

FINANCIAL SUPERVISION AUTHORITY**Current report No 13/2010**Date of preparation: 27th May, 2010

Abbreviated name of the Issuer:

ELZAB

Subject:**assessment of the situation of ELZAB S.A and ELZAB Capital Group By Supervisory Board**
foundation:
other**The text of the report:**

The Management Board of ELZAB S.A. Zabrze announces the resolution of Supervisory Board referring the assessment of the situation of ELZAB S.A and ELZAB Capital Group for the period from 2009-01-01 to 2009-12-31. The Resolution is enclosed to the report.

Legal foundation: Legal foundation: Corporate Governance

ZAKŁADY URZĄDZEŃ KOMPUTEROWYCH ELZAB S.A.		

ELZAB	(full name of the Issuer)	Computer science and technology (inf)
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(brief issuer's name)	Zabrze	(sector acc. the Warsaw Stock Exchange classification)
41-813	-----	-----
-----	-----	-----
(post code)	(place)	
ul. Kruczkowskiego	39	
-----	-----	-----
(street)	(number)	
(032) 272 2021	2722583	
-----	-----	-----
(phone)	(fax)	
zalog@elzab.com.pl		www.elzab.com.pl
-----	-----	-----
(e-mail)	(website)	
6480000255	27003636	
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(tax identification No)	(Business statistical No)	

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Full name	Position / Function	Signature
27.05.2010	Jerzy Biernat	Vice President of Management Board, CEO	
27.05.2010	Jerzy Malok	Member of Management Board, Commerce Vice-President	

**RESOLUTION No 11/2010
Of ELZAB S.A. Supervisory Board dated 21.05.2010**

**Re.: assessment of ELZAB S.A and ELZAB CAPITAL GROUP situation
For the financial year covering the period from 1.01.2009 to 31.12.2009.**

The Supervisory Board, acting under art.382 of Commercial Companies Code and the provisions of the Company Statute and the Supervisory Board Byelaws, upon assessment of the ELZAB S.A. and ELZAB Capital Group situation for the financial year 2009, hereby approves of the situation assessment presented below, submitting the same with the General Meeting, according to the Best Practices of the Companies listed at Warsaw Stock Exchange.

**BRIEF ASSESSMENT OF ELZAB S.A.
AND ELZAB CAPITAL GROUP SITUATION
FOR THE FINANCIAL YEAR 2009**

It should be indicated at the beginning that last year, despite the fact that no new groups of taxpayers were obliged to install cash registers and despite the drop o investors' activity, due to the financial and economic crisis, ELZAB recorded 2,3% growth of sales in 2009.

Like in the previous years, the Company manufactured and sold various models of cash registers and fiscal printers, electronic scales, price controllers, non-fiscal printers and label printers, cash modems and multiplexers.

In 2009 the production and sales of fiscal printers ELZAB Mera, ELZAB Mera F in the version for pharmacies and ELZAB Prima K calculating scales were developed.

The Company worked on new cash register models and fiscal printers, introducing at the same time a modern hardware and software platform for the equipment newly developed.

Together with a partner from a EU state, the fiscal equipment for that market was developed. The effects of the work shall be conspicuous in 2010 already in the form of new product sales home and abroad.

Within the actions tending to increase the share in foreign markets, the sales of three models were continued, i.e.: Micra Eco Plus, Micra Eco Prof and Micra Eco Max.

The trading offer of ELZAB S.A. in 2009 was extended by new electronic products for guitar players, sold under the brand name G LAB Guitar Laboratory, mainly for overseas markets.

The sales of ELZAB GAMMA cash drawers for the English Company Cash Bases and demanding customers in Poland were developed.

In 2009 ELZAB included in its offer a new form of making computer equipment, fiscal equipment, scales and other point of sale accessories and software available to the customers.

Through the intermediation of the Business Partners, the Company offers the store owners long-term rental of hardware and software. The new form of sales called „ELZAB for a good start” is to help with the performance of projects aimed at furnishing stores with modern hardware and software related to sales and warehouse management.

The Company put special stress on the improvement of product quality and continuous availability of the equipment to the customers. The sales performance was supported by permanent advertising in commercial press and mainly concerned the support of ELZAB Mera fiscal printers and electronic scales.

Two new promotion campaigns for the business partners were started during the year.

The best distributors and dealers were supported during the local marketing campaigns, such as regional meetings, advertisements on billboards, public transport vehicles and press advertising, . The offer of ELZAB S.A. was presented at fairs and commercial conferences of Polish retail

networks. The Company also supported marketing undertakings performed by MICRA METRIPOND KFT, aimed at the increase of ELZAB S.A. products on the Hungarian market and the marketing actions of GENEZA SYSTEM S.A., the main distributor of ELZAB products.

Thanks to the consistent performance of the credit policy towards the customers for its products, ELZAB maintained its liquidity, timely paid its investment credit and paid the liabilities towards the customers without the necessity to increase the credit debt.

In 2009 the actions aimed at further improvement of the efficiency of ELZAB Group subsidiaries were continued.

The results of ELZAB Group were affected by the negative consequences of Hungarian economic crisis, mainly in the form of lower revenues on sales of MICRA METRIPOND KFT. In spite of the modernization of two models of cash registers MICRA Eco Plus, MICRA Eco Prof. and adaptation to the new fiscal regulations on the Hungarian market in late 2008, the sales went below those of 2008. In addition, the drop of sales of labeling scales, industrial and truck scales was recorded. In order to prevent the consequences of crisis effect on the Company results, the Management Board of ELZAB S.A. decided on the change of the General Manager of MICRA METRIPOND KFT subsidiary, the cost restructuring and changes of sales organization were carried out. The positive effects of the restructuring are noticeable in the 2nd half of 2009 already.

In the third quarter of 2009 the merger of ELZAB S.A. and MEDESA Sp. z o.o. was completed.

The object of MEDESA Sp. z o.o. business was the production and distribution of commercial scales, weighing bridges and commercial personal scales and providing related service repairs.

As a result of the merger ELZAB S.A. was expanded, the relationships with the customers improved, sales increase and business costs reduced.

Within the second stage performance and the new strategy of ELZAB S.A. for the years 2008-2010, it was planned to increase ELZAB S.A. share capital in 2009, through the issue of shares that were to be taken over by the owners of EXORIGO Sp. z o.o. and UPOS System Sp. z o.o. in exchange for all the shares held in EXORIGO Sp. z o.o. and UPOS System Sp. z o.o.

However, the Extraordinary General Meeting, on 19th February, 2009 rejected, by the votes of two shareholders, the resolution on ELZAB S.A. share capital increase, offered to the shareholders in EXORIGO Sp. z o.o. and UPOS System Sp. z o.o. in exchange for all the shares held in EXORIGO Sp. z o.o. and UPOS System Sp. z o.o. contributed as a contribution in kind and deprive the existing shareholders of their rights.

Thus the process of capital merger was stopped.

The Management Board and Major Shareholders, however, did not withdraw from the project of building a strong Group and they keep searching for the optimum solution that will be accepted by the majority of Shareholders. Therefore, the strategy announced in January, 2008 for ELZAB S.A. and ELZAB Group, to create an offer of comprehensive solutions for widely defined retail market, especially for selected segments of the market, including the retail market segment, HoReCa, filling stations, shall be continued.

In 2009 the Company Management Board performed the program of buying its own shares for resale or other purposes related to the Company strategy performance.

Within the buyout, performed from 3rd July, 2009 to 15th December, 2009, ELZAB bought 104 610 own shares for the total amount PLN 252 thousand, which increased the stock of the Company's own shares to 510 272, for the total amount PLN 2 250 thousand.

In the opinion of the Supervisory Board, the situation of ELZAB is good and there is no uncertainty as for the going concern of ELZAB and ELZAB Capital Group. As the same time, the Supervisory Board assesses that the functioning internal control system and risk management system allow for the correct and reliable keeping of the accounting and reporting, reflecting the actual situation of ELZAB and ELZAB Capital Group. The regular monitoring of results and data analysis allow for preventing the risks and effectively restrict the possible risk.

In the opinion of the Supervisory Board, ELZAB is managed professionally and ELZAB, as the parent Company positively affects the development and position of ELZAB Capital Group on the market.

The Supervisory Board approves of the work of the Management Board and its actions supported by the Supervisory Board, tending to reinforce the position of ELZAB on the market and thus the development and reinforcement of the whole ELZAB Capital Group.

The Resolution was passed with the votes:

for - 6

against - 0

abstaining - 0

Secretary of the Supervisory Board Chairman of the Supervisory Board

Jerzy Ciesielski

Paweł Dudziuk