

CURRENT REPORT No. 25/08

Date of Report:

12 June 2008

Re:

Assessment of Overall Standing of Emperia Holding S.A. in 2007 Prepared by Supervisory Board of Emperia Holding S.A.

Legal Basis:

Rule III.1.2) of Good Practices of Public Companies Listed on Warsaw Stock Exchange, in effect as of 1 January 2008

Update:

The Management Board of Emperia Holding S.A. ("Company") presents below a brief assessment of the overall standing of Emperia Holding S.A. in 2007 prepared by the Supervisory Board of Emperia Holding S.A. for the Ordinary General Meeting of Shareholders of Emperia Holding S.A.:

"The Supervisory Board's assessment of the Company's overall standing confirms that in 2007 Emperia Holding strengthened its position in the FMCG market and at the same time achieved satisfactory financial performance.

In 2007, the activities of the Company's Management Board focused primarily on group restructuring, organic development, and the consolidation of the wholesale and retail market. As a result of continued process of mergers and acquisitions, the number of entities of the Emperia Holding group of companies was increased by ten, three wholesale companies and seven retail businesses.

A major highlight of 2007 was provided by the second public issue of shares combined with flotation of H, I, J, K series shares. The capital raised as part of the second issue of PLN 232 million will enable the Emperia Holding group to continue its strategy of developing a strong wholesale/retail group of companies.

It is our opinion that the Company's performance is satisfactory given the complex on-going reorganisation of the Company combined with a further expansion of the scale of operations. Sales revenues of PLN 4.5 billion were up on 2006 by 218.4%, and net profit reached PLN 88.4 million, up by 278.2%. Net return on sales stood at 1.97% and return on equity at 12.83%. It needs pointing out that investment expenditures went up by over 200%. In 2007 investment outlays were over the PLN 132 million mark and the Company's balance sheet total increased by 99.8%.

In 2007, the Company again shared its profit with the shareholders. Out of the profit generated by the Group in 2006, PLN 23,090,148, or PLN 1.74 per share, was distributed as dividend. The overall standing of the Company and the strong investor confidence reflected in Stock Exchange performance was reflected in the price of Emperia's shares. In 2007 the Company's shares hit a record high of PLN 179.50.

We have also evaluated the Company's internal control system and the management of the risk that the Company perceives as significant, and it is our opinion that the Emperia Holding Group has in place a system of management of all key risks, that is operating, legal and

financial risks. The system includes a set of IT solutions and corporate regulations designed to protect the Company against exposure to risk the scale of which the Management Board considers beyond acceptable. In addition, the Group has an internal control system covering all members of the Group as well as all the key areas.

The Supervisory Board wishes to extend its thanks to the Management Board of Emperia Holding, members of the Management Boards of all the subsidiaries of the group and to all the employees for their efforts and day-to-day commitment to our customers, difficult corporate reorganisation process, and involvement in the consolidation of the Polish FMCG market. Thanks to your efforts Emperia Holding strengthened its leadership in the FMCG wholesale/retail sector in Poland.”

Ireneusz Zięba, Chairman of Supervisory Board, Emperia Holding S.A.