HTL GROUP

high tech lab

Supplementary information and additional information to condensed quarterly financial statements for 2Q2008

I. Brief description of significant achievements or failures of the issuer during the period covered by the report, including a list of the most significant events related to such achievements or failures.

1. Achieved results

Consolidated sales revenue of HTL group in 2Q2008 amounted to PLN 33,350 thousand in comparison with PLN 35 151 thousand in 1Q2008 and PLN 20,222 thousand in 2Q2007.

Consolidated net profit in 2Q2008 amounted to PLN 3,459 thousand in comparison with net profit of PLN 6 708 thousand in 1Q2007 and net profit of PLN 3 554 thousand in 2Q2007.

Sales volume of safety lancets amounted in IIQ2008 to ca. 171,300,000 pcs.

Volume of safety lancets sales in 2Q2008 is higher by 4 per cent than in 1Q2008 and by 106,0 per cent than in 2Q2007.

Sales volume of personal lancets amounted in IIQ2008 to ca. 220,000,000 pcs., higher by 33.9 per cent than in 1Q2008 and higher by 57.14 per cent than in 2Q2007.

	2Q2008	1Q2008	4Q2007	3Q2007	2Q2007	1Q2007
Sales revenue (PLN thousand)	33,350	35,151	21,633	19,227	20,222	19,088
Net profit (PLN thousand)	3,459	6,708	(4,958)	1,249	3,554	4,370
Safety lancets sales volume (pcs.)	171,300,000	164,700,000	97,920,000	80,694,000	83,140,000	61,000,000
Personal lancets sales volume (pcs.)	220,000,000	164,300,000	151,130,000	154,900,000	140,000,000	176,000,000

2. **Purchase of shares in HaeMedic Polska Sp. z o.o. by HTL-STREFA S.A.**

HTL-STREFA S.A. on 10th April 2008 signed agreement concerning purchase of 100% shares in HaeMedic Polska Sp. z o.o. (current report no 11/2008)

HTL-STREFA S.A. purchased 87,049 shares in HaeMedic Polska Sp. z o.o. face valued PLN 4,352,450 from HaeMedic AB (subsidiary of HTL-STREFA S.A.) and 1 share face valued PLN 50 from Wojciech Wyszogrodzki (CEO at HTL-STREFA S.A.) The price equal to face value is to be paid in cash. Current activities of HTL-STREFA S.A. were source of funds for the transaction.

3. **The most important resolutions adopted by the AGM held on 24th April 2008**

Annual General Meeting held on 24th April 2008 adopted following resolutions on:
- approval of the Management Board's report on the Company's activity for 2007,
- approval of the financial statements for 2007,
- distribution of the profit achieved in 2007,
- acknowledgement of fulfillment of duties by the Management Board for the year 2007,
- acknowledgement of fulfillment of duties by the Supervisory Board for the year 2007,

Adopted also resolution on the approval of the consolidated financial statements of HTL's capital group for the year 2007, resolution on amending the Standing Order for the Company's General Meeting, resolution on amending the Standing Order for the Company's Management Board, resolution on amending the Standing Order for the Company's Supervisory Board, resolution on amending the Company's Statutes, resolution on the authorising of the Supervisory Board to establish the consolidated text of the Company's Statutes.

Management Board of HTL-STREFA informed about mentioned resolution in current report no 15/2008.

4. **Change of unitary text of the Company's Articles of Association**

Supervisory Board entitled to fix unitary text of the Company's Articles of Association on 24th April 2008 appointed Company's Articles of Association (current report no 16/2008).

The entire text of this document in English is available on Company's web site (www.htl-strefa.pl).

5. **Choice of qualified entity to perform review of HTL-STREFA S.A. statements for 1H2008**

Company's Supervisory Board, acting pursuant to §19.f of Company's Articles of Association and £5.4.f of Regulation on Acting of HTL-STREFA Supervisory Council, chose on 24th April 2008 BDO Numerica Sp. z o.o. (qualified auditor, no. 523. on a list of qualified auditors in Poland) to perform review of HTL-STREFA S.A. statements for 1H2008 (current report no 17/2008).

BDO Numerica Sp. z o.o. (or its predecessors) performed audits and reviews of HTL-STREFA financial statements in 2004, 2005, 2006 and 2007.

6. Merger of HTL-STREFA S.A. and HaeMedic Polska Sp. z o.o.

Management Board of HTL-STREFA S.A. informed on 28th April 2008 (current report 19/2008), that had decided to launch a procedure to merge HTL-STREFA S.A. and HaeMedic Polska Sp. z o.o.

In current report no 22/2008 published on 30 April 2008 Management Board of HTL-STREFA S.A. disclosed merger plan between HTL-STREFA S.A. and its subsidiary HaeMedic Polska Sp. z o.o.

The Extraordinary General Meeting of 26th June 2008, resolved as follows to approve the plan of merger of HTL-STREFA SA with HAEMEDIC POLSKA Sp. z o.o. and to merge HAEMEDIC POLSKA Sp. z o.o. with HTL-STREFA SA

Management Board of HTL-STREFA S.A. took a decision to change resolution no 3 of Extraordinary Shareholders Meeting adopted on 26th June 2008 on merger between HTL-STREFA S.A. and HAEMEDIC POLSKA Sp. z o.o with its registered office in Warsaw and recommended to Extraordinary Shareholders Meeting following text of resolution:

"Management Board is obliged to merge HAEMEDIC POLSKA Sp. z o.o. with HTL-STREFA SA through an acquisition of HAEMEDIC POLSKA Sp. z o.o. by HTL-STREFA SA pursuant to art. 492 §1 point 1 of the Code of Commercial Companies with reference to 516 §6 of the Code of Commercial Companies without any increase in HTL-STREFA S.A. share capital and change in its Article of Association till 31st January 2010."

This resolution will be discussed and voted according to agenda of Extraordinary Shareholders Meeting, on 28th August 2008.

7. Conclusion of the process of moving machines and equipment HaeMedic to Poland

Management Board of HTL-STREFA S.A. informed on 27th June 2008 (current report 33/2008) that, according to the time schedule, had finished process of moving machines and equipment, used in manufacturing of safety lancets, from the recently taken over HaeMedic to Poland.

The moving allows production entities of HTL-STREFA to utilize all synergies available after acquisition of HaeMedic AB, significant competitor from Sweden.

8. Significant contract with Roche Diagnostics

The Board of HTL-STREFA S.A on 8th May 2008 became aware of signing agreement on 7th May 2008 between HTL-STREFA S.A. and Roche Diagnostics Operations, Inc. and Roche Diagnostics Operations GmbH concerning supply of Safe-T-Pro and Coaguchek safety lancets.

Contract has been signed for four years. According to the agreement HTL-STREFA S.A. is to supply Roche with few hundred millions pieces of safety lancets a year for ca. USD 37 million in four years. The agreement includes Exchange Rate Clause allowing to compensate significant changes in FX rates.

9. Excess of threshold of 5% of the total vote in HTL-STREFA S.A.

Management Board of HTL-STREFA S.A. informed in current report no 25/2008) that had received information that OFE POLSAT (Polish open pension fund) had exceeded threshold of 5% of the total vote in HTL-STREFA S.A.

Exceeding the threshold results from transactions of buying 18,262 shares of HTL-STREFA S.A. during the trading session on 21st May 2008.

Before the transactions OFE POLSAT held 3,198,419 shares of HTL-STREFA S.A. amounting to 4.9988% of share capital. These shares provided 3,198,419 votes amounting to 4.9988% of the total vote.

After the transactions of 21st May OFE POLSAT held 3,216,681 shares of HTL-STREFA S.A. amounting to 5,0274% of share capital. They provide 3,216,681 votes amounting to 5.0274% of the total vote in HTL-STREFA S.A.

10. Registration of share capital increase in HTL-STREFA S.A.

Registry Court decided on 26th May 2008 to register HTL-STREFA S.A. capital share increase from 639,833.30 PLN to 643,826.60 PLN.

Currently HTL-STREFA S.A. capital share is divided into 64,382,660 shares valued in total 643,826.60 PLN. Total vote in the Company after the increase in share capital amounts to 64,382,660.

Share capital increase results from shares series C.2 issue according to the Motivation Scheme for Management and Key Employees.

The National Depository for Securities (KDPW) decided in resolution No 348/08 from 10th June 2008 to:

- register in Depository 399,300 ordinary bearer shares series C.2 of HTL-STREFA S.A., face valued 0.01 PLN each under code PLHTLST00010 (same as for other

HTL-STREFA S.A. shares), if Warsaw Stock Exchange (GPW) decides to introduce these shares to trading on Warsaw Stock Exchange.

- that registration of mentioned shares in Depository is to happen in three days from handing to the Depository documents confirming introduction of these shares to trading on WSE but no earlier than in day stated by WSE as a day of introduction to trading.

- that information about registration of above mentioned shares in Depository and about number of shares under code PLHTLST00010 would be disclosed as the Depository announcement.

Management Board of HTL-STREFA informed about mentioned KDPW resolutions in current report no 28/2008)

Afterwards the Board of the Warsaw Stock Exchange decided (in resolution no 478/2008 of 17th June 2008) to admit to trading on main market 399,333 regular bearer shares of HTL-STREFA S.A. series C.2. face valued PLN 0.01 each (current report 30/2008).

On 19th June 2008 the National Depository for Securities (KDPW) issued a statement of Operating Department concerning a registration of 399.330 C.2 series bearer regular shares registered under code PLHTLST00010 (current report 31/2008).

Above mentioned shares were registered on 20th June 2008 according to the KDPW Management resolution no 348/08 of 10th June 2008.

II. Description of factors and events, in particular non-recurring ones, which have a significant impact on the performance;

Mentioned events did not happen in 2Q2008 in HTL-STREFA S.A.

III. Discussion of seasonality (cyclical nature) of the issuer’s business in the period presented;

HTL-STREFA S.A. business does not have cyclical nature.

IV. Information on any issue, repurchase or repayment of debt and equity securities;

Registry Court decided on 26th May 2008 to register HTL-STREFA S.A. capital share increase from 639,833.30 PLN to 643,826.60 PLN.

Currently HTL-STREFA S.A. capital share is divided into 64,382,660 shares valued in total 643,826.60 PLN. Total vote in the Company after the increase in share capital amounts to 64,382,660.

V. Information on any dividend paid out or declared, including its total and per share value, separately for ordinary and preference shares

Management Board of HTL-STREFA S.A. recommended to shareholders to not pay out a dividend in previous years. Company's profit for the year 2007 was transferred into supplementary capital.

Management Board's priority has been assuring company's growth. Pace of the growth, especially in near years, limits, in Management Board's opinion, possibility of paying out company's profit as dividend.

Company's owners were recommended by Management Board to transfer the profit for the year 2007 on HTL-STREFA development. Annual General Meeting that held on April 24th, 2008 agreed with this proposal.

VI. Events that occurred after the date of condensed quarterly financial statements, which are not included in such financial statements but may significantly affect the future performance of the issuer;

Management Board of HTL-STREFA S.A. took a decision to change resolution no 3 of Extraordinary Shareholders Meeting adopted on 26th June 2008 on merger between HTL-STREFA S.A. and HAEMEDIC POLSKA Sp. z o.o with its registered office in Warsaw and recommended to Extraordinary Shareholders Meeting to postpone conclusion of administrative procedures till 31 January 2010. Mentioned event was discussed in details in part I.6 of this supplementary information.

This resolution will be discussed and voted according to agenda of Extraordinary Shareholders Meeting, on 28th August 2008.

Furthermore Management Board of HTL-STREFA underline that mentioned event will not affect the future performance of the issuer.

VII. Information on any changes in contingent liabilities or contingent assets which have occurred since the end of the last financial year;

Company did not have any contingent liabilities or contingent assets at the end of 2006. This hasn't changed till the date of the statements.

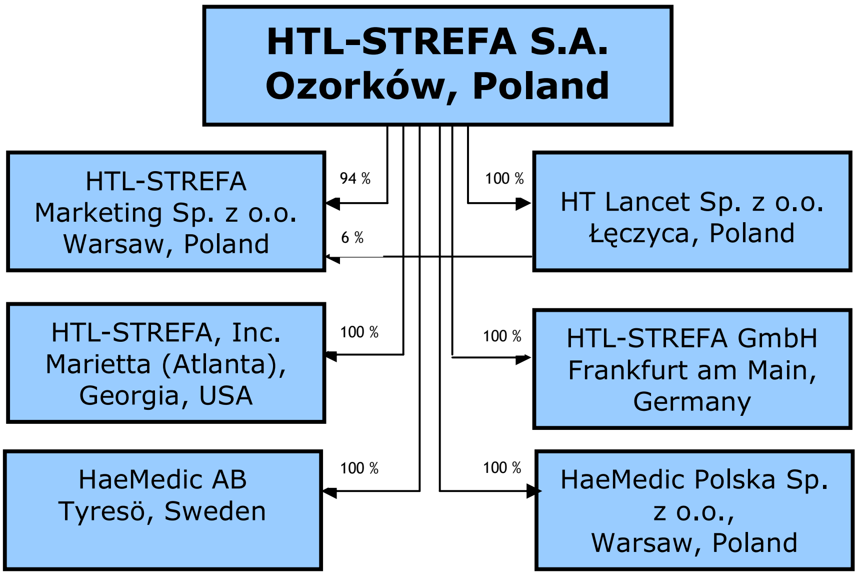
ADDITIONAL INFORMATION

I. Description of the organizational structure of the issuer's group, specifying the undertakings subject to consolidation

HTL-STREFA S.A. group at the end of 2Q2008 consisted of:

- HTL-STREFA S.A. (a parent company) located in Ozorków, Poland,
- HT Lancet Sp. z o.o. located in Łęczyca, Poland,
- HTL-STREFA Marketing Sp. z o.o. located in Warsaw, Poland,
- HTL-STREFA, Inc. located in Marietta, Georgia, USA,
- HTL-STREFA GmbH located in Frankfurt am Main, Germany,
- HaeMedic AB z located in Tyresö, Sweden.
- HaeMedic Polska Sp. z o.o. located in Warsaw.

The Group organization chart with ownership dependences at the end of II quarter of 2008 was as below:



HTL-STREFA S.A. located in Ozorków, Poland, is parent company that manufactures personal and safety lancets (also in clean-zone conditions) and moulds needles. Company's duties include also quality control of all products made by capital group and logistics.

HT Lancet Sp. z o.o. manufactures components used of safety and personal lancets. In 3Q2007 this company opened own needle grinding facility. Own needles are utilised in manufacturing personal and safety lancets.

HTL-STREFA Marketing Sp. z o.o. supports key account management, mainly on foreign markets.

HTL-STREFA, Inc. supports other units in managing US key accounts and develops sales on American "alternative" market.

HTL-STREFA GmbH supports sales of group products on European market.

HaeMedic AB is the owner of trademarks and other intellectual property rights related to manufacturing of several safety lancets.

HaeMedic Polska is the owner of machines and equipment to safety lancets manufacturing and respective know-how. HaeMedic Polska Sp. z o.o. will be merged with HTL-STREFA S.A..

II. The effects of changes in the structure of the company, including mergers, acquisitions or disposals of the issuer's group undertakings, long-term investments, demergers, restructuring and discontinued operations;

HTL-STREFA S.A. on 10th April 2008 signed agreement concerning purchase of 100% shares in HaeMedic Polska Sp. z o.o.

This changes were described in detail in I.2 of Supplementary Information.

III. The Management Board's position on the feasibility of achieving the results stated in the financial forecasts published earlier for a given year in view of the financial results presented in the quarterly report in relation to the projected results;

Due to FX risk that significantly affect Company's revenues, the Management Board decided to abandon public disclosure of forecasts denominated in PLN. The Management Board will publish annual quantitative forecasts on sales as well as forecast concerning sales revenues denominated in foreign currencies.

- **Sales volume**

Following to customers' orders and forecasts, the Management Board set sales forecast for the year 2008 (in pcs.):

	Results in 2Q2008	Results in 1+2Q2008	1+2Q2008/Plan for FY2008	Plan for 2008Y	Results in 2007Y
Safety lancets	171,300,000	164,700,000	ca. 50.1 per cent	660,000.000	320,000,000
Personal lancets	220,000,000	164,300,000	ca. 42.7 per cent	900,000.000	620,000,000

Sales volume in 2Q2008 was accordant with the planes assumed by the Management Board. Results achieved in 2Q2008 could draw a conclusion that forecast will be accomplished.

- **Sales revenues**

The Management Board in 2008 forecasted to achieve following sales revenues in currencies:

Currency	Revenues in 2Q2008	Revenues in 1+2Q2008	1+2Q2008 / Plan for 2008Y	Plan for 2008 Y	Results in 2007Y
EUR	5 529 109.82	9 903 715.05	ca. 52.1 per cent	22 000 000*	7 100 000
USD	6 097 837.95	13 413 108.10	ca. 63.8 per cent	21 000 000	18 300 000
SEK	163 080.00	1 554 940.00	---*	---*	---
PLN	1 046 012.40	1 955 641.17	ca. 199 per cent	1 000 000	1 000 000

Consolidated data
* in previously disclosed forecast revenues in SEK were converted to EUR

Sales revenues in 2Q2008 denominated in currencies are accordant with the plan assumed by the Management Board. Results achieved in 2Q2008 could draw a conclusion that forecast will be accomplished.

IV. The shareholders holding, directly or indirectly (through subsidiary undertakings) 5% or more of the total vote at the issuer's general shareholders meeting as at date of the quarterly report, the number of shares held by such shareholders, their respective shares in the share capital, the number of votes attached to such shares and their share in the total vote at the issuer's general shareholders meeting, as well as changes in the ownership of significant blocks of the issuer shares which have occurred since the date of the previous quarterly report;

According to Board's knowledge on August, 7th 2008 list of shareholders holding at least 5 per cent of total vote at the issuer's general shareholders meeting is as below:

Shareholder	Number of shares	Votes on AGM	Share in capital share	Share in total vote
Andrzej Czernecki	25,700,000	25,700,000	39.92%	39.92%
Noryt Company Establishment	19,525,000	19,525,000	30.32%	30.32%
Wojciech Wyszogrodzki	5,000,000	5,000,000	7.77%	7.77%
OFE POLSAT	3,216,681	3,216,681	5,00%	5,00%
Other shareholders	10,940,979	10,940,979	16.99%	16.99%
Total	**64,382,660**	**64,382,660**	**100,00%**	**100,00%**

In 2Q2008 Management Board of HTL-STREFA S.A. informed OFE POLSAT (Polish open pension fund) had exceeded threshold of 5% of the total vote in HTL-STREFA S.A.

Exceeding the threshold results from transactions of buying 18,262 shares of HTL-STREFA S.A. during the trading session on 21st May 2008. (Company informed about this fact in current report no 25/2008 published on 26th May 2008)

Afterwards Registry Court decided on 26th May 2008 to register HTL-STREFA S.A. capital share increase from 639,833.30 PLN to 643,826.60 PLN.

Currently HTL-STREFA S.A. capital share is divided into 64,382,660 shares valued in total 643,826.60 PLN. Total vote in the Company after the increase in share capital amounts to 64,382,660.

Above mentioned shares were registered on 20th June 2008 according to the KDPW Management resolution no 348/08 of 10th June 2008. (Company informed about this fact in following current reports no 26/2008, 28/2008, 30/2008, 31/2008)

After above mentioned increase in capital share Company were not informed by OFE POLSAT about changes in their amount of shares thus Management Board of HTL-STREFA consider that OFE POLSAT still owns more than 5 per cent of shares in HTL-STREFA.

V. Statement of changes in the number of the issuer shares or rights to such shares (options) held by the issuer's managing or supervisory persons as at the date of the quarterly report, including changes in such holdings which have occurred since the date of the previous quarterly report, separately for each managing or supervisory person;

According to Board's knowledge on August, 7th 2008 list of shares held by persons from the Management Board and Supervisory Board of HTL-STREFA S.A. is as below:

Function	Name	Number of shares as on August 7th 2008	Change
The Management Board			
President of the Board	Andrzej Czernecki	25,700,000	-
Member of the Board, Ozorków Plant Director	Józef Kosowski	166,550	66,550
Member of the Board, CFO	Iwonna Soboń	166,550	66,550
Other managing persons			
Chief Executive Officer (CEO)	Wojciech Wyszogrodzki	5,000,000	-
Supervisory Board			
Chairman of Supervisory Board	Witold Orłowski	0	-
Vice-chairman of Supervisory Board	Andrzej Kidyba	0	-
Member of Supervisory	Beata Błędowska	0	-

Board			
Member of Supervisory Board	Jolanta Nejman	600	-
Member of Supervisory Board	Andrzej Woźnica	0	-

In HTL-STREFA S.A. the motivation scheme for management and key employees for 2007-2010 has been implemented. According to this scheme and after fulfilling its conditions (remaining Company's employee) Management Board members Iwonna Soboń and Józef Kosowski will get right to purchase not less than 100,000 and no more than 600,000 HTL-STREFA S.A. shares for face value till the end of 2010.

Company issued C.2. series shares (Company's Managementa Board informed about this fact in following current reports 26/2008, 28/2008, 30/2008, 31/2008) and according to the motivation scheme for management and key employees members of the Board – Józef Kosowski and Iwonna Soboń bought 66,550 company's shares each.

VI. Proceedings pending before a court, a competent arbitration body or any public administration authority including information on any proceedings concerning the issuer's or its subsidiary undertaking's liabilities or claims whose value represents 10% of the issuer's equity;

In 2Q2008 there were no such proceedings concerning HTL-STREFA S.A. or its subsidiary liabilities or receivables whose value represents 10% of the issuer's equity.

VII. Information on any one or more transactions concluded by the issuer or its subsidiary undertaking with related parties which are not typical and exceed amount of EUR 500,000 unless they are typical or routine transactions concluded at arm's length by the related undertakings, whose nature and terms follow from the day-to-day operations of the issuer or its subsidiary undertaking.

HTL-STREFA S.A. and its subsidiaries did not enter in such transactions in 2Q2008.

VIII. Information on sureties for loans or guarantees issued by the issuer or its subsidiary undertaking

HTL-STREFA S.A. and its subsidiaries did not conclude such activities in 2Q2008.

IX. Other information which the issuer deems relevant for the assessment of its personnel, assets, financial situation, and its net result, as well as their changes, and for the assessment of the issuer's ability to perform its obligations;

In Management Board's opinion there has been no events or circumstances relevant for the assessment of HTL-STREFA S.A. personnel, assets, financial situation, and its net result, as well as their changes, and for the assessment of the HTL-STREFA S.A. ability to perform its obligations

X. Any factors which in the issuer's opinion will affect its results in a period covering at least the next quarter.

In Management Board's opinion in a period covering at least one quarter following factors will affect company's results:

1. Changes in FX rates

Revenues in EUR (after conversion to PLN) amounted to ca. 56.72 per cent of consolidated sales volume in 2Q2008, revenues in USD (after conversion to PLN) to 39.97 per cent, revenues in SEK (after conversion to PLN) to 0.18 per cent and revenues in PLN to 3.13 per cent.

Almost all sales revenue are denominated in foreign currencies, while on the other hand costs are mainly paid in PLN. Therefore sales revenue and net profit subject to significant currency risk (USD/PLN, EUR/PLN and EUR/USD). Management Board conducts activities targeting to increase share of EUR revenues (in order to decrease USD/PLN and EUR/USD risk) by signing new contracts in EUR and transforming existing contracts from USD to EUR. This is to strongly limit currency risk of HTL-STREFA S.A. after EUR adoption in Poland.

Furthermore the Management Board uses financial market instruments to hedge sales revenues against currency risk. In 2Q2008 this activities brought profits of ca. PLN 2 450 thousand.

2. Effects of integration of HaeMedic business with HTL group

Manufacturing processes of acquired HaeMedic business is to be moved to Poland. Efficiency of integration of acquired business with HTL group activities, as well as ability to utilise synergies (both on cost and revenue side) will be factor influencing company's performance.

3. Realisation of capacity increase plans

Constantly growing demand for HTL-STREFA products pressures to constantly increase production capacities. The characteristic of production allows to increase production capacity of specific product only by significant per cent of current capacity. Therefore Management Board keeps capacities on level only slightly higher than demanded in order to limit costs of production per one piece. Each planned increase in capacity means building new production line, which lasts 6-12 months. In case of delay of supply from external sources, it is possible that customer supply problems may occur.

In order to minimise such risk the Management Board is ordering necessary machines and equipment as early as possible. Part of machines and equipment is produced directly by HTL-STREFA.

4. **Ability to gain customers for new products**

Management Board continue activities targeting to diversification of HTLSTREFA product portfolio. It results from constantly increasing market share in presently manufactured product lines (safety and personal lancets). In 2008 HTL-STREFA share in global safety lancet market is to exceed 50%. Because of customers risk management policies it would be more difficult to increase this market share significantly.

In order to sustain pace of sales revenue growth it is planned to introduce new product lines - mainly basing on needles manufactured in own needle grinding facility. It is possible in horizon of dozen months.