30 June 2009. We concluded that the information included in it are correct.

HLB Sarnowski & Wiśniewski Sp. z oo
61-478 Poznań, ul. Błuszczowa 7

The entity authorized to audit financial statements included on the list of entitled entities run by KIBR, under registration number 2917.

Joanna Mancastroppa
Auditor
Number 11429

Przemysław Biniak
Board Member
Auditor
Number 9785

Poznań, 20 August 2009