



CONSOLIDATED INTERIM REPORT

1 ST QUARTER 2007

**PREPARED ACCORDING TO INTERNATIONAL FINANCIAL
REPORTING STANDARDS**

(ALL AMOUNTS IN THOUSANDS PLN)

Lublin, May 2007

1. Selected financial data

SELECTED FINANCIAL DATA	Thousands PLN		Thousands EURO	
	3 months ended 31 March 2007	3 months ended 31 March 2006	3 months ended 31 March 2007	3 months ended 31 March 2006
I. Net sales of merchandise and finished products	1 067 825	319 572	273 360	83 101
II. Profit on operating activities	22 224	12 863	5 689	3 345
III. Profit before taxation	20 701	12 058	5 299	3 136
IV. Net profit (loss)	16 728	9 455	4 282	2 459
V. Net cash flow from operating activities	24 192	10 146	6 193	2 638
VI. Cash flow from investment activities	4 654	(5 880)	1 191	(1 529)
VII. Cash flow from financing activities	(1 312)	(2 181)	(336)	(567)
VIII. Total net cash flows	27 534	2 085	7 049	542
IX. Total assets	1 189 352	340 376	307 366	86 484
X. Liabilities and provisions for liabilities	806 204	221 880	208 348	56 376
XI. Long-term liabilities	108 926	48 922	28 150	12 430
XII. Short-term liabilities	697 278	172 958	180 198	43 946
XIII. Equity	377 801	118 496	97 636	30 108
XIV. Share capital	13 004	6 635	3 361	1 686
XV. Number of shares	13 004 006	6 635 100	13 004 006	6 635 100
XVI. Net profit per ordinary share (in PLN / EUR) (annualized)	2,37	4,11	0,61	1,07
XVII. Book value per ordinary share (in PLN / EURO)	29,23	17,86	7,55	4,54
XVIII. Dividend per share (PLN)	1,78	0,32	0,46	0,08

Average rate of Exchange for points I-VIII,XVI, XVIII: 2007 - 3,9063 PLN/EURO
2006 - 3,8456 PLN/EURO

Exchange rate for points IX-XIII, XVII: as at 31.03.2007 – 3,8695 PLN/EURO
as at 31.03.2006 – 3,9357 PLN/EURO

2. Consolidated financial statements

Profit & loss statement

	3 months ended 31 March 2007	3 months ended 31 March 2006
Sales	1 067 825	319 572
Cost of sales	(922 997)	(272 606)
Gross profit (loss)	144 828	46 966
Other operating income	4 700	6 300
Selling costs	(107 475)	(35 305)
Overhead costs	(16 731)	(4 703)
Other operating expenses	(3 098)	(395)
Operating profit (loss)	22 224	12 863
Finance income	3 410	219
Finance costs	(4 933)	(1 024)
Profit (loss) before income tax	20 701	12 058
Income tax	(3 973)	(2 603)
Net profit (loss)	16 728	9 455

Net profit (loss) (annualised)	30 649	27 260
Weighted average number of ordinary shares*	12 923 985	6 635 100
Profit (loss) per ordinary share (in PLN)	2,37	4,11

* weighted average number of ordinary share in 2007: January – March 12 923 985

Consolidated balance sheet

	31 March 2007	31 March 2006
Non-current basset	510 334	159 455
Property, plant, equipment	336 891	153 431
Real estates	4 388	
Intangible assets	1 595	577
Goodwill	142 377	
Financial assets	2 664	278
Long-term receivables	9 950	2 800
Deferred tax assets	12 469	2 369
Current assets	679 018	180 921
Inventory	297 051	102 455
Receivables	328 851	65 738
Income tax receivables	4 494	84
Short-term securities		
Prepaid expenses	6 239	3 398
Cash and cash equivalents	40 187	9 229
Other financial assets	2 196	17
Tangible assets destined for sale		
Total assets	1 189 352	340 376
Equity	383 148	118 496
Share capital	13 004	6 635
Share Premium	276 333	34 360
Capital reserve	7 497	2 613
Other reserve capital	44 669	46 707
Capital from evaluation		
Retained earnings	36 298	28 181
Total Equity capital assigned Stockholders from dominant company	377 801	118 496
Equity capital minority stockholders	5 347	
Long-term liabilities	108 926	48 922
Bank loans, borrowings and bonds	96 674	45 532
Long-term liabilities	3 017	
Provisions	431	121
Provisions for deferred tax	8 804	3 269
Short-term liabilities	697 278	172 958
Bank loans, borrowings and bonds	171 260	27 251
Short-term liabilities	503 983	142 699
Income tax liabilities	7 944	310
Provisions	12 979	2 642
Deferred revenues and accruals	1 112	56
Total equity and liabilities	1 189 352	340 376

Consolidated statement of changes in equity

	Share capital	Share premium	Reserve capital	Other reserve capital	Capital from revaluation	Retained earnings	Minority capital	Total equity
1 January 2007	12 924	273 292	7 497	44 669		18 745		357 127
Change of accounting policy								
1 January 2007 adjusted	12 924	273 292	7 497	44 669		18 745		357 127
Net profit (loss) for 3 months - 31 March 2007						16 100	627	16 727
Change as a result of merger						1 453	4 720	6 173
The Issue of new shares	80	3 041						3 121
31 March 2007	13 004	276 333	7 497	44 669		36 298	5 347	383 148
1 January 2006	6 635	34 360	2 613	46 707		18 726		109 041
Change of accounting policy								
1 January 2006 adjusted	6 635	34 360	2 613	46 707		18 726		109 041
Net profit (loss) for 3 months - 31 March 2006						9 455		9 455
31 March 2006	6 635	34 360	2 613	46 707		28 181		118 496

Consolidated Cash flow statement

	3 months ended 31 March 2007	3 months ended 31 March 2006
Net profit (loss)	16 728	9 455
Adjustments for:	7 464	691
Depreciation	8 765	4 311
Foreign exchange gain (loss)	(30)	
Interest	3 182	782
Income tax	2 876	
Loss (profit) on investments	(1 332)	(12)
Change In provisions	2 936	1 804
Change In inventories	(14 645)	770
Change In receivables	15 247	(9 676)
Change In deferred revenues and accruals	(3 496)	100
Change In payables	(28)	2 529
Income tax paid	(3 465)	
Other	(2 546)	83
Net cash flow from operations	24 192	10 146
Disposal of tangible and intangible fixed assets	376	295
Disposal of financial assets	8	
Dividend gained		
Interest gained	276	
Repayment of given loans	1 005	
Cash flow from company's takeover	28 135	
Purchase of tangible and intangible fixed assets	(22 973)	(6 168)
Purchase of dependent subjects	(121)	
Purchase of financial assets	(1 809)	
Given loans	(110)	
Other	(133)	(7)
Net cash flow on investments	4 654	(5 880)
Loans and borrowings acquired	10 752	12 732
Issue of short-term bonds	25 264	5 606
Issue of shares	3 221	
Other	2	
Repayment of loans and borrowings	(11 791)	(14 013)
Repayment of bonds	(25 000)	(5 600)
Financial lease payments	(168)	
Interest paid	(3 592)	(906)
Dividend paid		
Other		
Net Cash flow from investments	(1 312)	(2 181)
Total net Cash flow	27 534	2 085
Cash and Cash equivalents opening balance	12 653	7 144
Cash and Cash equivalents closing balance	40 187	9 229

3. Stand alone financial statement EMPERIA S.A.

SELECTED FINANCIAL DATA	Thousands PLN		Thousands EURO	
	3 months ended 31 March 2007	3 months ended 31 March 2006	3 months ended 31 March 2007	3 months ended 31 March 2006
I. Net sales of merchandise and finished products	304 503	257 412	77 952	66 937
II. Profit on operating activities	4 189	2 832	1 072	736
III. Profit before taxation	3 628	2 302	929	599
IV. Net profit (loss)	2 812	1 802	720	469
V. Net cash flow from operating activities	10 448	323	2 675	84
VI. Cash flow from investment activities	(4 465)	(2 141)	(1 143)	(557)
VII. Cash flow from financing activities	(2 461)	3 801	(630)	988
VIII. Total net cash flows	3 522	1 983	902	516
IX. Total assets	543 010	259 611	140 331	65 963
X. Liabilities and provisions for liabilities	209 644	168 350	54 179	42 775
XI. Long-term liabilities	49 101	25 317	12 689	6 433
XII. Short-term liabilities	160 543	143 033	41 489	36 342
XIII. Equity	333 366	91 261	86 152	23 188
XIV. Share capital	13 004	6 635	3 361	1 686
XV. Numbers of shares*	13 004 006	6 635 100	13 004 006	6 635 100
XVI. Net profit per ordinary share (in PLN / EUR)	1,09	1,61	0,28	0,42
XVII. Book value per ordinary share (in PLN / EURO)	25,79	13,75	6,67	3,49
XVIII. Dividend per share (PLN)	1,78	0,32	0,46	0,08

* weighted average number of ordinary share in 2007: January – March 12 923 985

Average rate of Exchange for points I-VIII,XVI, XVIII: 2007 - 3,9063 PLN/EURO
2006 - 3,8456 PLN/EURO

Exchange rate for points IX-XIII, XVII: as at 31.03.2007 – 3,8695 PLN/EURO
as at 31.03.2006 – 3,9357 PLN/EURO

Profit and loss statement

	3 months ended 31 March 2007	3 months ended 31 March 2006
Sales	304 503	257 412
Cost of sales	(272 887)	(232 666)
Gross profit (loss)	31 616	24 746
Other operating income	147	131
Selling costs	(20 395)	(17 311)
Overhead costs	(6 969)	(4 448)
Other operating expenses	(210)	(286)
Operating profit (loss)	4 189	2 832
Finance income	295	162
Finance costs	(856)	(692)
Profit (loss) before income tax	3 628	2 302
Income tax	(816)	(500)
Net profit (loss)	2 812	1 802

Net profit (loss) (annualised)	14 065	10 674
Weighted average number of ordinary shares*	12 923 985	6 635 100
Profit (loss) per ordinary share (in PLN)	1,09	1,61

* weighted average number of ordinary share in 2007: January – March 12 923 985

Stand alone balance sheet

	As at 31 March 2007	As at 31 March 2006
Non-current basset	356 872	94 351
Property, plant, equipment and investments	49 859	51 711
Intangible assets	545	213
Financial assets	303 240	41 192
Receivables and prepayments	172	89
Deferred tax assets	3 056	1 146
Current assets	186 138	165 260
Inventory	83 354	84 419
Receivables and prepayments	88 285	75 397
Income tax receivables		
Short-term securities	3 491	
Prepaid expenses	1 399	1 189
Cash and cash equivalents	6 339	2 343
Other financial assets	3 270	1 912
Total assets	543 010	259 611
Equity	333 366	91 261
Share capital	13 004	6 635
Share Premium	276 333	34 360
Capital reserve	1 526	1 526
Other reserve capital	28 576	38 285
Capital from evaluation		
Retained earnings	13 927	10 455
Long-term liabilities	49 101	25 317
Bank loans, borrowings and bonds	48 323	24 820
Provisions	73	55
Provisions for deferred tax	705	442
Short-term liabilities	160 543	143 033
Bank loans, borrowings and bonds	19 740	25 413
Short-term liabilities	133 441	116 007
Income tax liabilities	3 199	183
Provisions	4 130	1 410
Deferred revenues and accruals	33	20
Total equity and liabilities	543 010	259 611
Book value	333 366	91 261
Number of shares*	12 923 985	6 635 100
Book value per share (in PLN)	25,79	13,75

* weighted average number of ordinary share in 2007: January – March 12 923 985

Stand alone statement of changes in equity

	Share capital	Share premium	Reserve capital	Other reserve capital	Capital from revaluation	Retained earnings	Total equity
1 January 2007	12 924	273 292	1 526	28 576		11 115	327 433
Change of accounting Policy							
1 January 2007 adjusted	12 924	273 292	1 526	28 576		11 115	327 433
Net profit (loss) for 3 months - 31 March 2007						2 812	2 812
The Issue of new shares	80	3 041					3 121
31 March 2007	13 004	276 333	1 526	28 576		13 927	333 366
1 January 2006	6 635	34 360	1 526	38 285		8 653	89 459
Change of accounting Policy							
1 January 2006 adjusted	6 635	34 360	1 526	38 285		8 653	89 459
Net profit (loss) for 3 months - 31 March 2006						1 802	1 802
31 March 2006	6 635	34 360	1 526	38 285		10 455	91 261

Stand alone cash flow statement

	3 months ended 31 March 2007	3 months ended 31 March 2006
Net profit (loss)	2 812	1 802
Adjustments for:	7 636	(1 479)
Depreciation	2 201	2 057
Foreign Exchange gain (loss)		
Interest	788	618
Income tax	816	
Loss (profit) on investments	(72)	(20)
Change In provisions	(309)	(21)
Change In inventories	(9 254)	1 716
Change In receivables	3 809	(6 998)
Change In deferred revenues and accruals	(795)	(475)
Change In payables	10 541	1 606
Other adjustments	(89)	38
Net cash flow from operations	10 448	323
Disposal of tangible and intangible fixed assets	671	66
Disposal of financial assets	12 000	
Interest gained	90	26
Purchase of tangible and intangible fixed assets	(1 255)	(2 233)
Purchase of financial assets	(15 871)	
Given loans	(100)	
Net cash flow on investments	(4 465)	(2 141)
Loans and borrowings acquired	5 158	9 555
Issue of short term bond	22 836	21 864
Issue of shares	3 121	
Repayment of loans and borrowings	(1 788)	(7 116)
Repayment of bonds	(31 000)	(19 900)
Interest paid	(788)	(602)
Dividends paid		
Other		
Net Cash flow from investments	(2 461)	3 801
Total net Cash flow	3 522	1 983
Cash and Cash equivalents opening balance	2 817	360
Cash and Cash equivalents closing balance	6 339	2 343

4. Selected financial data by segments

In Emperia Group following segments can be separated:

- 1 Wholesale
- 2 Retail
- 3 Other

1st January 2007 – 31st March 2007

thousands PLN

	Wholesale	Retail	Other	Consolidation exemptions	Total
Sale	948 113	230 901	8 921		1 187 935
Sale (external customers)	835 242	228 942	3 641		1 067 825
Sale (internal customers)	112 871	1 959	5 280	120 110	0
Costs	(933 157)	(227 421)	(6 337)	(119 712)	(1 047 203)
Costs (external customers)	(820 579)	(224 821)	(1 803)		(1 047 203)
Costs (internal customers)	(112 578)	(2 600)	(4 534)		(119 712)
Result on other operating activity	265	1 271	66		1 602
Result on financial activity	(984)	(265)	(274)		(1 523)
Gross profit	13 944	5 127	1 630		20 701
Income tax	(2 536)	(1 124)	(313)		(3 973)
Net profit	11 408	4 003	1 317		16 728

	Wholesale	Retail	Other	Company's value form Consolidation	Total
Assets	909 491	215 219	64 642	1 189 352	909 491
Equity & liabilities	1 074 883	88 676	25 793	1 189 352	1 074 883

	Wholesale	Retail	Other	Total
Capital expenditures	11 313	8 855	2 805	22 973
Depreciation	4 986	3 166	613	8 765