EUROCASH

CONSOLIDATED QUARTERLY REPORT

3rd QUARTER 2008

CONTENTS:

TRANSLATORS' EXPLANATORY NOTE
The following document is a free translation of the report of the above-mentioned Polish Company.
In the event of any discrepancy in interpreting the terminology, the Polish version is binding.

Management discussion of the financial results for the 3Q 2008

1. Eurocash: Key financial and operational highlights in 3Q 2008

Below we present the key financial and operational highlights fro the Eurocash Group separately for Eurocash Discount Cash&Carry, Delikatesy Centrum Distribution Centers, KDWT and McLane Polska (further referred to as “McLane”).

Eurocas Discount Cash&Carry stores:

- In 3Q 2008 sales of Eurocash Discount Cash&Carry stores amounted to PLN 719.21m and increased by 23.75% comparing with 3Q 2007. In 3Q YTD 2008 total sales amounted to PLN 1 899.44m comparing with PLN 1 560.23m in 3Q YTD 2007 and increased by 21,74%.
- LFL sales growth (same number of stores) in Eurocash Discount Cash&Carry stores in 3Q 2008 amounted to 9.20%. For the period of 3Q YTD 2008, 2007, 2006 and 2005 LFL sales growth in Eurocash Discount Cash&Carry stores amounted to 13.70%, 10.00%, 5.70% and 6.50%.
- Without categories of tobacco and phone cards, the LFL sales growth in Cash&Carry stores in 3Q 2008 amounted to 10.60%. In 3Q YTD in 2008, 2007, 2006 and 2005 the LFL growth amounted respectively 15.50%, 11.93%, 4.60% and 3.70%.
- Number of Eurocash Discount Cash&Carry stores amounted to 107 at the end of 3Q 2008.
- Number of abc stores amounted to 2 684 at the end of 3Q 2008.
- In 3Q 2008 share of abc stores in total sales of Discount Cash & Carry stores amounted to 43.70%.
- Sales to abc shops in 3Q 2008 increased by 13,59% comparing with 3Q 2007.

Delikatesy Centrum Distribution Centers:

- Wholesale sales realized by "Delikatesy Centrum" Distribution Centers in 3Q 2008 of amounted to PLN 187,02m, and increased by 37.14% comparing with 3Q 2007. In 3Q YTD 2008 totals sales amounted to PLN 491,28m and increased 40.79%.
- LFL growth of wholesale sales realized by Eurocash to "Delikatesy Centrum" franchise stores in 3Q 2008 amounted to 10.10%. LFL growth of wholesale sales for 3Q YTD 2008 amounted 13.90%.
- LFL growth of the retail sales of "Delikatesy Centrum" franchise stores in 3Q 2008 amounted to 16.14%. LFL growth of the retail sales for 3Q YTD 2008 amounted 17.67%.
- Number of “Delikatesy Centrum” franchise stores at the end of 3Q 2008 amounted to 344.

KDWT:

- In 3Q 2008 sales of KDWT amounted to PLN 689,60m, comparing with PLN 614,31m in 3Q 2007, what means growth by 12.25%. In 3Q YTD 2008 totals sales amounted to PLN 1 902,64m comparing with PLN 1 653,39m 3Q YTD 2007 and increased by 15,08%.
- Growth of sales in food category in 3Q 2008 amounted to 45,89% comparing with the same period 2007. Sales growth in this category in 3Q YTD 2008 amounted to 67,93%.
- In terms of volume, sales of cigarettes in 3Q 2008, amounted to 2.014m pcs.
- Number of KDWT branches as of the end of 3Q 2008 amounted to 84 plus 3 distribution centers

McLane Polska:

- Acquisition of McLane Polska was accomplished on 17th April 2008. The results of McLane Polska are consolidated in the Eurocash Group results since 30th April 2008.
- McLane Polska added PLN 248.76m to 3Q 2008 Eurocash Group results.
- Sales of McLane Polska in 3Q YTD 2008 amounted to PLN 766,66m and increased by 3.60% YoY.

Eurocash Group

Profit & loss account

Table 1 Eurocash Group: Summary of consolidated financial results for 3Q 2008

mln zł	3Q 2008	3Q 2007	Change 3Q 2008/ 3Q 2007
Sales revenues (traded goods, materials)	1 733,29	1 293,61	33,99%
Sales in Discount Cash & Carry stores	719,21	581,19	23,75%
Sales of "Delikatesy Centrum" Distribution Centers	187,02	136,37	37,14%
Sales in KDWT	689,60	614,31	12,25%
*Sales in McLane Polska**	248,76	n.d	
Other	11,89	8,06	47,54%
Exclusions and consolidation adjustments	(123,19)	(46,32)	165,95%
Gross profit/(loss) on sales	152,69	110,37	38,34%
Gross profitability on sales %)	8,81%	8,53%	0,28 p.p.
EBITDA	41,37	33,07	25,13%
(EBITDA margin %)	2,39%	2,56%	-0,17 p.p.
EBIT	29,97	23,90	25,41%
(EBIT margin%)	1,73%	1,85%	-0,12 p.p.
Gross profit	21,83	22,50	-2,97%
Net income	18,88	18,09	4,37%
Net profitability %	1,09%	1,40%	-0,31 p.p.

Table 2 Eurocash Group: Summary of consolidated financial results for 3Q YTD 2008

mln zł	3Q YTD 2008	3Q YTD 2007	Change 3Q YTD 2008/ 3Q YTD 2007
Sales revenues (traded goods, materials)	4 529,12	3 452,80	31,17%
Sales in Discount Cash & Carry stores	1 899,44	1 560,23	21,74%
Sales of "Delikatesy Centrum" Distribution Centers	491,28	348,95	40,79%
Sales in KDWT	1 902,64	1 653,39	15,08%
*Sales in McLane Polska**	427,75	n.d	
Other	31,51	22,32	41,20%
Exclusions and consolidation adjustments	(223,51)	(132,08)	69,21%
Gross profit/(loss) on sales	400,55	297,42	34,67%
Gross profitability on sales %)	8,84%	8,61%	0,23 p.p
EBITDA	105,25	81,25	29,54%
(EBITDA margin %)	2,32%	2,35%	-0,03 p.p.
EBIT	74,26	54,59	36,03%
(EBIT margin%)	1,64%	1,58%	0,06 p.p.
Gross profit	63,03	49,10	28,36%
Net income	51,15	39,26	30,29%
Net profitability %	1,13%	1,14%	-0,01 p.p.

**Sales of McLane Polska consolidated by Eurocash - from 30.04.2008 to 30.09.2008*

Consolidated sales of Eurocash Group in 3Q 2008 increased by 33.99% YoY. Such result was mainly attributable to acquisition of McLane Polska and strong organic growth in all business units. Gross margin on sales increased by 28 bps to 8.81%. The EBITDA margin in 3Q 2008 amounted to 2.39%. In 3Q 2008 EBITDA increased by 25.13% to PLN 41.37m. Net profit amounted to PLN 18.88m, 4.37% higher than in 3Q 2007.

In the 3Q YTD 2008 the blended gross margin of the Eurocash Group amounted to 8.84%, 23 bps higher than in 3Q YTD 2007. The consolidated EBITDA for 3Q YTD 2008 amounted to PLN 105.25m and net profit to PLN 51.15m.

In 3Q 2008 Eurocash booked one-off financial costs related to not realized exchange rate differences on part of payment for shares in McLane Polska (USD 21m), which was due on 17.October 2008. The PLN/USD exchange rate used by Eurocash to settle the transaction, at the date of acquisition of McLane Polska shares (17.April 2008) amounted to 2.1510 PLN/USD. As of 30. September 2008 the PLN/USD exchange rate amounted to 2.3708 PLN/USD, what resulted that not realized exchange rate differences on the due payment amounted to PLN 4 615 800 at 30 September 2008.

Because of this, out of the total financial costs in 3Q 2008 in amount of PLN 7 897 808, costs related to the exchange rate differences amounted to PLN 4 615 800 and the remaining financial costs amounted to PLN 3 282 008.

The Eurocash Group results have been also significantly influenced by costs of the stock-option programs for Eurocash Group employees and stock option programs related to acquisition of KDWT and Delikatesy Centrum. The total cost of the stock-option programs accounted in 3Q 2008 amounted to PLN 1.43 million and PLN 4.29 in 3Q YTD 2008.

Cash flow

Table 3 Eurocash Group: Consolidated cash flow for 3Q 2008

PLN million	3Q 2008	3Q 2007
Operating cash flow	17,33	2,34
Gross profit (loss)	*21,83*	*22,50*
Depreciation	*11,40*	*9,17*
Change in working capital	*(14,24)*	*(27,04)*
Other	*(1,66)*	*(2,28)*
Cash flow from investments	(18,34)	(22,34)
Cash flow from financing activities	(74,51)	5,50
Total cash flow	(75,52)	(14,49)

Table 4 Eurocash Group: Consolidated cash flow for 3Q YTD 2008

PLN million	3Q YTD 2008	3Q YTD 2008
Operating cash flow	171,06	69,43
Gross profit (loss)	63,03	49,10
Depreciation	30,99	26,66
Change in working capital	87,59	4,56
Other	(10,56)	(10,89)
Cash flow from investments	(145,21)	(45,50)
Cash flow from financing activities	(73,76)	(17,10)
Total cash flow	(47,91)	6,83

Total cash flow of Eurocash Group in 3Q YTD 2008 amounted to PLN -47.91 million, mainly due to investments and negative financial cash flow in 3Q 2008.

Working capital

Table 5 Eurocash Group: Consolidated working capital ratios flow for 3Q 2008

Turnover in days	**3Q 2008**	**3Q 2007**
1. Inventories turnover	17,51	17,51
2. Trade receivables turnover	15,23	14,00
3. Trade liabilities turnover	37,82	32,63
4. Operating cycle (1+2)	32,73	31,51
5. Cash conversion (4-3)	(5,09)	(1,12)

Table 6 Eurocash Group: Consolidated working capital ratios flow for 3Q YTD 2008

Turnover in days	**3Q YTD 2008**	**3Q YTD 2007.**
1. Inventories turnover	19,95	19,46
2. Trade receivables turnover	17,36	15,57
3. Trade liabilities turnover	43,11	36,30
4. Operating cycle (1+2)	37,31	35,03
5. Cash conversion (4-3)	(5,80)	(1,27)

Eurocash Group managed to improve the cash conversion cycle in 3Q 2008 as well as in the 3Q YTD 2008 to respectively negative 5.1 and 5.8 days.

Balance sheet

The volume of fixed and current assets, equity, liabilities and provisions for liabilities, as well as their share in the total value of assets is presented in the table below:

Table 7 Eurocash Group: Selected consolidated balance sheet items

PLN million	30.09.2008		30.06.2008		30.09.2007	
Fixed assets	369,83	33,17%	363,76	30,58%	277,11	35,45%
Current assets	745,14	66,83%	825,62	69,42%	504,59	64,55%
Total assets	1 114,97	100,00%	1 189,38	100,00%	781,70	100,00%
Equity	252,57	22,65%	231,98	19,50%	211,59	27,07%
Liabilities and provisions	862,40	77,35%	957,41	80,50%	570,12	72,93%
Total liabilities and equity	1 114,97	100,00%	1 189,38	100,00%	781,70	100,00%

Eurocash S.A.

Profit & loss account

Table 8 Eurocash S.A.: Summary of financial results for 3Q 2008

PLN million	3Q 2008	3Q 2007	change 3Q 2008 / 3Q 2007
Sales revenues	906,24	717,56	26,29%
Sales in Discount Cash & Carry stores	719,21	581,19	23,75%
Sales of "Delikatesy Centrum" Distribution Centers	187,02	136,37	37,14%
Gross profit/(loss) on sales	102,39	84,52	21,14%
Gross profitability on sales %	11,30%	11,78%	-0,48p.p.
EBITDA *(EBITDA margin %)*	29,68 3,28%	24,86 3,46%	19,42% -0,19 p.p.
EBIT *(EBIT margin%)*	21,48 2,37%	17,16 2,39%	25,18% -0,02 p.p.
Gross profit	15,69	17,03	-7,88%
Net income *(Net profitability %*	12,94 1,43%	13,50 1,88%	-4,11% -0,45 p.p.

Table 9 Eurocash S.A.: Summary of financial results for 3Q YTD 2008

PLN million	3Q YTD 2008	3Q YTD 2007	change 3Q 2008 / 3Q 2007
Sales revenues	2 390,72	1 909,18	25,22%
Sales in Discount Cash & Carry stores	1 899,44	1 560,23	21,74%
Sales of "Delikatesy Centrum" Distribution Centers	491,28	348,95	40,79%
Gross profit/(loss) on sales	282,72	226,58	24,78%
(Gross profitability on sales %)	11,83%	11,87%	-0,04%
EBITDA *(EBITDA margin %)*	81,38 3,40%	59,98 3,14%	35,68% 0,26 p.p
EBIT *(EBIT margin%)*	58,01 2,43%	37,27 1,95%	55,62% 0,47 p.p
Gross profit	51,81	34,79	48,89%
Net income *Net profitability %*	41,25 1,73%	27,49 1,44%	50,03% 0,29 p.p

In 3Q 2008 sales of Eurocash S.A. increased by 25.22% and amounted to PLN 2 390.72m. Such result was mainly attributable to very strong organic growth posted by all business units Discount Cash & Carry and Delikatesy Centrum.

Gross margin on sales was 4 bps lower in 3Q YTD 2008 than in 3Q YTD 2007. It should be also noted, that part of supplementary gains related to the sales to the Delikatesy Centrum franchise chain is realized by the master franchisor of the chain - Eurocash Franszyza Sp. z o.o. and is presented under segment “Other”.

EBITDA amounted in 3Q YTD 2008 to PLN 81.38m. Net income amounted to PLN 41.25m, comparing with 27.49m in 3Q YTD 2007.

The net profit in 3Q 2008 was significantly decreased due to one-off financial costs related to exchange rate differences in payments for McLane Polska acquisition, which as of 30 September 2008 amounted to PLN 4 634 139,57.

The Eurocash results have been also significantly influenced by costs of the stock-option programs for Eurocash Group employees and stock option programs related to acquisition of KDWT and Delikatesy Centrum. The total cost of the stock-option programs accounted in 3Q 2008 amounted to PLN 1.43 million and PLN 4.29 in 3Q YTD 2008.

Table 10 Eurocash S.A.: Costs analysis for 3Q 2008

PLN million	3Q 2008	3Q 2007	change 3Q 2008 / 3Q 2007
Gross profit/(loss) on sales	102,39	84,52	21,14%
(Gross profitability on sales %)	11,30%	11,78%	-0,48 p.p.
Costs of sales:	(55,62)	(47,20)	17,85%
(as % of sales)	6,14%	6,58%	-0,44 p.p.
General Management costs:	(20,94)	(18,74)	11,75%
(as % of sales)	2,31%	2,61%	-0,30 p.p.
Profit/loss on sales	25,83	18,59	38,97%
(as % of sales)	2,85%	2,59%	0,26 p.p.
Other operating income	2,56	2,43	5,40%
Other operating costs	(6,91)	(3,85)	79,19%
Operating profit – EBIT	21,48	17,16	25,18%
(EBIT margin %)	2,37%	2,39%	-0,02 p.p.
Depreciation	8,20	7,70	6,57%
EBITDA	29,68	24,86	19,42%
(EBITDA margin %)	3,28%	3,46%	-0,19 p.p.

Table 11 Eurocash S.A.: Costs analysis for 3Q YTD 2008

PLN million	3Q YTD 2008	3Q YTD 2007	change 3Q 2008 / 3Q 2007
Gross profit/(loss) on sales	282,72	226,58	24,78%
(Gross profitability on sales %)	11,83%	11,87%	-0,04 p.p
Costs of sales:	(157,07)	(129,64)	21,16%
(as % of sales)	6,57%	6,79%	-0,22 p.p
General Management costs:	(61,48)	(57,13)	7,61%
(as % of sales)	2,57%	2,99%	-0,42 p.p
Profit/loss on sales	64,17	39,81	61,20%
(as % of sales)	2,68%	2,09%	0,60p.p
Other operating income	7,79	8,06	-3,34%
Other operating costs	(13,96)	(10,59)	31,73%
Operating profit – EBIT	58,01	37,27	55,62%
(EBIT margin %)	2,43%	1,95%	0,47 p.p.
Depreciation	23,37	22,71	2,94%
EBITDA	81,38	59,98	35,68%
(EBITDA margin %)	3,40%	3,14%	0,26 p.p.

Cash flow

Table 12 Eurocash S.A.: Cash flow for 3Q 2008

PLN million	3Q 2008	3Q 2007
Operating cash flow	10,64	34,55
Gross profit (loss)	*15,69*	*17,03*
Depreciation	*8,00*	*7,70*
Change in working capital	*(11,52)*	*11,67*
Other	*(1,72)*	*(1,84)*
Cash flow from investments	(15,77)	(18,63)
Cash flow from financing activities	(70,33)	(29,91)
Total cash flow	(75,45)	(13,99)

Table 13 Eurocash S.A.: Cash flow for 3Q YTD 2008

mln zł	3Q YTD 2008	3Q YTD 2007
Operating cash flow	138,18	71,87
Gross profit (loss)	51,81	34,79
Depreciation	23,37	22,71
Change in working capital	72,31	23,50
Other	(9,31)	(9,13)
Cash flow from investments	(139,11)	(17,48)
Cash flow from financing activities	(47,00)	(45,87)
Total cash flow	(47,93)	8,51

Total cash flow of Eurocash S.A. in 3Q YTD 2008 amounted to PLN -47.93 million, mainly due to investments and negative financial cash flow in 3Q 2008.

Working capital

Table 14 Eurocash S.A.: Working capital ratios flow for 3Q 2008

Turnover in days	3Q 2008	3Q 2007
1. Inventories turnover	20,66	22,55
2. Trade receivables turnover	14,28	16,45
3. Trade liabilities turnover	57,45	55,34
4. Operating cycle (1+2)	34,94	39,01
5. Cash conversion (4-3)	(22,51)	(16,34)

Table 13 Eurocash S.A.: Working capital ratios flow for 3Q YTD 2008

Turnover in days	3Q YTD 2008	3Q YTD 2007
1. Inventories turnover	23,32	25,15
2. Trade receivables turnover	16,12	18,35
3. Trade liabilities turnover	65,24	61,78
4. Operating cycle (1+2)	39,44	43,50
5. Cash conversion (4-3)	(25,80)	(18,28)

Eurocash managed to improve the cash conversion cycle in 3Q 2008 as well as in the 3Q YTD 2008 to respectively negative 22.5 and 25.8 days.

Balance sheet

The volume of fixed and current assets, equity, liabilities and provisions for liabilities, as well as their share in the total value of assets is presented in the table below:

Table 14 Eurocash S.A.: Selected balance sheet items

PLN million	30.09.2008		30.06.2008		30.09.2007	
Fixed assets	404,17	48,67%	395,80	46,04%	286,81	45,42%
Current assets	426,26	51,33%	463,87	53,96%	344,71	54,58%
Total assets	830,43	100,00%	859,67	100,00%	631,52	100,00%
Equity	221,50	26,67%	206,84	24,06%	194,11	30,74%
Liabilities and provisions	608,93	73,33%	652,83	75,94%	437,41	69,26%
Total liabilities and equity	830,43	100,00%	859,67	100,00%	631,52	100,00%

Ratios definitions
Gross profit margin on sales – ratio of gross sales profit to net sales revenue.
EBITDA margin – ratio of EBITDA (operating profit plus amortization) to net sales revenue.
Operating profit margin (EBIT) – ratio of operating profit to net sales revenue
Net profit margin on sales – ratio of net profit to net sales revenue.
Inventories turnover – the ratio of balance of stocks at the end of period to net sales for period, multiplied by the number of days in the period.
Trade receivables turnover – the ratio of balance of trade receivables at the end of period to net sales for period, multiplied be the number of days in the period.
Trade liabilities turnover – the ratio of balance of trade liabilities at end of period to costs of sold traded goods for period, multiplied by the number of days in the period
Operating cycle – the sum of stocks turnover and receivables turnover.
Cash conversion cycle – the difference between operating cycle and liabilities turnover.

2. Major events and factors that influenced consolidated income or loss in 3Q 2008.

- In 3Q 2008 Eurocash booked one-off financial costs related to not realized exchange rate differences on part of payment for shares in McLane Polska (USD 21m), which was due on 17.October 2008. The PLN/USD exchange rate used by Eurocash to settle the transaction, at the date of acquisition of McLane Polska shares (17.April 2008) amounted to 2.1510 PLN/USD. As of 30. September 2008 the PLN/USD exchange rate amounted to 2.3708 PLN/USD, what resulted that not realized exchange rate differences on the due payment amounted to PLN 4 615 800 at 30 September 2008. Because of this, out of the total financial costs in 3Q 2008 in amount of PLN 7 897 808, costs related to the exchange rate differences amounted to PLN 4 615 800 and the remaining financial costs amounted to PLN 3 282 008.
- In 3Q 2008 there have been no other major events and factors that influenced consolidated income or loss of the Eurocash Group realised in this period.

3. Development perspectives

External Factors:

- Growth in the FMCG market and its structure. The Company expects further growth of modern distribution channels; its unfavorable impact on company's income will be compensated by growth of the FMCG market in absolute terms and consolidation in the traditional wholesale market.
- Fuel prices. As logistic expenses, closely connected with fuel prices, are a vital part of selling expenses, their substantial changes may influence the Company's profit and loss.
- Labour costs: Potential pressure on labour costs could in medium term negatively influence the Company's profit and loss. However, potential of growing wages and salaries impacts the whole Polish market. As the Company sales are realised only in Poland, its competitive situation should remain unchanged due to this factor.

Internal Factors:

- Integration of McLane Polska operations

  The acquisition of McLane Polska will enable the Eurocash Group to accelerate growth in active product distribution to customers. McLane Polska is the market leader in supply of impulse products to gasoline stations and in Food Service, which are new market segments for Eurocash Group. The acquisition will also expand portfolio of the franchise chains operated by the Eurocash Group. Due to necessity of integration of McLane Polska on the operational level, in the opinion of the Management Board of Eurocash achievement of the full synergy effects resulting from this transaction will be possible within 1-2 years.
- Development of new formats of wholesale distribution or new formats of retail stores franchise chains, in order to give a full offer to our clients and on the same time to achieve economies of scale.
- Strict cost control.

4. Additional information

Explanations regarding seasonality

In FMCG wholesale sales are traditionally lower in 1Q, then sales peak during summer period and stabilise in the 4Q.

Issuance, redemption and repayment of debt and capital securities

In 3Q 2008 Eurocash S.A. issued 28 000 series B shares at the issue price of PLN 2.71 per share. This issue is related to the Motivation Scheme adopted by Resolution No. 3 of the Extraordinary General Meeting of 14 September 2004 on issue of bonds with the priority right, conditional share capital increase and exclusion of the pre-emption right to new shares of the current shareholders, as amended by Resolution No. 2 of 2 November 2004 and Resolution No. 1 of 25 November 2004, described in the issue prospectus of Eurocash from 2004.

In period from 1 January to 14 November, 2008 Eurocash S.A. issued 2 679 550 series B shares.

In 3Q 2008 Eurocash S.A. did not issue, acquire or repay debt securities.

Changes in the basic management principles

In 3Q 2008 there were no changes in the basic management principles

The Board opinion on the possibilities to carry out previously published financial forecasts for a given year.

The Management Board of Eurocash S.A. has not published or does not intend to publish financial forecasts for 2008.

Shareholders owning directly or indirectly – through dependent entities – at least 5 % of total number of votes at the general assembly.

	14.11.2008				14.08.2008			
Shareholder	Number of shares	Share in share capital (%)	Number of votes	Share in total number of votes (%)	Number of shares	Share in share capital (%)	Number of votes	Share in total number of votes (%)
Luis Amaral (directly and indirectly through Politra B.V.)	70 258 100	53,87%	70 258 100	53,87%	70 258 100	53,94%	70 258 100	53,94%
Commercial Union – Powszechne Towarzystwo Emerytalne BPH CU WBK	7 000 000	5,37%	7 000 000	5,37%	7 000 000	5,37%	7 000 000	5,37%
ING Nationale – Nederlanden Polska Otwarty Fundusz Emerytalny	6 843 714	5,25%	6 843 714	5,25%	6 843 714	5,25%	6 843 714	5,25%
BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A.	6 540 594	5,01%	6 540 594	5,01%	6 540 594	5,02%	6 540 594	5,02%
Others	39 779 142	30,50%	39 779 142	30,50%	39 600 142	30,40%	39 600 142	30,40%
Total	**130 421 550**	**100,00%**	**130 421 550**	**100,00%**	**130 242 550**	**100,00%**	**130 242 550**	**100,00%**

Additionally, according to the received information, on 5 August 2008, on accounts of clients of BZWBK AIB Asset Management S.A. (incl. BZ WBK AIB Towarzystwo Funduszy Inwestycyjnych S.A.) within the management agreements there were 6 624 215 shares of Eurocash S.A. which as of 14 November 2008 represented 5.08% of Company’s outstanding share capital and which give right to 6 624 215 votes during the General Meeting of Shareholders of the Company, what makes 5.08% of the total voting power at Company’s General Meeting of Shareholders

Number of shares (or rights to shares) held by the members of the Management Board and Supervisory Board of Eurocash

	Shares or rights to acquire Eurocash shares	
	14.11.2008	14.08.2008
Management Board members		
Luis Amaral (directly and indireclty)	70 258 100	70 258 100
Rui Amaral	750 575	750 575
Katarzyna Kopaczewska	416 000	416 000
Arnaldo Guerreiro	651 000	651 000
Pedro Martinho	699 800	699 800
Ryszard Majer	316 000	316 000
Supervisory Board members		
Eduardo Aguinaga de Mores	0	0
Joao Borges de Assuncao	0	0
Ryszard Wojnowski	0	0
Janusz Lisowski	0	0
Antonio Jose Santos Silva Casanova	0	0

Information on legal suits.

In the 3Q 2008 companies belonging to Eurocash group were not involved into any legal suit in any court, nor in a body competent for arbitration proceedings nor an administrative body, which total value would amount to at least 10 % of equity.

Information concerning granting by the issuer or a dependent unit credit or loan surety or a guarantee.

In the 3Q 2008 Eurocash did not grant any surety for a credit or a loan nor did it grant any guarantee of total value equivalent to 10% of the issuer’s equity.

Signatures of Management Board Members representing the Company:

Position	Name and surname	Date	Signature
Management Board Member	Rui Amaral	14th November 2008	
Management Board Member	Arnaldo Guerreiro	14th November 2008	

EUROCASH S.A.

QUARTERLY ABBREVIATED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2008 TO 30 SEPTEMBER 2008

TRANSLATORS' EXPLANATORY NOTE
The following document is a free translation of the report of the above-mentioned Polish Company.
In the event of any discrepancy in interpreting the terminology, the Polish version is binding.

KOMORNIKI, 14th November 2008

CONTENTS

GENERAL INFORMATION

1. INFORMATION OF THE PARENT COMPANY

1.1. PARENT COMPANY NAME

EUROCASH Spółka Akcyjna

1.2. REGISTERED OFFICE

ul. Wiśniowa 11, 62-052 Komorniki

1.3. CORE BUSINESS

Other wholesale (PKD 5190 Z)

1.4. REGISTRY COURT

District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register,
Entry no KRS 00000213765

1.5. DURATION OF THE CAPITAL GROUP

Indefinite

1.6. PERIOD COVERED BY THE FINANCIAL STATEMENTS

The reporting period 1 January 2008 – 30 September 2008 and comparable periods: 1 January 2007 – 30 September 2007.

2. INFORMATION OF THE COMPANY'S SUBSIDIARIES AND ASSOCIATES

2.1. KDWT S.A.

2.1.1. COMPANY NAME

KDWT Spółka Akcyjna

2.1.2. REGISTERED OFFICE

ul. Wiśniowa 11, 62-052 Komorniki

2.1.3. CORE BUSINESS

Tobacco wholesale (PKD 5135Z)

2.1.4. SHARE CAPITAL

7.380.000,00 PLN

2.1.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

100%

2.2. EUROCASH FRANSZYZA SP. Z O.O.

2.2.1. COMPANY NAME

„EUROCASH FRANSZYZA” Spółka z ograniczoną odpowiedzialnością

2.2.2. REGISTERED OFFICE

ul. Wiśniowa 11, 62-052 Komorniki

2.2.3. CORE BUSINESS

Other commercial sale (PKD 7487B)

2.2.4. SHARE CAPITAL

3.800.000,00 PLN

2.2.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

100%

2.3. EUROCASH DETAL SP. Z O.O.

2.3.1. COMPANY NAME

„EUROCASH DETAL" Spółka z ograniczoną odpowiedzialnością

2.3.2. REGISTERED OFFICE

ul. Wiśniowa 11, 62-052 Komorniki

2.3.3. CORE BUSINESS

Properties self-lease (PKD 7020Z)

2.3.4. SHARE CAPITAL

8.600.000,00 PLN

2.3.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

100%

2.4. MCLANE POLSKA SP. Z O.O.

2.4.1. COMPANY NAME

MCLANE POLSKA" Spółka z ograniczona odpowiedzialnością

2.4.2. REGISTERED OFFICE

ul. Pass 20C, 05-870 Błonie

2.4.3. CORE BUSINESS

Other wholesale (PKD 5190Z)

2.4.4. SHARE CAPITAL

150.158.950 PLN

2.4.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

100%

2.5. PAYUP POLSKA S.A

2.5.1. COMPANY NAME

PayUp Polska S.A.

2.5.2. REGISTERED OFFICE

Al. Solidarności 46, 61-696 Poznań

2.5.3. CORE BUSINESS

Wireless telecommunication (PKD 6120Z)

2.5.4. SHARE CAPITAL

7.000.000 PLN

2.5.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

49%

2.6. NASZE SKLEPY SP. Z O.O.

2.6.1. COMPANY NAME

Nasze Sklepy Spółka z ograniczona odpowiedzialnością

2.6.2. REGISTERED OFFICE

ul. Kąpielowa 18, 21-500 Biała Podlaska

2.6.3. CORE BUSINESS

Retail sales food,drinks and tobacco (PKD 5211Z)

2.6.4. SHARE CAPITAL

127.000 PLN

2.6.5. OWNERSHIP PERCENTAGE AS AT 30 SEPTEMBER 2008

53,39%

3. AUTHORITIES OF THE COMPANY'S

3.1. MANAGEMENT BOARD OF DOMINANT UNIT

As at 30 September 2008 the Company's Management Board consisted of the following members:

Luis Manuel Conceicao Do Amaral – President of the Management Board,
Rui Amaral – Management Board Member,
Arnaldo Guerreiro – Management Board Member,
Pedro Martinho – Management Board Member,
Katarzyna Kopaczewska – Management Board Member,
Ryszard Majer – Management Board Member.

3.2. MANAGEMENT BOARD OF SUBSIDIARIES AND ASSOCIATES

As at 30 September 2008 the Management Board of the Subsidiaries and Associates consisted of the following members:

KDWT S.A.:
Arnaldo Guerreiro – Management Board Member.

Eurocash Franszyza Sp. z o.o.:
Pedro Martinho – President of the Management Board,
Katarzyna Kopaczewska – Management Board Member,
Michał Bartkowiak – Management Board Member.

Eurocash Detal Sp. z o.o.:
Pedro Martinho – President of the Management Board,
Katarzyna Kopaczewska – Management Board Member,
Michał Bartkowiak – Management Board Member.

Spółka McLane Polska sp. z o. o.:
Arnaldo Guerreiro – Management Board Member,
Geoffrey Crossley – Management Board Member,
Robert Schneyder – Management Board Member.
Johny Baird – Management Board Member.

Spółka PayUp Polska S.A.
Luis Janeiro – President of the Management Board,
Zbigniew Furmańczak – Management Board Member,
Geoffrey Crossley – Management Board Member,
Nuno Oliveira– Management Board Member,

Spółka Nasze Sklepy sp. z o. o.:
Ireneusz Ługowski – President of the Management Board,
Pedro Martinho – Management Board Member,
Michał Bartkowiak – Management Board Member.

3.3. SUPERVISORY BOARD

As at 30 September 2008 the Company's Supervisory Board consisted of the following members:

João Borges de Assunção – President of the Supervisory Board,
Eduardo Aguinaga de Moraes – Supervisory Board Member,
António José Santos Silva Casanova – Supervisory Board Member,
Ryszard Wojnowski – Supervisory Board Member,
Janusz Lisowski – Supervisory Board Member,

3.4. SUPERVISORY BOARD OF SUBSIDIARIES AND ASSOCIATES

As at 30 September 2008 the Supervisory Board of the Subsidiaries and Associates consisted of the following members:

KDWT S.A.:
Luis Manuel Conceicao Do Amaral – President of the Supervisory Board,
Rui Amaral – Supervisory Board Member,
Pedro Martinho – Supervisory Board Member.

Spółka PayUp Polska S.A.
Luis Manuel Amaral – President of the Supervisory Board,
Artur Lebiedziński - Supervisory Board Member,
Mahomed Iqbal - Supervisory Board Member.

Spółka Nasze Sklepy sp. z o.o.
Adam Krzysztof Abramowicz – Supervisory Board Member,
Rui Amaral – Supervisory Board Member,
Katarzyna Kopaczewska – Supervisory Board Member.

3.5. CHANGES IN THE COMPOSITION OF THE MANAGEMENT AND SUPERVISORY BOARDS

Effective March 3, 2008 Roman Stefan Piątkiewicz resigned from the position of Member of the Company's Management Board.
Effective March 3, 2008 Roman Stefan Piątkiewicz resigned from the position of President of the Management Board of KDWT S.A.
Effective March 3, 2008 Mieczysław Kuśnierczak resigned from the position of Vice-president of the Management Board of KDWT S.A.
Effective June 27, 2008 Terry Kaily resigned from the position of Member of the Management Board of McLane Sp. z o.o..
Effective July 7, 2008 Nuno Oliveira resigned from the position of Member of the Management Board of PayUp Polska S.A
Effective 29 August, 2008 Piotr Fedorczuk resigned from the position of President of the Management Board of Nasze Sklepy Sp. z o.o.

There were no changes in the membership of the Supervisory Board of the Subsidiaries and Associates in the reporting period.

All amounts are expressed in Polish zloty (unless indicated otherwise)

SELECTED CONSOLIDATED FINANCIAL DATA

SELECTED CONSOLIDATED FIGURES AS AT 30 SEPTEMBER 2008

	for the period 01.01.2008 to 30.09.2008 PLN	for the period 01.01.2007 to 30.09.2007 PLN	for the period 01.01.2008 to 30.09.2008 EUR	for the period 01.01.2007 to 30.09.2007 EUR
Net sales	4 529 121 343	3 452 799 181	1 320 238 255	901 184 732
Operating profit (loss)	74 259 734	54 591 748	21 646 702	14 248 512
Profit (loss) before tax	63 025 584	49 100 833	18 371 949	12 815 376
Net Profit (loss) on continued operations	51 154 649	39 263 229	14 911 573	10 247 750
Net profit (loss)	51 154 649	39 263 229	14 911 573	10 247 750
Net operating cash flow	171 055 158	69 433 705	49 862 555	18 122 280
Net investment cash flow	(145 211 554)	(45 503 856)	(42 329 148)	(11 876 561)
Net financial cash flow	(73 757 499)	(17 098 537)	(21 500 301)	(4 462 739)
Net change in cash and cash equivalents	(47 913 895)	6 831 312	(13 966 894)	1 782 981
Weighted average number of shares	130 935 550	127 742 000	130 935 550	127 742 000
Weighted average diluted number of shares	137 217 489	137 093 511	137 217 489	137 093 511
EPS (in PLN / EUR)	0,39	0,31	0,11	0,08
Diluted EPS (in PLN / EUR)	0,37	0,29	0,11	0,07
Average PLN / EUR rate*			3,4305	3,8314

	as at 30.09.2008 PLN	as at 30.09.2007 PLN	as at 30.09.2008 EUR	as at 30.09.2007 EUR
Assets	1 114 972 316	781 700 234	327 134 441	206 935 866
Long-term liabilities	29 838 793	21 863 613	8 754 744	5 787 853
Short-term liabilities	832 565 709	548 251 426	244 275 947	145 136 049
Equity	252 567 814	211 585 195	74 103 751	56 011 964
Share capital	130 262 550	127 742 000	38 219 215	33 816 545
Number of shares	130 262 550	127 742 000	130 262 550	127 742 000
Diluted number of shares	138 113 511	137 093 511	138 113 511	137 093 511
Book value per share (in PLN / EUR)	1,94	1,66	0,57	0,44
Diluted book value per share (in PLN / EUR)	1,83	1,54	0,54	0,41
Declared or paid dividend (in PLN / EUR)***	39 070 366	29 380 660	11 463 300	7 777 805
Declared or paid dividend per share (in PLN / EUR)	0,30	0,23	0,09	0,06
PLN / EUR rate at the end of the period**			3,4083	3,7775

* Profit and loss items have been converted as a matter of arithmetic computation using the official mid-rates announced by the National Bank of Poland prevailing on the last day of each month.
** Balance sheet items and book value per share have been converted using the official mid-rates announced by the National Bank of Poland prevailing on the balance sheet date.

All amounts are expressed in Polish zloty (unless indicated otherwise)

ABBREVIATED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	3rd Quarter for the period from 01.07.2008 to 30.09.2008	3 Quarters for the period from 01.01.2008 to 30.09.2008	3rd Quarter for the period from 01.07.2007 to 30.09.2007	3 Quarters for the period from 01.01.2007 to 30.09.2007
Continued operations				
Net sales	**1 733 294 731**	**4 529 121 343**	**1 293 611 864**	**3 452 799 181**
Net sales of traded goods	1 697 206 300	4 429 363 093	1 272 032 044	3 396 240 547
Net sales of services	36 088 430	99 758 250	21 579 819	56 558 634
Prime costs of sales	**(1 580 604 155)**	**(4 128 572 446)**	**(1 183 242 029)**	**(3 155 376 609)**
Costs of sold traded goods	(1 579 795 584)	(4 127 763 875)	(1 183 242 029)	(3 155 376 609)
Costs of sold services	(808 572)	(808 572)	-	-
Gross profit (loss) on sales	**152 690 575**	**400 548 897**	**110 369 834**	**297 422 572**
Costs of sales	(88 867 354)	(233 258 543)	(59 609 947)	(164 821 704)
Costs of general management	(29 042 926)	(85 981 103)	(24 978 664)	(74 899 095)
Profit (loss) on sales	**34 780 296**	**81 309 250**	**25 781 223**	**57 701 773**
Other operating revenues	1 595 244	11 523 426	2 730 580	8 958 944
Other operating costs	(6 403 501)	(18 572 942)	(4 612 931)	(12 068 968)
Operating profit (loss)	**29 972 039**	**74 259 734**	**23 898 872**	**54 591 748**
Financial revenues	314 857	2 574 736	539 297	1 192 208
Financial costs	(7 897 808)	(12 963 002)	(1 937 908)	(6 683 123)
Share in profits (losses) of companies consolidated with the equity method	(557 711)	(845 884)	-	-
Profit (loss) before tax	**21 831 377**	**63 025 584**	**22 500 261**	**49 100 833**
Income tax	(2 953 607)	(11 870 936)	(4 413 687)	(9 837 604)
Net profit (loss) on continued operations	**18 877 770**	**51 154 649**	**18 086 573**	**39 263 229**
Discontinued operations				
Net loss on discontinued operations	-	-	-	-
Net profit (loss)	**18 877 770**	**51 154 649**	**18 086 573**	**39 263 229**
Parent company shareholders	18 879 563	51 149 721	18 086 573	39 263 229
Minority interests	(1 793)	4 928	-	-

NET EARNINGS PER SHARE

	PLN / share	PLN / share
Net profit (loss) on continued operations	51 154 649	39 263 229
Net profit (loss) on continued and discontinued operations	51 154 649	39 263 229
Weighted average number of shares	130 935 550	127 742 000
Weighted average diluted number of shares	137 217 489	137 093 511
from continued operations		
- basic	0,39	0,31
- diluted	0,37	0,29
from continued and discontinued operations		
- basic	0,39	0,31
- diluted	0,37	0,29

All amounts are expressed in Polish zloty (unless indicated otherwise)

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Assets				
Fixed assets (long-term)	**369 831 585**	**363 762 955**	**277 110 376**	**265 116 618**
Goodwill	70 832 619	70 832 619	33 823 699	33 823 699
Other intangible fixed assets	125 237 517	122 389 461	118 646 802	119 749 014
Tangible fixed assets	168 134 166	161 541 478	122 385 075	109 318 656
Investments in subsidiary companies	-	-	-	-
Investments in associated companies - equity method	2 618 416	3 176 127	-	-
Other long-term financial assets	122 500	127 500	-	-
Long-term receivables	2 179 105	3 927 343	1 872 272	1 872 272
Long-term prepayments	707 261	1 768 426	382 528	352 977
Deferred income tax assets	-	-	-	-
Other long-term prepayments	707 261	1 768 426	382 528	352 977
Current assets (short-term)	**745 140 731**	**825 621 819**	**504 589 859**	**498 450 855**
Invetories	329 809 432	316 870 360	246 178 022	240 978 289
Trade receivables	286 897 811	325 252 433	196 862 468	180 604 978
Current income tax receivables	156 359	20 003	8 200	966 952
Other short-term receivables	38 114 017	17 077 451	11 036 220	10 885 462
Cash and cash equivalents	83 547 298	159 064 836	48 077 941	62 571 829
Short-term prepayments	6 615 815	7 336 737	2 427 008	2 443 345
Total assets	**1 114 972 316**	**1 189 384 774**	**781 700 234**	**763 567 473**

All amounts are expressed in Polish zloty (unless indicated otherwise)

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

Liabilities	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Equity	**252 567 814**	**231 975 257**	**211 585 195**	**192 610 651**
Share capital	130 262 550	130 234 550	127 742 000	127 742 000
Supplementary capital	74 897 056	73 210 269	44 919 977	44 032 006
Hedge transactions valuation capital	(4 645 000)	(4 645 000)	-	-
Retained earnings	51 456 320	32 576 757	38 923 218	20 836 645
Profit (loss) of prior years	306 600	306 600	(340 011)	(340 011)
Net profit (loss) of the current year	51 149 721	32 270 158	39 263 229	21 176 656
Minority interests	596 888	598 681	-	-
Liabilities	**862 404 502**	**957 409 517**	**570 115 039**	**570 956 823**
Long-term liabilities	**29 838 793**	**35 479 374**	**21 863 613**	**18 792 424**
Long-term loans and credits	2 554 000	2 894 000	-	-
Other long-term financial liabilities	24 554 153	28 081 100	14 128 335	13 493 489
Deferred income tax provision	2 435 856	4 089 436	4 906 986	4 970 642
Provision for employee benefits	294 784	414 839	328 293	328 293
Short-term liabilities	**832 565 709**	**921 930 143**	**548 251 426**	**552 164 399**
Short-term loans and credits	63 434 950	92 117 076	88 079 282	68 527 671
Other short-term financial liabilities	7 546 903	7 085 259	2 959 545	2 662 257
Trade liabilities	649 453 330	685 185 887	419 603 553	419 385 255
Current income tax liabilities	6 466 814	4 421 187	863 728	123 350
Other short-term liabilities	72 373 322	98 020 280	19 215 366	47 210 520
Provision for employee benefits	14 167 393	13 235 587	10 776 153	7 026 899
Other short-term provisions	19 122 997	21 864 867	6 753 799	7 228 447
Total liabilities	**1 114 972 316**	**1 189 384 774**	**781 700 234**	**763 567 473**

BOOK VALUE PER SHARE AS AT 30 SEPTEMBER 2008

	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Book value	**252 567 814**	**231 975 257**	**211 585 195**	**192 610 651**
Number of shares	130 262 550	130 234 550	127 742 000	127 742 000
Diluted number of shares	138 113 511	138 113 511	137 093 511	137 093 511
Book value per share	**1,94**	**1,78**	**1,66**	**1,51**
Diluted book value per share	**1,83**	**1,68**	**1,54**	**1,40**

OFF BALANCE SHEET ITEMS

Contingent Liabilities	**60 975 820**	**5 467 891**	**5 151 428**	**5 411 420**
Other companies	60 975 820	5 467 891	5 151 428	5 411 420
- guaranties and sureties granted	60 975 820	5 467 891	5 151 428	5 411 420
Total	**60 975 820**	**5 467 891**	**5 151 428**	**5 411 420**

All amounts are expressed in Polish zloty (unless indicated otherwise)

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	3rd Quarter for the period from 01.07.2008 to 30.09.2008	3 Quarters for the period from 01.01.2008 to 30.09.2008	3rd Quarter for the period from 01.07.2007 to 30.09.2007	3 Quarters for the period from 01.01.2007 to 30.09.2007
Operating cash flow				
Net profit before tax	**21 831 377**	**63 025 584**	**22 500 261**	**49 100 833**
Adjustments:	**14 152 446**	**36 716 777**	**10 784 893**	**32 208 831**
Depreciation	11 401 653	30 993 246	9 166 299	26 657 253
(Profit) loss on sold tangible fixed assets	205 937	(4 138)	62 007	5 152
Costs of interest	2 544 857	5 727 670	1 556 586	5 546 425
Interest received	-	-		
Operating cash before changes in working capital	**35 983 823**	**99 742 361**	**33 285 153**	**81 309 663**
Changes in inventory	(12 939 072)	(57 428 323)	(5 199 733)	(36 231 731)
Changes in receivables	18 934 939	23 391 983	(15 441 296)	(19 473 771)
Changes in liabilities	(21 460 077)	104 685 111	(6 734 086)	50 936 543
Changes in provisions and accruals	(836 546)	4 247 635	(557 030)	7 100 026
Other adjustments	2 062 199	12 695 627	887 971	2 230 767
Operating cash	**21 745 265**	**187 334 396**	**6 240 980**	**85 871 498**
Interest paid	(1 946 493)	(6 290 721)	(1 172 497)	(4 963 667)
Income tax paid	(2 468 076)	(9 988 517)	(2 726 360)	(11 474 127)
Net operating cash	**17 330 696**	**171 055 158**	**2 342 123**	**69 433 705**
Investment cash flow				
Expenditures for purchased intangible fixed assets	(2 158 927)	(8 045 859)	(1 861 201)	(9 958 904)
Receipts from sold intangible fixed assets	-	-	(6 000)	-
Expenditures for purchased tangible fixed assets	(16 375 738)	(40 765 375)	(18 100 925)	(30 390 718)
Receipts from sold tangible fixed assets	192 939	1 757 897	127 912	2 345 763
Expenditures for purchased subsidiary companies (less for money taken)	-	(98 158 218)	(2 499 999)	(7 499 997)
Net investment cash	**(18 341 726)**	**(145 211 554)**	**(22 340 213)**	**(45 503 856)**
Financing cash flow				
Hedging instruments	-	(5 352 000)	-	-
Receipts due to taking loans and credits	-	-	25 162 753	28 883 874
Repaid loans and credits	(31 576 126)	(24 206 612)	10 338 858	(14 307 215)
Repaid liabilities under financial lease	(3 089 737)	(3 959 205)	(398 492)	(1 610 753)
Interest	(770 279)	(1 169 317)	(218 257)	(683 783)
Dividends paid	(39 070 366)	(39 070 366)	(29 380 660)	(29 380 660)
Net financing cash	**(74 506 508)**	**(73 757 499)**	**5 504 202**	**(17 098 537)**
Net change in cash and cash equivalents	**(75 517 538)**	**(47 913 895)**	**(14 493 888)**	**6 831 312**
Cash and cash equivalents at the beginning of the period	159 064 836	131 461 193	62 571 829	41 246 630
Cash and cash equivalents at the end of the period	**83 547 298**	**83 547 298**	**48 077 941**	**48 077 941**

All amounts are expressed in Polish zloty (unless indicated otherwise)

CONSOLIDATED STATEMENT ON CHANGES IN EQUITY IN THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	Share capital	Supplementary capital	Hedge transactions valuation capital	Retained earnings	Minority capital	**Total**
Changes in equity in the period from 1 January to 30 September 2007						
Balance as at 1 January 2007	**127 742 000**	**29 059 203**	**-**	**42 231 375**	**-**	**199 032 578**
Net profit presented directly in equity	**-**	**-**	**-**	**-**	**-**	**-**
Net profit for the period from 1 January to 30	**-**	**-**	**-**	**39 263 229**	**-**	**39 263 229**
Total profit and loss recorded in the period from 1 January to 30 September 2007	**-**	**-**	**-**	**39 263 229**	**-**	**39 263 229**
Dividends paid	**-**	**-**	**-**	**(29 380 660)**	**-**	**(29 380 660)**
Transfer to supplementary capital	-	13 196 861	**-**	(13 196 861)	**-**	**-**
Valuation of motivational program for employees	-	2 663 914	**-**	-	**-**	**2 663 914**
Other corrections	-	-	**-**	6 134	**-**	**6 134**
Balance as at 30 September 2007	**127 742 000**	**44 919 977**	**-**	**38 923 218**	**-**	**211 585 195**
Changes in equity in the period from 1 January to 30 September 2008						
Balance as at 01 January 2008	**127 742 000**	**47 111 013,17**	**-**	**58 540 815**	**-**	**233 393 828**
Net profit presented directly in equity	**-**	**-**	**(4 645 000)**	**-**	**-**	**(4 645 000)**
Net profit for the period from 1 January to 30	**-**	**-**	**-**	**51 154 649**	**4 928**	**51 159 576**
Total profit and loss recorded in the period from 1 January to 30 September 2008	**-**	**-**	**(4 645 000)**	**51 154 649**	**4 928**	**46 514 576**
Dividends paid	**-**	-	**-**	(39 070 366)	**-**	**(39 070 366)**
Transfer to supplementary capital	-	19 163 849,26	**-**	(19 163 849)	**-**	**-**
Valuation of motivational program for employees	-	2 881 289,15	**-**	-	**-**	**2 881 289**
Share issue - motivational program	2 520 550	5 714 674,66	**-**	-	**-**	**8 235 225**
Other corrections	-	26 229,30	**-**	(4 928)	591 960	**613 261**
Balance as at 30 September 2008	**130 262 550**	**74 897 056**	**(4 645 000)**	**51 456 320**	**596 888**	**252 567 814**

All amounts are expressed in Polish zloty (unless indicated otherwise)

SELECTED SEPARATE FINANCIAL DATA

SELECTED SEPARATE FIGURES AS AT 30 SEPTEMBER 2008

	for the period 01.01.2008 to 30.09.2008 PLN	for the period 01.01.2007 to 30.09.2007 PLN	for the period 01.01.2008 to 30.09.2008 EUR	for the period 01.01.2007 to 30.09.2007 EUR
Net sales	2 390 719 648	1 909 178 775	696 894 452	498 297 953
Operating profit (loss)	58 006 406	37 273 832	16 908 859	9 728 515
Profit (loss) before tax	51 805 188	34 793 292	15 101 205	9 081 091
Net Profit (loss) on continued operations	41 245 251	27 491 145	12 022 985	7 175 222
Net profit (loss)	41 245 251	27 491 145	12 022 985	7 175 222
Net operating cash flow	138 176 876	71 868 158	40 278 541	18 757 675
Net investment cash flow	(139 109 847)	(17 484 155)	(40 550 502)	(4 563 385)
Net financial cash flow	(47 001 460)	(45 870 924)	(13 700 919)	(11 972 366)
Net change in cash and cash equivalents	(47 934 432)	8 513 079	(13 972 880)	2 221 924
Weighted average number of shares	130 935 550	127 742 000	130 935 550	127 742 000
Weighted average diluted number of shares	137 217 489	137 093 511	137 217 489	137 093 511
EPS (in PLN / EUR)	0,32	0,22	0,09	0,06
Diluted EPS (in PLN / EUR)	0,30	0,20	0,09	0,05
Average PLN / EUR rate*			3,4305	3,8314

	as at 30.09.2008 PLN	as at 30.09.2007 PLN	as at 30.09.2008 EUR	as at 30.09.2007 EUR
Assets	830 432 972	631 523 401	243 650 199	167 180 252
Long-term liabilities	13 040 830	17 032 040	3 826 198	4 508 813
Short-term liabilities	595 889 058	420 377 543	174 834 685	111 284 591
Equity	221 503 085	194 113 818	64 989 316	51 386 848
Share capital	130 262 550	127 742 000	38 219 215	33 816 545
Number of shares	130 262 550	127 742 000	130 262 550	127 742 000
Diluted number of shares	138 113 511	137 093 511	138 113 511	137 093 511
Book value per share (in PLN / EUR)	1,70	1,52	0,50	0,40
Diluted book value per share (in PLN / EUR)	1,60	1,42	0,47	0,37
Declared or paid dividend (in PLN / EUR)***	39 070 366	29 380 660	11 463 300	7 777 805
Declared or paid dividend per share (in PLN / EUR)	0,30	0,23	0,09	0,06
PLN / EUR rate at the end of the period**			3,4083	3,7775

All amounts are expressed in Polish zloty (unless indicated otherwise)

ABBREVIATED SEPARATE FINANCIAL STATEMENTS

SEPARATE PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	3rd Quarter for the period from 01.07.2008 to 30.09.2008	3 Quarters for the period from 01.01.2008 to 30.09.2008	3rd Quarter for the period from 01.07.2007 to 30.09.2007	3 Quarters for the period from 01.01.2007 to 30.09.2007
Continued operations				
Net sales	**906 236 107**	**2 390 719 648**	**717 560 711**	**1 909 178 775**
Net sales of traded goods	885 187 849	2 333 859 351	704 639 259	1 874 349 190
Net sales of services	21 048 258	56 860 297	12 921 452	34 829 586
Prime costs of sales	**(803 843 278)**	**(2 107 998 115)**	**(633 036 458)**	**(1 682 602 221)**
Costs of sold traded goods	(803 843 278)	(2 107 998 115)	(633 036 458)	(1 682 602 221)
Gross profit (loss) on sales	**102 392 829**	**282 721 533**	**84 524 252**	**226 576 555**
Costs of sales	(55 621 488)	(157 071 005)	(47 197 704)	(129 638 398)
Costs of general management	(20 944 155)	(61 477 144)	(18 741 497)	(57 127 911)
Profit (loss) on sales	**25 827 185**	**64 173 384**	**18 585 051**	**39 810 246**
Other operating revenues	2 561 624	7 789 229	2 430 289	8 058 201
Other operating costs	(6 905 421)	(13 956 207)	(3 853 771)	(10 594 614)
Operating profit (loss)	**21 483 388**	**58 006 406**	**17 161 569**	**37 273 832**
Financial revenues	211 190	2 340 798	565 214	1 283 364
Financial costs	(6 008 750)	(8 542 017)	(699 318)	(3 763 904)
Profit (loss) before tax	**15 685 827**	**51 805 188**	**17 027 466**	**34 793 292**
Income tax	(2 742 146)	(10 559 937)	(3 529 380)	(7 302 148)
Net profit (loss) on continued operations	**12 943 681**	**41 245 251**	**13 498 086**	**27 491 145**
Discontinued operations				
Net loss on discontinued operations	-	-	-	-
Net profit (loss)	**12 943 681**	**41 245 251**	**13 498 086**	**27 491 145**

NET EARNINGS PER SHARE

		PLN / share		PLN / share
Net profit (loss) on continued operations		41 245 251		27 491 145
Net profit (loss) on continued and discontinued operations		41 245 251		27 491 145
Weighted average number of shares		130 935 550		127 742 000
Weighted average diluted number of shares		137 217 489		137 093 511
from continued operations				
- basic	-	0,32	-	0,22
- diluted	-	0,30	-	0,20
from continued and discontinued operations				
- basic	-	0,32	-	0,22
- diluted	-	0,30	-	0,20

All amounts are expressed in Polish zloty (unless indicated otherwise)

SEPARATE BALANCE SHEET AS AT 30 SEPTEMBER 2008

	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Assets				
Fixed assets (long-term)	**404 168 112**	**395 800 771**	**286 814 715**	**278 208 728**
Goodwill	9 975 600	9 975 600	9 975 600	9 975 600
Other intangible fixed assets	93 396 062	91 645 044	96 416 698	98 480 460
Tangible fixed assets	127 164 160	118 934 597	104 754 605	94 114 406
Investments in subsidiary companies	167 440 647	167 440 647	73 413 012	73 413 012
Investments in associated companies - equity method	3 464 300	3 464 300	-	-
Long-term receivables	2 020 082	3 768 365	1 872 272	1 872 272
Long-term prepayments	707 261	572 218	382 528	352 977
Deferred income tax assets	-	-	-	-
Other long-term prepayments	707 261	572 218	352 977	352 977
Current assets (short-term)	**426 264 860**	**463 872 887**	**344 708 685**	**339 182 923**
Invetories	203 460 568	182 483 237	175 898 013	171 094 350
Trade receivables	140 683 005	127 546 960	128 331 263	115 482 452
Current income tax receivables	-	-	-	966 952
Other short-term receivables	6 627 396	2 814 876	4 870 647	1 896 148
Cash and cash equivalents	71 222 460	146 675 689	33 603 794	47 593 892
Short-term prepayments	4 271 430	4 352 126	2 004 968	2 149 129
Total assets	**830 432 972**	**859 673 657**	**631 523 401**	**617 391 651**

All amounts are expressed in Polish zloty (unless indicated otherwise)

SEPARATE BALANCE SHEET AS AT 30 SEPTEMBER 2008

Liabilities	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Equity	**221 503 085**	**206 844 617**	**194 113 818**	**179 727 760**
Share capital	130 262 550	130 234 550	127 742 000	127 742 000
Supplementary capital	54 640 284	52 953 497	38 880 673	37 992 702
Hedge transactions valuation capital	(4 645 000)	(4 645 000)	-	-
Retained earnings	41 245 251	28 301 570	27 491 145	13 993 059
Profit (loss) of prior years	-	-	-	-
Net profit (loss) of the current year	41 245 251	28 301 570	27 491 145	13 993 059
Liabilities	**608 929 887**	**652 829 040**	**437 409 583**	**437 663 891**
Long-term liabilities	**13 040 830**	**14 287 326**	**17 032 040**	**14 953 528**
Other long-term financial liabilities	12 267 656	12 081 416	12 431 201	12 757 109
Deferred income tax provision	559 863	1 992 599	1 783 253	1 878 832
Provision for employee benefits	213 311	213 311	317 587	317 587
Short-term liabilities	**595 889 058**	**638 541 715**	**420 377 543**	**422 710 362**
Short-term loans and credits	-	29 936 614	48 566	28 846
Other short-term financial liabilities	1 978 953	2 249 224	2 711 591	2 564 861
Trade liabilities	501 929 723	483 999 429	380 802 711	359 407 032
Current income tax liabilities	5 981 358	3 974 062	422 284	-
Other short-term liabilities	66 144 821	99 009 196	20 235 445	47 925 129
Provision for employee benefits	11 340 060	10 221 011	9 867 822	6 247 054
Other short-term provisions	8 514 144	9 152 177	6 289 124	6 537 439
Total liabilities	**830 432 972**	**859 673 657**	**631 523 401**	**617 391 651**

BOOK VALUE PER SHARE AS AT 30 JUNE 2008

	as at 30.09.2008	as at 30.06.2008	as at 30.09.2007	as at 30.06.2007
Book value	**221 503 085**	**206 844 617**	**194 113 818**	**179 727 760**
Number of shares	130 262 550	130 234 550	127 742 000	127 742 000
Diluted number of shares	138 113 511	138 113 511	137 093 511	137 093 511
Book value per share	**1,70**	**1,59**	**1,52**	**1,41**
Diluted book value per share	**1,60**	**1,50**	**1,42**	**1,31**

OFF BALANCE SHEET ITEMS

Contingent Liabilities	**128 762 620**	**66 967 891**	**31 151 428**	**38 400 780**
Related companies	75 000 000	63 000 000	-	-
Other companies	53 762 620	3 967 891	31 151 428	38 400 780
- guaranties and sureties granted	53 762 620	3 967 891	31 151 428	38 400 780
Total	**128 762 620**	**66 967 891**	**31 151 428**	**38 400 780**

All amounts are expressed in Polish zloty (unless indicated otherwise)

SEPARATE CASH FLOW STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	3rd Quarter for the period from 01.07.2008 to 30.09.2008	3 Quarters for the period from 01.01.2008 to 30.09.2008	3rd Quarter for the period from 01.07.2007 to 30.09.2007	3 Quarters for the period from 01.01.2007 to 30.09.2007
Operating cash flow				
Net profit before tax	**15 685 827**	**51 805 188**	**17 027 466**	**34 793 292**
Adjustments:	**9 394 774**	**26 008 796**	**8 238 413**	**25 962 551**
Depreciation	8 200 576	23 374 791	7 695 106	22 706 855
(Profit) loss on sold tangible fixed assets	290 804	349 179	50 589	101 516
(Profit) loss on sold financial assets available for sale	-	-	-	-
Costs of interest	903 393	2 284 827	492 718	3 154 180
Operating cash before changes in working capital	**25 080 601**	**77 813 984**	**25 265 879**	**60 755 844**
Changes in inventory	(20 977 332)	(47 805 922)	(4 803 664)	(18 943 402)
Changes in receivables	(15 200 283)	(21 905 631)	(14 856 358)	(26 967 454)
Changes in liabilities	22 589 919	128 332 792	30 493 709	60 265 144
Changes in provisions and accruals	562 753	1 827 711	(52 782)	6 478 686
Other adjustments	1 504 488	11 861 230	887 971	2 663 914
Operating cash	**13 560 146**	**150 124 164**	**36 934 755**	**84 252 731**
Interest paid	(751 377)	(3 302 134)	(144 479)	(2 630 376)
Income tax paid	(2 167 587)	(8 645 154)	(2 235 719)	(9 754 197)
Net operating cash	**10 641 182**	**138 176 876**	**34 554 557**	**71 868 158**
Investment cash flow				
Expenditures for purchased intangible fixed assets	(228 154)	(1 647 118)	(404 825)	(703 518)
Expenditures for purchased tangible fixed assets	(15 639 383)	(37 600 629)	(15 857 836)	(26 943 853)
Receipts from sold tangible fixed assets	102 185	129 833	127 912	1 713 212
Expenditures for purchased subsidiary companies (less for money taken)	-	(99 991 934)	(2 499 999)	(7 499 997)
Repayment received of given loans	-	-	-	15 950 000
Net investment cash	**(15 765 353)**	**(139 109 847)**	**(18 634 747)**	**(17 484 155)**
Financing cash flow				
Hedging instruments	-	(5 352 000)	-	-
Receipts due to taking loans and credits	-	-	-	-
Repaid loans and credits	(29 936 614)	(102)	19 720	(14 307 215)
Repaid liabilities under financial lease	(998 195)	(1 862 611)	(366 562)	(1 558 220)
Interest	(323 883)	(716 382)	(182 406)	(624 829)
Dividends paid	(39 070 366)	(39 070 366)	(29 380 660)	(29 380 660)
Net financing cash	**(70 329 058)**	**(47 001 460)**	**(29 909 908)**	**(45 870 924)**
Net change in cash and cash equivalents	**(75 453 229)**	**(47 934 432)**	**(13 990 098)**	**8 513 079**
Cash and cash equivalents at the beginning of the period	146 675 689	119 156 892	47 593 892	25 090 714
Cash and cash equivalents at the end of the period	**71 222 460**	**71 222 460**	**33 603 794**	**33 603 794**

All amounts are expressed in Polish zloty (unless indicated otherwise)

SAPARATE STATEMENT ON CHANGES IN EQUITY IN THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2008

	Share capital	Supplementary capital	Hedge transactions valuation capital	Retained earnings	**Total**
Changes in equity in the period from 1 January to 30 September 2007					
Balance as at 1 January 2007	**127 742 000**	**29 059 203**	**-**	**36 538 217**	**193 339 419**
Net profit for the period from 1 January to 30	-	-	-	27 491 145	**27 491 145**
Total profit and loss recorded in the period from 1 January to 31 September 2007	**-**	**-**	**-**	**27 491 145**	**27 491 145**
Dividends declared	-	-	-	(29 380 660)	**(29 380 660)**
Transfer to supplementary capital	-	7 157 557	**-**	(7 157 557)	**-**
Valuation of motivational program for employees	-	2 663 914	-	-	**2 663 914**
Balance as at 30 September 2007	**127 742 000**	**38 880 673**	**-**	**27 491 145**	**194 113 818**
Changes in equity in the period from 1 January to 30 September 2008					
Balance as at 01 January 2008	**127 742 000**	**41 071 709**	**-**	**44 005 260**	**212 818 969**
Net profit presented directly in equity	**-**	**-**	**(4 645 000)**	**-**	**(4 645 000)**
Net profit for the period from 1 January to 30	-	-	-	41 245 251	**41 245 251**
Total profit and loss recorded in the period from 1 January to 30 September 2008	**-**	**-**	**(4 645 000)**	**41 245 251**	**36 600 251**
Dividends paid	-	-	-	(39 070 366)	**(39 070 366)**
Transfer to supplementary capital	-	4 934 894	**-**	(4 934 894)	**-**
Valuation of motivational program for employees	-	2 881 289	-	-	**2 881 289**
Share issue - motivational program	2 520 550	5 714 675	**-**	-	**8 235 225**
Other corrections	-	37 717	**-**		**37 717**
Balance as at 30 September 2008	**130 262 550**	**54 640 284**	**(4 645 000)**	**41 245 251**	**221 503 085**

ADDITIONAL INFORMATION TO THE ABBREVIATED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD FROM 01.01.2008 TO 30.09.2008

1. GENERAL INFORMATION

1.1. FINANCIAL STATEMENTS PUBLICATION

In accordance with the report no 3/2008 of the Polish Securities and Exchange Commission, the consolidated financial statements of Eurocash S.A. will be published on 14 November 2008.

Eurocash S.A. is a joint-stock company whose shares are publicly traded.

1.2. STATEMENT OF COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union later referred to as “IFRS EU”..

1.3. THE IMPACT OF NEW STANDARDS AND INTERPRETATIONS ON THE COMPANY'S FINANCIAL STATEMENTS

Standards and Interpretations approved by the EU

Standards and Interpretations approved by the EU	Type of expected change in the accounting principles	Possible impact on financial statements	Effective date for periods commencing on the day or after
IFRS 8 Operating segments	This standard sets out the requirements for disclosure about the entity's operating segments on the basis of the components that are regularly reviewed by the chief operating decision makers. Operating segments are the entity's components for which separate information is available and that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.	The Company is currently assessing the impact of IFRS 8 on the operations.	1 January 2009
Revised IAS 23 *Borrowing Costs*	The revised IAS 23 requires the capitalisation of borrowing costs relating to assets that take a substantial period of time to get ready for use or sale.	The Company is currently assessing the impact of the revised standard on the operations.	1 January 2009

Standards and Interpretations not yet endorsed by the EU

Standards and Interpretations not yet endorsed by the EU	Type of expected change in the accounting principles	Possible impact on financial statements	Effective date for periods commencing on the day or after
Revised IAS 1 *Presentation of Financial Statements*	The revised IAS 1 requires information in the financial statements to be aggregated on the basis of shared characteristics and to introduce a statement of comprehensive income. All items of income and expense as well as the components of comprehensive income may be presented either in a single statement of comprehensive income or in two statements (a separate income statement and statement of comprehensive income).	The Company is currently assessing whether to present a single statement of comprehensive income or two separate statements.	1 January 2009
IFRIC 13 *Customer Loyalty Programmes*	The interpretation addresses accounting by entities that grant loyalty award credits to customers who buy other goods or services. Specifically, it explains how such entities should account for their obligations to provide free or discounted goods or services to customers who redeem award credits. Such entities shall allocate some of the proceeds of the initial sale to the award credits as a liability. In effect, this part of sale is recognised only when the entities fulfill their obligations.	The Company does not expect the interpretation to have any impact on the financial statements.	1 July 2008
Revised IFRS 3 *Business Combinations*	The scope of the IFRS 3 has been extended to cover business combinations that were out of scope of the before revision. The definition of a business has been amended slightly. The revised standard narrows down a range of contingent liabilities that the cost of a business combination can be allocated to. The acquisition-related costs are no longer a part of the costs of a business combination. The standard changes reporting rules of any corrections to a business combination costs that depends on future events. IFRS 3 also allows a choice to measure non-controlling interests at fair value.	The Company is currently assessing the impact of the revised standard on the Company’s operations.	1 July 2009

All amounts are expressed in Polish zloty (unless indicated otherwise)

Standards and Interpretations not yet endorsed by the EU	Type of expected change in the accounting principles	Possible impact on financial statements	Effective date for periods commencing on the day or after
Revised IAS 27 *Consolidated and Separate Financial Statements*	In relation to the above, the revised IAS 27 focuses mainly on: - a change of non-controlling interests definition; - regulation of the accounting treatment of transactions with non-controlling interests (minority interests); - changes in accounting for loss of control of a subsidiary; - new disclosure requirements.	The Company is currently assessing the impact of the revised standard on the Company's operations.	1 July 2009
Revised IFRS 2 *Share-based Payments*	The revised standard clarifies the definition of vesting conditions and the accounting treatment of cancellations by the counterparty to a share-based arrangement.	The Company is currently assessing the impact of the revised standard on the operations.	1 January 2009
Revised IAS 32 *Financial Instruments - Presentation* and IAS 1 *Presentation of Financial Statements*	Under the the revised IAS 32, the criteria for classification of puttable financial instruments have been amended to allow them to be presented as equity. As a result of the amendments, some financial instruments that currently meet the definition of a financial liability will be classified as equity because they represent the residual interest in the net assets of the entity. In addition, the amendments have detailed criteria for identifying such instruments with respect to the capital structure of the holder.	The amendments to both IAS 32 and IAS 1 are not applicable to the operations as the Company has not issued any puttable financial instruments.	1 January 2009
Improvements to IFRS 2008	Improvements to IFRS 2008 included 35 modifications in two parts First part included 24 modifications in 15 standards which modify presentation and valuation principles Second part included 11 modifications in 9 standards. According to International Accounting Standards Council they will be without influence on accounting principles or they influence will be minimal.	The Group is still assessing the impact of the revised standards on the operations.	1 January 2009 or 1 July 2009 (IFRS 5)

Standards and Interpretations not yet endorsed by the EU	Type of expected change in the accounting principles	Possible impact on financial statements	Effective date for periods commencing on the day or after
IFRIC 15 Agreements for the Construction of Real Estate	The Interpretation provides a guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue and when revenue from the construction should be recognised.	IFRIC 15 is not applicable to the Group operations as the Group is not a party in any agreement for the construction of real estate.	1 January 2009
IFRIC 16 Hedges of a Net Investment In a Foreign Operation	IFRIC 16 applies to an entity that hedges the foreign currency risk arising from its net investments in foreign operations. The Interpretation clarifies that this type of hedge accounting can be applied only when the net assets of the foreign operation are included in the financial statements.	IFRIC 16 is not applicable to the Group operations as the Group does not practice hedge accounting to the foreign currency risk arising from its net investment in a foreign operation.	1 October 2008

Standards and Interpretations not yet endorsed by the EU	Type of expected change in the accounting principles	Possible impact on financial statements	Effective date for periods commencing on the day or after
Amendments to IFRS 1 and IAS 27 – Cost of an investments in subsidiaries, jontly controlled entities and associates.	The amendments to IFRS 1 allow a first-time adopter to determine a deemed cost of investments at the date of transition in subsidiaries, jointly controlled entities and associates. This determination according to the cost and its basis (carrying amount under previous accounting practice or fair value in accordance with IAS 27) should be made for each investment separately. For first-time adopters which use a deemed cost of investments, additional disclosures are also implicated. The amendments remove the cost method from IAS 27 and replace it with a requirement for all dividends from a subsidiary, associates or jointly controlled entity to be recognised as income in the separate financial statements of the investor. The amendments also clarify how to present the cost of an investment in the financial statements of a new parent inserted above an existing parent of a group, under some circumstances.	The Group is still assessing the impact of the revised standards on the operations.	1 January 2009

1.4. INFORMATION ABOUT THE GROUNDS FOR PREPARING THE FINANCIAL STATEMENTS, REPORTING CURRENCY AND APPLIED LEVEL OF ROUNDING

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union later referred to as "IFRS EU".

The reporting currency of these consolidated financial statements is Polish zloty and any amounts are rounder-off to full Polish zloty (unless provided otherwise).

1.5. COMPARABILITY OF FINANCIAL STATEMENTS

The accounting principles as well as calculation methods applied in the preparation of the financial statements remained unchanged in comparison to the ones applied in the last annual consolidated financial statements.

1.6. INFORMATION ABOUT THE PARENT ENTITY AND THE CAPITAL GROUP

The Eurocash capital group consists of Eurocash S.A. and its subsidiary companies: KDWT S.A., Eurocash Franszyza Sp. z o.o., Eurocash Detal Sp. z o.o., McLane Polska Sp. z o.o., Nasze Sklepy Sp. z o.o. and associate company PayUp Polska S.A.

The parent entity is Eurocash Spółka Akcyjna, registered in the District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register, entry no KRS 00000213765, with its registered seat in Komorniki, ul. Wiśniowa 11.
The core business of the Company is the other wholesale (PKD 5190 Z).
Eurocash S.A. shares are listed on the Warsaw Stock Exchange.

The subsidiary entities are:

- KDWT Spółka Akcyjna, registered in the District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register, entry no KRS 0000040385, located in Komorniki, Wiśniowa 11,
- Eurocash Franszyza Sp. z o.o., registered in the District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register, entry no KRS 0000259846, located in Komorniki, Wiśniowa 11,
- Eurocash Detal Sp. z o.o., registered in the District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register, entry no KRS 0000259826, located in Komorniki, Wiśniowa 11.
- McLane Polska Sp. z o.o., registered in the District Court Warszawa XIV Commercial Division of the National Court Register, entry no KRS 0000013892, located in Błonie, Pass 20C,
- Nasze Sklepy Sp. z o.o., registered in the District Court Lublin XI Commercial Division of the National Court Register, entry no KRS 0000000139, located in Biała Podlaska, ul. Kąpielowa 18

The associate company is:

- PayUp Polska S.A registered in the District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register, entry no KRS 0000299000, located in Poznań, Al. Solidarności 46

The data presented in these consolidated financial statements embraces the results of the entities listed above.

All amounts are expressed in Polish zloty (unless indicated otherwise)

Entities comprising the Eurocash capital group covered by the consolidated financial statements as of 30.09.2008

name of entity	Eurocash S.A.	KDWT S.A.	Eurocash Detal sp. z o.o.	Eurocash Franszyza sp. z o.o.	McLane Polska sp. z o.o.	PayUp Polska S.A.	Nasze Sklepy sp. z o.o.
seat	ul .Wiśniowa 11 62-052 Komorniki	ul .Wiśniowa 11 62-052 Komorniki	ul .Wiśniowa 11 62-052 Komorniki	ul .Wiśniowa 11 62-052 Komorniki	ul. Pass 20C 05-870 Błonie	Al.. Solidarności 46 61-696 Poznań	ul. Kąpielowa 18 21-500 Biała Podlaska
core business	PKD 5190Z	PKD 5135Z	PKD 7020Z	PKD 7487B	PKD 5190Z	PKD 6120Z	PKD 5211Z
registry court	District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register KRS 0000213765	District Court Poznań -Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register KRS 0000040385	District Court Poznań - Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register KRS 0000259826	District Court Poznań - Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register KRS 0000259846	District Court Warszawa XIV Commercial Division of the National Court Register KRS 0000013892	District Court Poznań - Nowe Miasto i Wilda of Poznań, VIII Commercial Division of the National Court Register KRS 0000299000	District Court Lublin XI Commercial Division of the National Court Register KRS 0000000139
entity status	Parent entity	Subsidiary entity	Subsidiary entity	Subsidiary entity	Subsidiary entity	Associate entity	Subsidiary entity
applied consolidation method	Full	Full	Full	Full	Full	Equity method	Full
date of taking over control	n/a	31.03.2006	10 July 2006	10 July 2006	30 April 2008	13 May 2008	14 May 2008
Share in share capital (%)	n/a	100%	100%	100%	100%	49%	53,39%
Share in total number of votes (%)	n/a	100%	100%	100%	100%	49%	53,39%

1.7. GOING CONCERN BASIS

The financial statements have been prepared on a going concern. There are no circumstances indicating any threat to the going concern of the Company.

2. APPLIED PRINCIPLES OF ACCOUNTING

2.1. PRINCIPLES OF ACCOUNTING

The financial statements are prepared under the historic cost convention, except for the revaluation of financial assets (measured at fair value through profit and loss) and available-for-sale financial instruments.

The key principles of accounting applied by the Company are presented under items 2.2 – 2.27.

2.2. FINANCIAL YEAR AND REPORTING PERIOD

The financial year of the Group is a calendar year.

2.3. FORMAT AND CONTENT OF THE FINANCIAL STATEMENTS

The financial statements are prepared as at the day of books of accounts closure or as at any other balance sheet day.

The consolidated financial statements comprise in particular:

- General information
- Abbreviated consolidated profit and loss account
- Abbreviated consolidated balance sheet
- Abbreviated consolidated cash flow statement
- Abbreviated consolidated statement on changes in equity
- Additional information
- Explanatory notes

2.4. INTANGIBLE FIXED ASSETS

Definition

Intangible fixed assets cover property rights acquired by the Group, designated for use for the needs of the Group, suitable for economic utilisation, whose expected useful economic life is longer than one year.

Intangible fixed assets of the Group comprise:

- Goodwill,
- Licences for computer software,
- Copyrights,
- Rights to trade marks, utility and ornamental designs,
- Know-how,
- Other intangible fixed assets.

Initial value of intangible fixed assets

The initial value of intangible fixed assets is an acquisition price covering the amount due to the seller and other costs paid in direct connection with acquisition of intangible fixed assets.

Amortisation

Most intangible assets other than goodwill and intangible assets with indefinite useful life are amortised. Time during which intangible fixed assets will generate measurable economic benefits is taken into account while determining the useful life. If it is difficult to define an economically justified useful life or when there is no certainty as to expected measurable benefits, an intangible fixed assets are charged directly to costs.

The Group applies the following annual rates of amortisation for particular groups of intangible fixed assets:

▪ licences – computer software	33,3%
▪ copyrights	20%
▪ trade marks	5% - 10%
▪ know-how	10%
▪ other intangible fixed assets	20%

Since the useful life of the “Eurocash”, “ABC” and “KDWT” trade marks is difficult to define / undefined, they are not amortised. The “Eurocash”, “ABC” and “KDWT” trade marks are subject to an annual impairment test.

Verification of amortisation rates, impairment loss

Not later than at the end of a financial year amortisation rates applied to intangible fixed assets are verified. If it is found out that the applied amortisation rates need adjustment – such adjustment is made in the next year and following financial years. Intangible fixed assets of indefinite useful life are subject to annual verification in the case of any circumstances indicating their impairment.

Not later than at the end of a financial year, intangible fixed assets are also verified as to their impairment and the need to make an impairment loss. An impairment loss is charged to other operating costs not later than on the balance sheet day, i.e. in the year of impairment occurrence.

According to IAS 36 regarding intangible assets that have an indefinite useful life are subject to annual test for impairment by comparing its carrying amount with its recoverable amount no matter if there are any indicators that an impairment loss occurred.

Valuation of intangible fixed assets as at the balance sheet day

As at the balance sheet day intangible fixed assets should be valued at an acquisition price less amortisation charges and impairment losses.

2.5. TANGIBLE FIXED ASSETS

Definition

Tangible fixed assets cover tangible assets controlled by the Group, suitable for economic utilisation (are complete, useful and allocated for the needs of the Group), whose expected economic life is longer than one year.

Tangible fixed assets of the Group comprise:

- Buildings and structures,
- Right of perpetual usufruct of land,
- Technical machinery and equipment,

- Means of transport,
- Other fixed assets (furniture etc.),
- Constructions in progress,
- Advances for constructions in progress.

Initial value of tangible fixed assets

The initial value of fixed assets is an acquisition price i.e. the price of purchase of an asset, covering the amount due to the seller (excluding deductible VAT and excise tax).
In case of import, an acquisition price includes also public and legal charges.

An acquisition price covers also costs directly connected with purchase and adaptation of an asset to a condition enabling its use or marketing, including costs of transport, loading, unloading, warehousing or marketing, less rebates, discounts and other similar reductions and recoveries.
If it is not possible to determine the acquisition price of an asset, in particular accepted free of charge, also as a gift, such asset is valued at the sales price of the same or similar object, i.e. at fair value.

Manufacturing cost of constructions in progress covers total costs incurred in the period of construction, assembly, adaptation and improvement, until the balance sheet day or acceptance for use, including but not limited to:

- non-deductible VAT and excise tax,
- cost of serving liabilities incurred to finance the said constructions and exchange gains/losses connected with such liabilities, less revenues from the same.

Depreciation

All fixed assets, excluding land and constructions in progress, are depreciated for an estimated economic useful life of the asset, with the straight-line method, while applying the following annual depreciation rates:

▪ buildings and structures	2,5% - 4,5%
▪ investments in third party fixed assets	10%
▪ technical machinery and equipment	10% - 60%
▪ means of transport	14% - 20%
▪ other fixed assets	20%

Fixed assets are depreciated using the straight-line method, from a month following their acceptance for use. The depreciation is accrued monthly.

Profits or losses on sale, liquidation or discontinuance of use of fixed assets are established as the difference between revenues from sale and net value of the said fixed assets and are recorded in the profit and loss account.

Verification of depreciation rates, impairment loss

Not later than at the end of a financial year depreciation rates and depreciation methods applied to fixed assets are verified. If it is found out that the applied depreciation rates and methods need adjustment – such adjustment is made in the next year and following financial years.

Not later than at the end of a financial year, tangible fixed assets (fixed assets, constructions in progress) are also verified as to their impairment and possible need to make an impairment loss.

Recognition that it is highly probable that an asset will not generate the whole or significant part of expected economic benefits in future is an element indicating the need to make impairment loss. Impairment takes place e.g. in the case of liquidation or withdrawal from use of a particular fixed asset.
Impairment loss should be charged not later than on the balance sheet day (i.e. in the year in which the impairment occurred), to other operating costs.

When the reason of the revaluation write-offs terminates, including permanent impairment of value, the equivalent of the entire or a relevant part of the revaluation write-off previously made increases the value of the given asset and is included in either other operating or financial income.

Valuation of fixed assets as at the balance sheet day

Tangible assets are reported at acquisition or manufacturing cost less accumulated depreciation based on the estimated useful life of the asset and any impairment losses.

Construction in progress, developed for the use in operating activity, as well as for so far unspecified purposes, are presented in the balance sheet at manufacturing cost less impairment losses. Manufacturing cost is increased by fees and – for specified assets – by costs of external funding, capitalised in accordance with the principles of accounting.

Stocktaking of fixed assets
Stocktaking of fixed assets is conducted every four years.

2.6. COSTS OF EXTERNAL FINANCING

Costs of external financing, directly connected with acquisition or manufacture of adapted assets, are added to manufacturing costs of such assets, until the said fixed assets are handed over for use. The said costs are reduced by revenues gained from temporary investment of funds obtained for manufacture of a given asset.

Costs of external financing cover interest and other costs incurred by the enterprise due to borrowing funds.

Any other costs of external financing are directly charged to the profit and loss account in the period of being incurred.

2.7. LEASE

Financial lease takes place when a lease agreement, as to the principle, transfers the total risk and benefits derived from holding a leased object to the leaseholder. Any other types of lease are deemed operational lease.

Assets used under a financial lease agreement are treated equally to the assets of the Group and are valued at the moment of commencing the lease agreement at the lower of fair value of an asset being a leased object or the current value of minimum lease fees.

Lease fees are divided into interest and principal, so that the interest on outstanding liability is a fixed value.
Liabilities under lease agreements are recorded under balance sheet liabilities in the item “financial liabilities”, and divided into short-term and long-term ones.

Fixed assets under a financial lease agreement are depreciated in the shorter of the contractual period of the lease agreement or the economic useful life. However, when an agreement provides the Company with a right to extend the lease agreement for a definite period (and it is highly probable that the Group will exercise the said right), the depreciation period should also account for the said additional period of lease.

Lease fees under operational lease are charged to the profit and loss account on a straight-line basis for the lease period.

2.8. INVESTMENT REAL PROPERTY

Investment real property is real property which is deemed as a source of revenues from rents and/or which is held due to expected growth in their value.
Investment real property is valued as at the balance sheet day at fair value.
Gains and losses due to any change in fair value of investment real property are recorded in the profit and loss account in the period in which they are generated.

2.9. LONG-TERM RECEIVABLES

Definition

Long-term receivables include receivable falling due more than 1 year of the balance sheet day (excluding trade receivables).
This part of long-term receivables which falls due within a year of the balance sheet day should be recorded under short-term receivables.
Long-term receivables cover e.g. prepaid security deposits referring to long-term (multiannual) rental agreements.

Valuation of long-term receivables

As at the balance sheet day long-term receivables are valued at amount adjusted purchase price estimated according to efficiency interest rate less possible allowance for bad debts.

2.10. LONG-TERM PREPAYMENTS

Long-term prepayments cover expenditures incurred until the balance sheet day, being costs of future reporting periods falling due more than 12 months of the balance sheet day.

An analysis of long-term prepayments is made as at each balance sheet day. The part of prepayments to be realised within 12 months of the balance sheet day should be recorded in short-term prepayments.

The analysis mentioned above is performed by the Group with respect to the objective premises and general knowledge about particular prepayments.

2.11. FIXED ASSETS AND GROUPS OF NET ASSETS CLASSIFIED AS HELD FOR SALE

Fixed assets classified as intended for disposal and groups of net fixed assets intended for disposal are valued by the lower of the two values: balance-sheet or fair value less costs of sale.

The Group classifies tangible assets element (or a group intended for sale) as intended for sale if its balance-sheet value will be recovered first of all in the course of a sale transaction and not through its further usage.
Such situation occurs if the following conditions are fulfilled:

- assets component (or a group intended for sale) is available for an immediate sale at its current state, considering only ordinary and commonly accepted conditions of selling assets (or a group intended for sale) of such type and its sale is highly likely;
- representatives of a relevant level of management are determined to complete the sales plan of the assets element (or a group intended for sale);
- an active program of soliciting a purchaser and completion of the program has been commenced;
- assets element (or a group intended for sale) must be actively offered for sale at a price which is rational in reference to its current fair value;
- the sale will be recognised as completed within one year from the day of classification, and the activities necessary for the completion of the program indicate that it is highly unlikely that any significant changes in the program will be made or that the program will be withdrawn from.

2.12. INVENTORIES

Definition

Inventories of the Group include:

- Acquired traded goods held for sale in the ordinary course of business,
- Materials acquired for use for own needs.

Principles of establishing acquisition price

Acquisition price is established in accordance with the First In - First Out (FIFO) method. The Company applies the same method of establishing acquisition price to all stock items.

An acquisition price is all costs of purchase and other costs paid in the course of bringing stocks to their current place and condition.
Costs of stocks purchase comprise the purchase price, import duties and other taxes (excluding the ones which the enterprise may recover from revenue office later on) and costs of transport, loading and unloading, as well as other costs which can be directly allocated to traded goods.
Costs of purchase are reduced by discounts, trade rebates and other similar items.

Valuation of inventories as at the balance sheet day

At the balance sheet day elements of inventories are valued according to purchase price or production costs and not higher than net value possible to gain. A purchase price or a cost of manufacture of other inventories is settled according to method First In - First Out (FIFO). Net value possible to gain is a difference between an estimated sale price in ordinary economic activity and an estimated finishing costs and necessary to complete a sale.

The Company identifies the following circumstances indicating the need to make a revaluation write-off on inventories:

- loss of useful value of inventories (destruction, expiry, etc.)
- excess of the level of inventories resulting from the demand and selling capacity of the Company,
- low movements of inventories,

- loss of the market value of inventories due to decrease in their sales prices below the inventory valuation level – net value possible to be obtained.

If the value of acquisition prices is higher than net realisable value as at the balance sheet day, acquisition prices are reduced to net realisable value by making a revaluation write-off.

Revaluation write-offs on inventories reduce other operating costs.

2.13. FINANCIAL INSTRUMENTS

Initially, the Company recognises financial instruments at fair value. In case of financial instruments not classified as the financial assets valued at fair value by financial outcome (d), the costs of transaction possible to be directly assigned are included in the initial value.

Due to the rights as well as financial risk involved expiration (or its transfer to the third party) the Company is allowed to eliminate the financial instruments from balance sheet.

The fair value of financial assets classified as trading assets is calculated on the basis of the published price quotations in the active market from the day before the balance sheet day.
If the market for a financial instrument is not active, an entity establishes fair value by using a valuation technique. Valuation techniques embrace a reference to the current fair value of another instrument that is quoted in an active market and substantially the same, discounted cash flow analysis or option pricing models applicable to any entity's specific circumstances.

Conceptually at each balance sheet date, the Group assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired and if so it should determine the amount of impairment loss and provide for the same.

The Company classifies financial instruments in the following categories:
(a) held-to-maturity investments,
(b) loans and receivables,
(c) available-for-sale financial assets,
(d) financial assets held for trading, valued at fair value through profit and loss.

Subsequent measurement of financial assets depends upon their classification at initial recognition into any of the above categories that is mainly based on the purpose of purchase.

(a) Held-to-maturity investments

This category is for fixed maturity financial assets which are not derivative instruments, with payments that are defined or possible to define and with specified maturity, in relation to which the Company has strong intention and is able to maintain the ownership until their maturity, excluding the financial assets classified as financial assets held for trading, available-for-sale financial assets and loans and receivables.
Financial assets to be sold off in the 12 month period of the balance sheet date are recognized as current assets.

Held-to-maturity investments are measured at amortized cost using the effective interest method.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or possible to define payments that are not quoted in an active market. They arise when the Company provides money directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets.
Trade receivables and other receivables are measured at amortized cost using the effective interest method, less allowance for bad debts. Valuation of the mentioned assets components takes under consideration time as well as payment probability.

(c) Available-for-sale financial assets

This category includes financial assets that are not derivative instruments, which were classified as available for sale or which are not (a) loans and receivables, (b) held-to-maturity investments or (d) financial assets valued at fair value through profit and loss.
Assets in this category are classified as current if they are intended to be disposed within 12 months of the balance sheet date

Available-for-sale assets are measured at fair value excluding the investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured.

Gains and losses arising from changes in the fair value of financial assets classified as available-for-sale are recognized in equity. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. If the fair value of available-for-sale financial assets increased due to subsequent events in a few periods after the impairment loss had been recognised, the cumulative impairment loss is reversed i.e. removed from equity and recognised in the income statement.

(d) Financial assets valued at fair value through profit and loss (held for trading)

This category has two subcategories: financial assets held for trading and those designated at fair value through profit or loss at inception.
Assets in this category are classified as current if they are either held for trading or are expected to be realized within 12 months of the balance sheet date.

Initially, financial liabilities are recognised at amortised cost using the effective interest rate, excluding:
(a) financial liabilities valued at fair value through profit and loss,
(b) financial liabilities brought down (a result of the financial assets transfer) not qualified as to be excluded from balance sheet,
(c) financial guarantee agreements,
(d) liabilities to grant a loan at under market rate.

2.14. TRADE RECEIVABLES AND OTHER SHORT-TERM RECEIVABLES

Trade receivables

Trade receivables cover receivables created under realised deliveries or services, falling due within 12 months or over 12 months.

Trade receivables do not include receivable due to advances granted to suppliers, which are classified as stocks, and advances for intangible fixed assets and constructions in progress, which increase fixed assets.

Other short-term receivables

Other short-term receivables cover receivables falling due within 1 year of the balance sheet day, excluding trade receivables.

Other short-term receivables do not include advances for intangible fixed assets and constructions in progress which increase fixed assets.

Valuation of trade receivables and other short-term receivables as at the balance sheet day

Trade receivables are recognised initially at amount payable and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

The interest due for delays in payments by the Group's clients is disclosed at the moment of receipt of money by the Group.

Valuation as at the balance sheet day of receivables denominated in foreign currencies

According to IAS 21 receivables denominated in foreign currencies are valued at least as at the balance sheet day at the immediately exchange rate.

Exchange gains or losses on receivables denominated in foreign currencies, created as at the day of their valuation, are recognised as financial revenues or costs respectively.

Allowance for bad debts

Allowance for bad debts are created for:

- receivables from debtors announced bankrupt or being liquidated – up to the value of receivables not covered by a guarantee or other security,
- receivables from debtors in the case of rejecting a petition for bankruptcy, when assets of the debtor are not sufficient to cover costs of bankruptcy proceedings – up to the full value,
- receivables questioned by debtors – up to the value not covered by a security,
- overdue receivables or not yet overdue but highly probable to become overdue – at the amount fairly estimated by the Company (based on prior experiences, fair analyses, projections etc.),
- receivables submitted to court – 100% of the account receivable value,
- receivables overdue for more than 180 days – 100% of the account receivable value.

Allowance for bad debts takes account not only of events that have occurred until the balance sheet day but also the ones disclosed later on, until the financial statements are

approved by the Management Board for publication, if such events refer to an account receivable recorded in books of accounts as at the balance sheet day.
Allowance for bad debts is charged to other operating costs and if it refers to interest – to financial costs.

2.15. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in the Company's safe, bank deposits on demand and cash at bank with a limited control.
Cash and cash equivalents balance shown in cash flow consists of the above elements.

2.16. SHORT-TERM PREPAYMENTS

Short-term prepayments cover expenditures paid till the balance sheet day, being costs of future reporting periods falling due within 12 of the balance sheet day.

Short-term prepayments are analysed as at each balance sheet day. These prepayments which are realised within 12 months of the balance sheet day should be recorded in short-term prepayments.
The assessment made by the Group is based on rational premises and knowledge of particular prepayments.

Short-term prepayments cover the short-term part of the following items, among others:

- prepaid rent,
- prepaid power and central heating,
- prepaid subscriptions, insurance,
- other prepaid services (e.g. telecommunication),
- advances for equipment lease agreements.

2.17. LONG-TERM LIABILITIES

Long-term liabilities cover liabilities falling due more than 12 months of the balance sheet day (it does not refer to trade liabilities).

Long-term liabilities cover mainly:

- liabilities due to incurred loans and credits,
- financial liabilities under financial lease agreements,
- liabilities to sub-lessees of depot premises due to security deposits paid by the same.

Valuation of long-term liabilities as at the balance sheet day
At the balance sheet day long-term liabilities are valued at amortised acquisition cost using the effective interest rate.

Valuation as at the balance sheet day of liabilities denominated in foreign currencies
According to the 21 IFRS liabilities denominated in foreign currencies are valued at least as at the balance sheet day at the immediately exchange rate.
Exchange gains/losses on long-term liabilities denominated in foreign currencies, created as at the day of their valuation, are recognised as financial revenues or costs respectively.

2.18. SHORT-TERM LIABILITIES

Short-term liabilities cover liabilities falling due within 12 months of the balance sheet day (it does not refer to trade liabilities).

Short-term liabilities cover in particular:

- liabilities due to incurred loans and credits,
- financial liabilities under financial lease agreements,
- trade liabilities,
- liabilities due to taxes, customs duties, insurance and other benefits,
- liabilities due to payroll.

Valuation of short-term liabilities as at the balance sheet day
At the balance sheet day short-term liabilities are valued at amortised acquisition cost using the effective interest rate.

Valuation as at the balance sheet day of short-term liabilities denominated in foreign currencies
According to IAS 21 liabilities denominated in foreign currencies are valued at least as at the balance sheet day at the immediately exchange rate.
Exchange gains or losses on short-term liabilities denominated in foreign currencies, created as at the day of their valuation, are recognised as financial revenues or costs respectively.

2.19. BANK LOANS

Interest-bearing bank loans are recorded at acquisition prices corresponding to fair value of acquiring funds, less direct costs of loan acquisition.
In next periods loans are valued at amortised acquisition price, accounting for an effective interest rate.

2.20. PROVISIONS

Provisions are created when the Group is obliged (legally or practically) to create the same due to past events and when it is probable that fulfilment of the said obligation will result in outflow of funds, as well as when the amount of such liability can be fairly estimated.

Provisions may be used based on the lapse of time or the volume of performances. The time and manner of settlement should be justified with the nature of settled costs, in accordance with the principle of prudence.

Liabilities recorded as provisions reduce costs of the reporting period in which it has been found out that such liabilities were not created.

2.21. NET SALES

Net sales are recorded at fair value of payments received or due and represent receivables for goods and services delivered under an ordinary course of business, reduced by rebates, VAT and other taxes relating to sales (excise tax).

Sales of goods
Net sales are recorded when the following conditions are fulfilled:

- the enterprise transferred significant risk and benefits attached to property rights to traded goods to the buyer,

- the enterprise is no longer permanently involved in management of sold traded goods, to the extent such function is usually performed by an owner of goods, and is not exercising an effective control over the same,
- an amount of net sales may be fairly estimated,
- is probable that the enterprise will derive economic benefits from the transaction,
- paid costs and costs to be paid by the enterprise due to the transaction may be fairly estimated.

Delivery of services

If the result of a transaction on providing services can be fairly assessed, revenues from the transaction are recorded based on the degree of transaction realisation as at the balance sheet day. The result of a transaction may be fairly assessed if all the following conditions are satisfied:

- an amount of net sales may be fairly estimated,
- it is probable that the enterprise will derive economic benefits from the transaction,
- the degree of transaction realisation as at the balance sheet day may be fairly estimated,
- costs paid due to the transaction and costs of closing the transaction may be fairly estimated.

If a result on a transaction of providing services may not be fairly estimated, revenues from the transactions are recorded only up to the value of paid costs expected to be recovered by the enterprise.

Interest revenues

Interest revenues are recorded successively as they accrue with respect to the principal and in accordance with the effective interest rate method.

Dividend revenues

Dividend revenues are recorded at the moment of establishing the shareholders' right to such dividends.

2.22. EMPLOYEE BENEFITS

In accordance with the provisions of the International Accounting Standards, the Group should account in its financial statements for costs due to pension benefits and other employee benefits upon termination of their employment, by creating a provision for pension benefits.

According to IAS 19 "Employee benefits" the provision for retirement severance payments was calculated by an independent actuary using the projected unit credit method. It represents the present value of the future obligation of the Company to make severance payments on its employees retirement with respect to the employee movements and other demographic indicators.

2.23. SHARE-BASED COMPENSATION

Share-based compensation program make possible employees of Group purchase shares of Parent Company. The fair value of option grants is present in separate position in profit and loss report as costs of management options program in connection with ownership capital. The fair value is determinate at the day of options grants for employees, arrange in period when employees will qualify to execute options.

The Company uses a Black-Scholes model to determine the fair value of option grants.

Key assumptions used in this valuation method are: share price on the date of calculation, closing stock price, the volatility of the Company's stock price (based on the weighted-average of the historical volatility in the Company's stock price adapted to the expected changes due to public available information), the expected life of our share-based instruments (based on the historical data and common behaviour of the option owners), the expected dividend yield and the risk free interest rates (bonds). The transaction conditions applying to provisions and performance results not related to market are not considered in the valuation.

2.24. TAXES

Mandatory burden on the result comprises current tax and deferred tax.

Current tax burden is calculated based on the tax result (tax base) of a given financial year. Tax profit (loss) differs from net book profit (loss) due to exclusion of taxable revenues and deductible costs in following years as well as costs and revenues which will never be taxable. Tax burden is calculated based on tax rates applicable in a given financial year.

Deferred tax is calculated with the balance sheet method as tax payable or refundable in future on differences between carrying values of assets and liabilities and tax value corresponding to the same, used to calculate the tax base.

Deferred income tax provision is created on all taxable positive temporary differences, whereas a deferred income tax assets is recognised up to the value of probable future reduction of tax profits by recognised negative temporary differences. Tax asset or liability is not created if a temporary difference arises due to goodwill or initial recognition of another asset or liability in a transaction which has no impact either on tax result or book result.

Deferred income tax provision is recognised on temporary tax differences arising due to an investment in subsidiaries, associated companies and joint ventures, unless the Group is able to control the moment of temporary difference reversal and it is probable that the temporary difference will not reverse in foreseeable future.

The value of a deferred income tax asset is analysed as at each balance sheet day and it is written-off when expected future tax profits are not sufficient to realise the asset or any part of the same.

Deferred tax is calculated based on tax rates which will be applicable when an asset is realised or a liability falls due. Deferred tax is recorded in the profit and loss account, except when it refers to items recognised directly in equity. In the latter case deferred tax is also charged directly to equity.

2.25. BUSINESS ACQUISITIONS AND CONSOLIDATION PRINCIPLES

Subsidiaries

Entities in relation to which the Group has the ability to manage their financial and operating policy in order to gain profits from their operations are recognized as subsidiaries in the consolidated financial statements. It is directly related to an ownership of a majority of the total number of votes in the governing bodies of such entities. The existence and the impact of potential voting rights which may be executed or exchanged in a particular moment must be taken into account while conducting evaluation whether the Group is in control over a particular entity.

Costs of business acquisition

The costs of business acquisition are valued as the sum of the fair values at the date of exchange of given assets, incurred or assumed liabilities and equity instruments issued by the acquirer with regard to the business acquisition, plus any potential costs directly attributable to the combination of business units.

The date of an acquisition

The day on which the acquirer obtains actual control of the acquiree is the acquisition day. In the event that such acquisition is executed in a way of a single exchange transaction, the date of exchange is the same date as the acquisition date.

In the event that the business acquisition is conducted in a way of more than one exchange transaction, for instance when the transaction is concluded in stages, via subsequent acquisitions of shares. In such an event:

- the cost of the business acquisition is the total cost of all given transactions, and
- the exchange date is the date of each exchange transaction (i.e. the day on which each particular investment is included in the financial statements of the acquirer), whereas the acquisition date is the date on which the acquirer obtains control over the acquired entity.

Selected consolidation procedures

The carrying amount of an investment of a dominant entity in each subsidiary is subject to an exclusion under the consolidation procedure, respectively with this part of own capital of each subsidiary which reflects the particular share of the dominant entity.

Transactions, settlements, revenues, costs, and unrealized profits included in the assets resulting from the transactions conducted among the companies within the Group are eliminated. Unrealized losses are also subject to elimination, unless a transaction proves the impairment of value of the given asset.

Allocation of the business acquisition costs

The acquirer recognises, at the acquisition date, the costs of the business acquisition, including identifiable assets, liabilities and contingent liabilities of the acquiree, which meet the criteria specified in paragraph 37 of the IFRS 3, at their fair value as at this day, with the exception of fixed assets (or the group of assets intended for sale) classified as “Intended for sale” in accordance with IFRS 5 “Non-current assets held for sale and discontinued operations” which are presented at their fair value less the costs of sale.

The acquirer recognises separately identifiable assets, liabilities and contingent liabilities at the acquisition date only if they satisfy the following criteria at that date:

- in the case of an asset other than an intangible asset, it is probable that any associated future economic benefits will flow to the acquirer and the fair value of such asset can be reliably measured;
- in the case of a liability other than a contingent liability, it is probable that an outflow of resources which embody economic benefits will be required to settle an obligation, and its fair value can be reliably measured;
- in the case of an intangible asset or a contingent liability, its fair value can be reliably measured.

Goodwill

As at the acquisition date, the acquirer:

- recognizes goodwill acquired during the business combination as an asset item, and

- initially measures the goodwill in accordance with the acquisition price, being the excess of the cost of the business combination over the acquirer's share of the net fair value of the identifiable assets, liabilities and contingent liabilities.

Upon the initial recognition, the acquirer measures the goodwill of the acquiree acquired in the course of acquisition in accordance with the acquisition price less the total amount of current impairment of value write-offs.

If the acquirer's interest in the net fair value of the acquired identifiable assets, liabilities or contingent liabilities exceeds the costs of the business acquisition, the acquirer:

- conducts subsequent evaluation of the recognition and measurement of identifiable assets, liabilities and contingent liabilities of the acquiree and the valuation of the cost of business acquisition

and

- recognizes immediately in the profit or loss potential gain resulting from the execution of the subsequent evaluation.

Pursuant to IFRS 3 Group can correct fair value acquired net assets and goodwill within 12 months from acquisition data.

2.26. SEGMENT REPORTING

Under IAS 14 "Segment reporting", the Group is obligated to present results of its operations by operations segments.
According to the original assumptions of the standard, such a presentation is to help the user of financial statements to:

- better understand the results achieved by the entity,
- better assess the risks and returns on investment of the entity,
- make more justified judgments about the entity as a whole.

Segmentation of presented performance results is particularly crucial in assessment of risks and returns on investments of the Group with a diversified operations profile or a multinational entity, when obtaining required information from the aggregated data may not be possible.

IAS 14 presents the following definitions:

Business segment
A business segment is a distinguishable part of an entity, which provides products or services or a group of related products or services, which is subject to risks and returns on investments that are different from those of other business segments.

Geographical segment
A geographical segment is a distinguishable part of an entity which provides products or services in a particular economic environment and that is subject to risks and returns on investments that are different from those operating in other economic environments.

According to IAS 34, the Company is obligated to present its proceeds and results by business or geographical segments in the mid-year abbreviated financial statements, depending on the reporting manner accepted by the Company.

All amounts are expressed in Polish zloty (unless indicated otherwise)

NOTES TO ABBREVIATED CONSOLIDATED FINANCIAL STATEMENTS PREPARED FOR THE PERIOD FROM 01.01.2008 TO 30.09.2008

NOTE 1.
BUSINESS ACQUISITION

Acquisition of McLane Sp. z o.o.

On April 17th 2008 Eurocash S.A. and McLane International LLC concluded a share purchase agreement under which Eurocash S.A. acquired 100% of shares in McLane Sp. z o.o.

1. General information

Table no 1

GENERAL INFORMATION CONCERNING BUSINESS ACQUISITION OF THE UNITS

1.	Name of acquired company	McLane Polska sp. z o.o.
2.	Core business	wholesale other (PKD 5190Z)
3.	Acquisition date	17 April 2008
4.	Takeover date	30 April 2008
5.	Acquired stake (%)	100 % shares
6.	Acquisition cost	91 955 173 PLN

2. A disposal of a part of business with regard to the business acquisition

The Eurocash Group has no intention to dispose any part of the business with regard to the acquisition of McLane Sp. z o.o.

3. Initial settlement of the business acquisition

Acquisition of control over McLane Sp. z o.o.. took place on 30th April 2008. At the day of preparation the consolidated financial statements, it was define possible to identifiable the assets, liabilities, contingent liabilities and initial determination their fair values.

At the day of preparation the consolidated financial statements was identify following intangible assets (outside McLane Polska Sp. z o.o. accounts) : trade mark, relationships with customers,profitable lease agreement property.

Therefore, this initial settlement of the business acquisition shall be considered as temporary, established based on estimated values. The Company plans to include the adjustments to estimated values resulting from the initial settlement not later than by 31st December 2008.

4. The costs of the acquisition

Table no 2

ACQUISITION COST

	as at 30.04.2008
Cash	**90 934 643**
Direct acquistion costs	
Tax on civil law transactions	903 084
Costs of consulting services (legal, accounting, etc.)	117 446
	91 955 173

All amounts are expressed in Polish zloty (unless indicated otherwise)

Table no 3

NET ASSETS ACQUIRED	At as 30.04.2008
Other intangible fixed assets	1 431 246
Tangible fixed assets	30 262 734
Long-term prepayments	5 055 217
Invetories	47 480 690
Trade receivables	103 332 316
Other short-term receivables	443 015
Cash and cash equivalents	1 592 128
Short-term prepayments	885 796
Total assets	**190 483 141**
Deferred income tax provision	1 180 000
Provision for employee benefits	120 055
Short-term loans and credits	14 493 177
Other short-term financial liabilities	19 943 056
Trade liabilities	88 158 152
Other short-term liabilities	1 454 665
Other short-term provisions	8 793 390
Total liabilities	**134 142 495**
Net assets	**56 340 646**
Goodwill on acquisition	35 614 526
Acquisition cost	**91 955 173**

Purchase of 49% of shares in PayUp Polska S.A.

On May 13th 2008 Eurocash S.A. purchased registered shares in PayUp Polska S.A. from the Dutch company PayUp Holding B.V. The shares represent 49% of the share capital of PayUp Polska. PayUp Holding B.V. holds the remaining 51% of shares in PayUp Polska.

1. General information

Table no 4

GENERAL INFORMATION CONCERNING BUSINESS ACQUISITION OF THE UNITS		
1.	Name of acquired company	PayUp Polska S.A.
2.	Core business	Wireless telecommunication (PKD 6120Z)
3.	Acquisition date	13 May 2008
4.	Acquired stake (%)	49 % shares
5.	Acquisition cost	3.464.300 PLN

2. A disposal of a part of business with regard to the business acquisition

The Eurocash Group has no intention to dispose any part of the business with regard to the acquisition of PayUp Polska S.A

All amounts are expressed in Polish zloty (unless indicated otherwise)

3. The costs of the acquisition

Table no 5

ACQUISITION COST

	as at 13.05.2008
Cash	**3 430 000**
Direct acquistion costs	
Tax on civil law transactions	34 300
Costs of consulting services (legal, accounting, etc.)	0
	3 464 300

Purchase of 53,39% of shares in Nasze Sklepy Sp. z o.o.

On May 14th 2008 Eurocash S.A. purchased from twelve natural persons 53,39% of shares in Sieć Detalistów „ Nasze Sklepy". On the same day, Eurocash S.A. executed a preliminary agreement with the same persons, under which the parties are obligated to conclude a final agreement by May 14th 2010 whereby Eurocash S.A. will acquire further 90 shares in Nasze Sklepy. In performance of both these agreements, Eurocash S.A. will hold 97,07% of shares in Nasze Sklepy.

1. General information

Table no 6

GENERAL INFORMATION CONCERNING BUSINESS COMBINATION OF THE UNITS

1.	Name of acquired company	Nasze Sklepy Sp. z o.o.
2.	Core business	ratail sales food,drinks and tobacco (PKD 5211Z)
3.	Acquisition date	14 May 2008
4.	Acquired stake (%)	53,39 % shares
5.	Acquisition cost	2 072 462 PLN

2. A disposal of a part of business with regard to the business combination

The Eurocash Group has no intention to dispose any part of the business with regard to the acquisition of Nasze Sklepy Sp. z o.o.

3. Initial settlement of the business combination

Acquisition of control over Nasze Sklepy Sp. Z o.o. took place on 14th May 2008. Due to the time constraints, it was not possible to define in a complete manner the final fair values of identifiable assets, liabilities and contingent liabilities until the day of preparation of the abbreviated consolidated financial statements. Therefore, this initial calculation of the business combination shall be considered as temporary, established based on estimated values. The Company plans to include the adjustments to estimated values resulting from the initial settlement not later than by 31st December 2008.

All amounts are expressed in Polish zloty (unless indicated otherwise)

4. The costs of the acquisition

Table no 7

ACQUISITION COST	as at 14.05.2008
Cash	**1 870 761**
Direct acquistion costs	
Tax on civil law transactions	18 708
Costs of consulting services (legal, accounting, etc.)	182 992
	2 072 462

Table no 8

NET ASSETS ACQUIRED	As at 14.05.2008
Tangible fixed assets	193 447
Other long-term financial assets	68 072
Invetories	27 717
Trade receivables	565 580
Other short-term receivables	2 349
Cash and cash equivalents	128 984
Total assets	**986 150**
Trade liabilities	256 150
Other short-term liabilities	44 510
Other short-term provisions	7 423
Total liabilities	**308 082**
Net assets	**678 067**
Goodwill on acquisition	**1 394 394**
Acquisition cost	**2 072 462**

Results of Eurocash Group in the period from 01.01 – 30.09.2008 considering acquired companies in this period.

	for the period od 01.01.2008 do 30.09.2008
Net sales	4 868 596 121
Net profit	48 061 714

NOTE 2.
SEGMENT REPORTING

Eurocash Group runs the business exclusively within the territory of Poland that may be considered as homogenous in terms of economic conditions and risk related to the operations. All that determines the business sector selection as the basic reporting scheme and the geographical segment as the supplementary one.

As a result of the analysis of the business activities conducted by the Eurocash Group, taking into consideration the regulations specified in IAS 14 Segment reporting, the Company made a decision to distinguish the following business segments of the capital Group:

- traditional wholesale – wholesale operations conducted by the Cash & Carry discount chain, including the entire operations of the dominant entity - Eurocash S.A.
- active distribution – wholesale operations in the area of specialist active distribution of the FMCG goods, including operations of the subsidiary - KDWT S.A. and McLane sp. z o.o.
- others – real estate business running by Eurocash Detal sp. z o. o., commercial business (franchising) running by Eurocash Franszyza sp. z o. o. and retail sales food, drinks, tobacco and others running by Nasze Sklepy sp z o.o.

The Group does not distinguish any other areas than Poland in terms of geographical segments.

The information presented below showing sale figures and results of the particular segment apply to the analysed reporting period.

All amounts are expressed in Polish zloty (unless indicated otherwise)

INCOME AND RESULTS BY BUSINESS SEGMENTS IN THE PERIOD FROM 01 JANUARY 2008 TO 30 SEPTEMBER 2008

	Traditional wholesale	Active distribution	Other	Exclusions	Total
Sales	**2 390 719 648**	**2 330 395 751**	**31 511 059**	**(223 505 116)**	**4 529 121 343**
External sales	2 266 819 164	2 240 136 925	22 165 253	-	4 529 121 343
Inter-segmental sales	123 900 484	90 258 826	9 345 806	(223 505 116)	-
Operating profit	**58 006 406**	**7 149 194**	**7 502 838**	**1 601 296**	**74 259 734**
Finance income					2 574 736
Finance costs					(12 963 002)
Share in profits (losses) of companies consolidated with the equity method					(845 884)
Profit before income tax					**63 025 584**
Income tax					(11 870 936)
Net profit					**51 154 649**
Total assets (without cash and cash equivalents)	**759 210 512**	**388 784 497**	**34 099 632**	**(150 669 623)**	**1 031 425 018**
Trade liabilities	**501 929 723**	**180 151 823**	**4 628 644**	**(37 256 861)**	**649 453 330**
Investment expenditures	**139 239 681**	**2 984 367**	**6 579 120**	**(1 833 716)**	**146 969 452**
Depreciation and amortisation	23 374 791	4 676 041	2 594 507	347 908	30 993 246

All amounts are expressed in Polish zloty (unless indicated otherwise)

INCOME AND RESULTS BY BUSINESS SEGMENTS IN THE PERIOD FROM 01 JANUARY 2007 TO 30 SEPTEMBER 2007

	Traditional wholesale	Active distribution	Other	Exclusions	Total
Sales	**1 909 178 775**	**1 653 386 909**	**22 317 391**	**(132 083 895)**	**3 452 799 181**
External sales	1 866 014 272	1 571 288 472	15 496 436	-	3 452 799 181
Inter-segmental sales	43 164 503	82 098 436	6 820 955	(132 083 895)	-
Operating profit	**37 273 832**	**12 314 812**	**4 951 676**	**51 428**	**54 591 748**
Finance income					1 192 208
Finance costs					(6 683 123)
Profit before income tax					**49 100 833**
Income tax					(9 837 604)
Net profit					**39 263 229**
Total assets (without cash and cash equivalents)	**597 919 607**	**187 723 320**	**25 443 375**	**(77 464 010)**	**733 622 293**
Trade liabilities	**380 813 159**	**68 911 566**	**3 663 254**	**(33 784 426)**	**419 603 553**
Investment expenditures	**35 147 367**	**1 601 052**	**11 101 200**	**-**	**47 849 619**
Depreciation and amortisation	22 706 855	2 377 930	1 584 803	(12 335)	26 657 253

NOTE 3.
INFORMATION ABOUT RELATED COMPANIES

No significant transactions with related undertakings were concluded in the third quarter of 2008, apart from the transactions based on the Company's ordinary operations and market conditions.

NOTE 4.
IMPORTANT EVENTS AFTER THE BALANCE-SHEET DATE

There was not any important events after balance-sheet date.

SIGNATURES OF THE MANAGEMENT BOARD MEMBERS

Position	Name and surname	Date	Signature
Management Board Member Chief Executive Officer	Rui Amaral	14th November 2008	
Management Board Member Chief Financial Officer	Arnaldo Guerreiro	14th November 2008	