

Report
of 15 June 2009
of the Supervisory Board of NG2 S.A.
on the Results of Evaluation of Individual and Consolidated Financial Statements
for the 2008 Financial Year, the Management Board's Report on Business Activities of
NG2 S.A. and the NG2 Group
and the Management Board's Proposal as to the Division of Profit
for the Period from 1 January 2008 to 31 December 2008

This report was made pursuant to Article 382 paragraph 3 and 395 paragraph 2 of the Commercial Companies Code, paragraph 16 article 2 item 2 of the Articles of Association of S.A. and the Good Practices of WSE-Listed Companies – Attachment to the Resolution No. 12/1170/2007 of the Stock Exchange Council of 4 July 2007.

The Company's report was prepared by reliance on:

- 1) Financial statements of NG2 S.A. and the Management Board's Report on Business Activities of the Company for 2008;
- 2) Financial statements of NG2 Group and the Management Board's Report on Business Activities of the NG2 Group for 2008;
- 3) Audit opinions and audit reports regarding the individual and consolidated financial statements of the Company for 2008 made by statutory auditors – BDO Numerica S.A., Warsaw, ul. Postępu 12, represented by the following auditor:
- Leszek Kramarczuk, Reg. No. 1920/289;
- 4) Management Board's proposal as to the division of profit for 2008.

The Supervisory Board read the audit opinion and audit report regarding both individual and consolidated financial statements, and also carried out the business and financial analysis of the Company's operations. Statutory auditors representing BDO Numerica S.A. issued a positive opinion on the 2008 financial statements submitted to them, finding them prepared in conformity, in all material aspects, with the principles of accounting defined in the International Accounting Standards, the International Financial Reporting Standards and associated interpretations, on the basis of correct books of account.

The form and contents of the statements are consistent with the applicable regulations and give a fair and true view of all information of material importance for assessment of net assets and financial situation of NG2 S.A. and the NG2 Group as at 31 December 2008.

The Management Board's Report on Business Activities of NG2 S.A. in 2008 and the Report on Business Activities of the NG2 Group should be deemed complete. Those reports give a clear picture of the whole year of operations of both the Company and the NG2 Group. Those reports were made in conformity with the books and documents of the Company and the facts, and contain necessary synthetic information about the functioning of NG2 S.A. and the Group.

During the financial period from 1 January 2008 to 31 December 2008, NG2 S.A. recorded the growth in sales revenue by 41% and, at the same time, the increase of operating expenses by 37.1%. Since revenue grew faster than expenses, the sales result of the Company in 2008 was 66% better than the 2007 result. The net profit generated by the Company in 2008 was 137.8% higher than the 2007 profit.

In 2008, the NG2 Group generated sales revenue which was higher by 41.2% in relation to 2007 revenue. During that period, operating expenses grew by 37% and, hence, the sales result was 59.1% higher than in the preceding year.

In its summary of the previous year, the Supervisory Board found that trade and marketing efforts made by NG2 S.A. produced good business results which lead to the strengthening of the position of the Company and the entire Group in the financial and business markets, and to the growth in value of its assets.

The Company has consistently pursued its strategy of expansion and development of its own stores which – combined with the high profitability and high growth rate of revenue – assure the stability of the Company in the period of economic slowdown.

For the sake of ensuring the further stable development of the Company, the Supervisory Board finds that the adopted directions of development are suitable and have been successively pursued by the Management Board.

The business and financial results generated and presented in the statements and reports, and their analysis by the Supervisory Board support a positive assessment of the operations of the Company during 2008 and permit a very good assessment of work of its Management Board.

Following the analysis of 2008 statements, reports and results of NG2 S.A. and the NG2 Group, the Supervisory Board, acting in the spirit of the Good Practices of WSE-Listed

Companies, makes a positive assessment of the Company's operations in 2008 and its financial situation in the period from 1 January 2008 to 31 December 2008.

The Supervisory Board believes that there is no threat to the going concern of either NG2 S.A. or the Group, and that efforts made by them can guarantee the continued development of the Company in the future.

The Supervisory Board accepts the proposal, as put forward by the Management Board, concerning the division of 2008 profit, and the individual and consolidated financial statements for 2008, and applies to the General Meeting for approval of the aforementioned documents.

In view of the foregoing, after making its assessment during the meeting, the Supervisory Board decides to propose that the Ordinary General Meeting should pass the following resolutions:

1. To approve the annual financial statements and the Management Board's Report on Business Activities of NG2;
2. To approve the financial statements and the Management Board's Report on Business Activities of the NG2 Group for the 2008 financial year;
3. To approve the Management Board's proposal as to the payment of loss incurred in previous years, and to transfer the revaluation reserve to the spare capital;
4. To divide the profit generated in 2008; and
5. To discharge the Management Board of the Company from fulfilment of its duties in 2008.

Chairperson of Supervisory Board

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(Henryk Chojnacki)