POLISH FINANCIAL SUPERVISION AUTHORITY

Consolidated quarterly report I / 2009

(prepared in accordance with §82 section 2 and §83 section 1 of the Minister of Finance Regulation of 19 February 2009 - Dz. U. Nr 33, poz. 259*)

(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

for the first quarter of 2009 covering the period from 1 January 2009 to 31 March 2009, comprising condensed consolidated financial statements drawn in accordance with IFRS with amounts stated in PLN and condensed financial statements of the parent entity drawn in accordance with IFRS with amounts stated in PLN.

submission date: 5 May 2009

STALEXPORT AUTOSTRADY SPÓŁKA AKCYJNA
(issuer's full name)

STALEXPORT AUTOSTRADY S.A. (issuer's abbr. name)		**Other services** (sector according to GPW SE)
40-085 (postal code)		**Katowice** (city)
MICKIEWICZA (street)		**29** (number)
032 251-21-81 (phone)	**032 251-28-22** (fax)	**info@stalexport-autostrady.pl** (e-mail)
634-013-42-11 (NIP – tax identification number)	**271936361** (REGON)	**www.stalexport-autostrady.pl** (www)

Explanation
This document constitutes a translation of the financial statements of the entity named above. The original financial statements were issued in Polish. The document below comprises the English translation of terminology used in the Polish original. In case of ambiguities in interpretation of terminology, the original Polish terminology should be treated as binding.

*The Official Journal of Law No. 33, item 259.

SELECTED FINANCIAL DATA

	in TPLN		in TEUR	
	1Q 2009	1Q 2008	1Q 2009	1Q 2008
	1 Jan - 31 Mar 2009	1 Jan - 31 Mar 2008	1 Jan - 31 Mar 2009	1 Jan - 31 Mar 2008
Data concerning condensed consolidated financial statements				
I. Revenue on sales	30 858	33 373	6 709	9 381
II. Profit (loss) from operating activities	8 169	10 477	1 776	2 945
III. Profit (loss) before tax	3 894	7 143	847	2 008
IV. Profit (loss) for the period	2 681	5 880	583	1 653
V. Profit (loss) for the period attributable to shareholders of the Parent company	1 814	4 865	394	1 368
VI. Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
VII. Earnings attrib.to shareholders of the Parent company per 1 ordinary share (in PLN/ EUR)	0,01	0,02	0,00	0,01
VIII. Diluted earnings attrib.to shareholders of the Parent per 1 ordinary share (in PLN/ EUR)	0,01	0,02	0,00	0,01
IX. Net cash flow from operating activities	4 447	(358)	967	(101)
X. Net cash flow from investing activities	(20 837)	118 340	(4 530)	33 266
XI. Net cash flow from financing activities	(4 995)	(3 689)	(1 086)	(1 037)
XII. Total net cash flow	(21 385)	114 293	(4 650)	32 128
	as at 31 Mar 2009	as at 31 Dec 2008	as at 31 Mar 2009	as at 31 Dec 2008
XIII. Total assets	743 371	750 967	158 120	179 984
XIV. Total non-current assets	532 086	530 249	113 178	127 085
XV. Total current assets	211 285	220 718	44 942	52 900
XVI. Total liabilities	396 933	414 847	84 430	99 426
XVII. Total non-current liabilities	281 443	282 640	59 865	67 740
XVIII. Total current liabilities	115 490	132 207	24 566	31 686
XIX.Total equity	346 438	336 120	73 690	80 558
XX. Total equity attributable to equity holders of the parent	344 710	332 367	73 322	79 658
XXI. Minority interest	1 728	3 753	368	899
XXII. Issued share capital	494 524	494 524	105 189	118 523
Data concerning condensed separate financial statements of the parent entity				
I. Revenue on sales	749	655	163	184
II. Profit (loss) from operating activities	(1 281)	(1 332)	(279)	(374)
III. Profit (loss) before tax	(712)	(1 998)	(155)	(562)
IV. Profit (loss) for the period	(712)	(1 998)	(155)	(562)
V. Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
VI. Earnings per 1 ordinary share (in PLN/ EUR)	(0,00)	(0,01)	(0,00)	(0,00)
VII. Diluted earnings per 1 ordinary share (in PLN/ EUR)	(0,00)	(0,01)	(0,00)	(0,00)
VIII. Net cash flow from operating activities	(4 557)	(27 282)	(991)	(7 669)
IX. Net cash flow from investing activities	(9 623)	124 502	(2 092)	34 998
X. Net cash flow from financing activities	(90)	(1 000)	(20)	(281)
XI. Total net cash flow	(14 270)	96 220	(3 103)	27 048
	as at 31 Mar 2009	as at 31 Dec 2008	as at 31 Mar 2009	as at 31 Dec 2008
XII. Total assets	264 820	269 532	56 329	64 599
XIII. Total liabilities	77 745	81 745	16 537	19 592
XIV. Total non-current liabilities	56 762	60 010	12 074	14 383
XV. Total current liabilities	20 983	21 735	4 463	5 209
XVI. Total equity	187 075	187 787	39 792	45 007
XVII. Issued share capital	494 524	494 524	105 189	118 523

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of PLN	*I Q 2009* *1 Jan - 31 Mar 2009* **(not audited)**	*I Q 2008* *1 Jan - 31 Mar 2008* **(not audited)**
Revenue on sales	30 858	33 373
Cost of sales	(17 951)	(15 906)
Gross sale profit/(loss)	**12 907**	**17 467**
Other income	1 349	1 173
Distribution expenses	-	-
General administrative expenses	(5 752)	(8 044)
Other expenses	(335)	(119)
Profit/(loss) from operating activities	**8 169**	**10 477**
Financial income	2 356	3 342
Financial expenses	(6 234)	(6 558)
Net financial income/(expenses)	**(3 878)**	**(3 216)**
Share in profit/(loss) of associated entities	**(397)**	**(118)**
Profit/(loss) before tax	**3 894**	**7 143**
Income tax	(1 213)	(1 263)
Profit/(loss) for the period	**2 681**	**5 880**
attributable to:		
Shareholders of the Parent company	1 814	4 865
Non-controlling interest	867	1 015
Other comprehensive income:		
Cash flow hedges	12 955	-
Exchange differences on translating foreign operations	35	(3)
Income tax relating to components of other comprehensive income	(2 461)	-
Other comprehensive income for the year, net of tax	**10 529**	**(3)**
Total comprehensive income for the year	**13 210**	**5 877**
attributable to:		
Shareholders of the Parent company	12 343	4 862
Non-controlling interest	867	1 015

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of PLN	*31 March 2009*	*31 December 2008*	*31 March 2008*
	(not audited)		(not audited)
ASSETS			
Non-current assets			
Property, plant and equipment	474 177	469 610	418 039
Intangible assets	1 088	982	168
Prepaid perpetual usufruct of land	116	116	116
Investment property	4 533	4 609	4 994
Investments in associates	-	397	1 124
Other long-term investments	4 328	4 269	4 302
Long-term receivables	-	-	99
Long-term prepayments for commissions and other	7 378	7 363	7 214
Deferred tax assets	40 466	42 903	35 357
Total non-current assets	**532 086**	**530 249**	**471 413**
Current assets			
Inventories	1 321	1 647	1 583
Short-term investments	84 650	74 630	73 642
Income tax receivables	3 249	1 975	9
Trade and other receivables	28 713	27 719	33 790
Cash and cash equivalents	93 253	114 639	160 603
Short-term prepayments for commissions and other	99	108	105
Total current assets	**211 285**	**220 718**	**269 732**
Total assets	**743 371**	**750 967**	**741 145**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of PLN	*31 March 2009* (not audited)	*31 December 2008*	*31 March 2008* (not audited)
EQUITY AND LIABILITIES			
Equity			
Issued share capital	494 524	494 524	494 524
Share capital revaluation adjustment	18 235	18 235	18 235
Treasury shares	(20)	(20)	(19)
Share premium reserve	20 916	20 916	20 916
Valuation of available-for-sale financial assets reserve	(1 813)	(1 813)	-
Hedging reserve	(3 650)	(14 144)	-
Other reserve capitals and supplementary capital	161 722	140 042	139 817
Foreign currency translation reserve	364	387	(42)
Retained earnings and uncovered losses	(345 568)	(325 760)	(350 460)
Total equity attributable to equity holders of the parent	**344 710**	**332 367**	**322 971**
Non-controlling interest	1 728	3 753	1 840
Total equity	**346 438**	**336 120**	**324 811**
Liabilities			
Non-current liabilities			
Loans and borrowings	69 058	69 040	68 986
Finance lease liabilities	555	660	1 074
Employee benefits liabilities	592	592	482
Deferred income and government grants	15 586	15 849	16 639
Other long-term liabilities	190 540	191 853	196 689
Provisions	5 112	4 646	57 895
Total non-current liabilities	**281 443**	**282 640**	**341 765**
Current liabilities			
Loans and borrowings	-	1 488	3 445
Finance lease liabilities	1 157	1 420	1 268
Derivative financial instruments	4 506	17 461	-
Income tax liabilities	-	423	1 044
Trade and other payables	65 322	49 271	59 758
Employee benefits liabilities	81	81	114
Deferred income and government grants	2 043	1 053	2 016
Provisions	42 381	61 010	6 924
Total current liabilities	**115 490**	**132 207**	**74 569**
Total liabilities	**396 933**	**414 847**	**416 334**
Total equity and liabilities	**743 371**	**750 967**	**741 145**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

In thousands of PLN	*IQ 2009* *1 Jan - 31 Mar 2009* (not audited)	*IQ 2008* *1 Jan - 31 Mar 2008* (not audited)
Cash flows from operating activities		
Profit / (loss) before tax	**3 894**	**7 143**
Adjustments for:		
Depreciation	6 863	5 071
Profit/(loss) from currency translation	(56)	(6)
Profit/(loss) on investment activity	658	(1 471)
Profit/(loss) on sale of property, plant and equipment	80	(20)
Interest and dividends	144	(188)
Share in profit/(loss) of associated entities	397	118
Change in receivables	(994)	2 428
Change in inventories	326	211
Change in prepayments for commissions and other	(6)	(1 067)
Change in trade and other payables	13 570	(16 328)
Change in provisions	(18 163)	6 621
Change in deferred income and government grants	727	700
Procees/(expenditures) related to collateral requested by creditors	(59)	(55)
Cash generated from operating activities	**7 381**	**3 157**
Income tax paid	(2 934)	(3 515)
Net cash from operating activities	**4 447**	**(358)**
Cash flows from investing activities		
Investment proceeds	**1 499**	**140 309**
Sale of intangible assets and property, plant and equipment	78	20
Sale of discontinued activity	-	138 700
Interest received	1 421	1 566
Disposal of financial assets	-	23
Investment expenditures	**(22 336)**	**(21 969)**
Acquisition of intangible assets and property, plant and equipment	(11 736)	(5 515)
Net cash expense due to loss of control over subsidiary	-	(1 454)
Acquisition of financial assets	(10 000)	(15 000)
Other expenditures	(600)	-
Net cash from investing activities	**(20 837)**	**118 340**
Cash flows from financing activities		
Financial proceeds	-	-
Financial expenditures	**(4 995)**	**(3 689)**
Dividends paid	(1 575)	(1 575)
Interest paid	(3 052)	(1 774)
Payment of payables upon finance lease	(368)	(340)
Net cash from financing activities	**(4 995)**	**(3 689)**
Net increase/decrease in cash and cash equivalents	**(21 385)**	**114 293**
Balance sheet change in cash	**(21 385)**	**114 293**
Cash and cash equivalents net of bank overdraft, at the beginning of the period:	**114 638**	**46 310**
Cash and cash equivalents net of bank overdraft, at the end of the period:	**93 253**	**160 603**
Restricted cash and cash equivalents	133	87

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of PLN

	Issued Share Capital	Share capital revaluation adjustment	Treasury shares	Share premium reserve	Valuation of available-for-sale financial assets reserve	Hedging reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to equity holders of the parent	Minority interest	Total equity
As at 1 January 2008	**494 524**	**18 235**	**(19)**	**20 916**	**-**	**-**	**196 389**	**(37)**	**(411 911)**	**318 097**	**3 448**	**321 545**
Comprehensive income	-	-	-	-	-	-	(2)	(5)	4 869	**4 862**	1 015	**5 877**
Loss coverage	-	-	-	-	-	-	(56 570)	-	56 570	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	(2 611)	**(2 611)**
Other	-	-	-	-	-	-	-	-	12	**12**	(12)	-
As at 31 March 2008	**494 524**	**18 235**	**(19)**	**20 916**	**-**	**-**	**139 817**	**(42)**	**(350 460)**	**322 971**	**1 840**	**324 811**

	Issued Share Capital	Share capital revaluation adjustment	Treasury shares	Share premium reserve	Valuation of available-for-sale financial assets reserve	Hedging reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to equity holders of the parent	Minority interest	Total equity
As at 1 January 2009	**494 524**	**18 235**	**(20)**	**20 916**	**(1 813)**	**(14 144)**	**140 042**	**387**	**(325 760)**	**332 367**	**3 753**	**336 120**
Comprehensive income	-	-	-	-	-	10 494	70	(23)	1 802	**12 343**	867	**13 210**
Dividends	-	-	-	-	-	-	-	-	-	-	(2 892)	**(2 892)**
Distribution of profit	-	-	-	-	-	-	21 610	-	(21 610)	-	-	-
As at 31 March 2009	**494 524**	**18 235**	**(20)**	**20 916**	**(1 813)**	**(3 650)**	**161 722**	**364**	**(345 568)**	**344 710**	**1 728**	**346 438**

CONDENSED SEPARATE STATEMENT OF COMPREHENSIVE INCOME

In thousands of PLN	*I Q 2009* *1 Jan - 31 Mar 2009* **(not audited)**	*I Q 2008* *1 Jan- 31 Mar 2008* **(not audited)**
Revenue on sales	749	655
Cost of sales	(668)	(618)
Gross sale profit/(loss)	**81**	**37**
Other income	472	478
Distribution expenses	-	-
General administrative expenses	(1 521)	(1 733)
Other expenses	(313)	(114)
Profit/(loss) from operating activities	**(1 281)**	**(1 332)**
Financial income	2 436	1 368
Financial expenses	(1 867)	(2 034)
Net financial income/(expenses)	**569**	**(666)**
Profit/(loss) before tax	**(712)**	**(1 998)**
Income tax	-	-
Profit/(loss) for the period	**(712)**	**(1 998)**
Other comprehensiveincome for the year, net of tax	-	-
Total comprehensive income for the year	**(712)**	**(1 998)**

CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

In thousands of PLN	*31 March 2009* (not audited)	*31 December 2008*	*31 March 2008* (not audited)
ASSETS			
Non-current assets			
Property, plant and equipment	1 513	1 639	1 592
Intangible assets	257	183	5
Prepaid perpetual usufruct of land	116	116	116
Investment property	4 533	4 609	4 994
Investments in subsidiaries and associates	46 936	46 936	50 476
Long-term receivables	33 459	32 682	34 009
Total non-current assets	**86 814**	**86 165**	**91 192**
Current assets			
Inventories	-	-	50
Short-term investments	84 345	74 325	73 642
Trade and other receivables	19 006	20 116	22 708
Cash and cash equivalents	74 655	88 926	106 065
Total current assets	**178 006**	**183 367**	**202 465**
Total assets	**264 820**	**269 532**	**293 657**

In thousands of PLN	*31 March 2009* (not audited)	*31 December 2008*	*31 March 2008* (not audited)
EQUITY AND LIABILITIES			
Equity			
Issued share capital	494 524	494 524	494 524
Share capital revaluation adjustment	18 235	18 235	18 235
Treasury shares	(20)	(20)	(19)
Share premium reserve	20 916	20 916	20 916
Valuation of available-for-sale financial assets reserve	(1 718)	(1 718)	-
Retained earnings and uncovered losses	(344 862)	(344 150)	(351 408)
Total equity	**187 075**	**187 787**	**182 248**
Liabilities			
Non-current liabilities			
Employee benefits liabilities	461	461	373
Other long-term liabilities	56 301	59 549	69 293
Provisions	-	-	5
Total non-current liabilities	**56 762**	**60 010**	**69 671**
Current liabilities			
Loans and borrowings	6 211	6 225	9 705
Trade and other payables	14 691	15 429	31 965
Employee benefits liabilities	81	81	68
Total current liabilities	**20 983**	**21 735**	**41 738**
Total liabilities	**77 745**	**81 745**	**111 409**
Total equity and liabilities	**264 820**	**269 532**	**293 657**

CONDENSED SEPARATE STATEMENT OF CASH FLOWS

In thousands of PLN	*IQ 2009* *1 Jan - 31 Mar 2009* (not audited)	*IQ 2008* *1 Jan - 31 Mar 2008* (not audited)
Cash flows from operating activities		
Profit / (loss) before tax	**(712)**	**(1 998)**
Adjustments for:		
Depreciation	145	137
Profit/(loss) from currency translation	(78)	-
Profit/(loss) on investment activity	658	(23)
Profit/(loss) on sale of property, plant and equipment	131	(20)
Interest and dividends	(1 116)	(1 042)
Change in receivables	333	(10 408)
Change in trade and other payables	(3 918)	(13 928)
Net cash from operating activities	**(4 557)**	**(27 282)**
Cash flows from investing activities		
Investment proceeds	**1 193**	**139 882**
Sale of intangible assets and property, plant and equipment	-	20
Sale of discontinued activity	-	138 700
Interest received	1 193	1 139
Disposal of financial assets	-	23
Investment expenditures	**(10 816)**	**(15 380)**
Acquisition of intangible assets and property, plant and equipment	(216)	(380)
Acquisition of financial assets	(10 000)	(15 000)
Other expenditures	(600)	-
Net cash from investing activities	**(9 623)**	**124 502**
Cash flows from financing activities		
Financial proceeds	**-**	**-**
Financial expenditures	**(90)**	**(1 000)**
Repayment of loans and borrowings	-	(896)
Interest paid	(90)	(104)
Net cash from financing activities	**(90)**	**(1 000)**
Net increase/decrease in cash and cash equivalents	**(14 270)**	**96 220**
Balance sheet change in cash	**(14 270)**	**96 220**
Cash and cash equivalents net of bank overdraft, at the beginning of the period:	**88 925**	**9 845**
Cash and cash equivalents net of bank overdraft, at the end of the period:	**74 655**	**106 065**
Restricted cash and cash equivalents	42	26

CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY

In thousands of PLN

	Issued Share Capital	Share capital revaluation adjustment	Treasury shares	Share premium reserve	Valuation of available-for-sale financial assets reserve	Retained earnings and uncovered losses	Total equity
As at 1 January 2008	**494 524**	**18 235**	**(19)**	**20 916**	**-**	**(349 410)**	**184 246**
Comprehensive income	-	-	-	-	-	(1 998)	**(1 998)**
As at 31 March 2008	**494 524**	**18 235**	**(19)**	**20 916**	**-**	**(351 408)**	**182 248**

	Issued Share Capital	Share capital revaluation adjustment	Treasury shares	Share premium reserve	Valuation of available-for-sale financial assets reserve	Retained earnings and uncovered losses	Total equity
As at 1 January 2009	**494 524**	**18 235**	**(20)**	**20 916**	**(1 718)**	**(344 150)**	**187 787**
Comprehensive income	-	-	-	-	-	(712)	**(712)**
As at 31 March 2009	**494 524**	**18 235**	**(20)**	**20 916**	**(1 718)**	**(344 862)**	**187 075**

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
Consolidated quarterly report QSr I/ 2009

Additional information to the condensed consolidated financial statements

Contents

Additional information to the condensed consolidated financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

I. GROUP OVERVIEW

Stalexport Autostrady S.A. („the Company”) with its seat in Katowice, Mickiewicza 29 Street, is a public listed company registered in the National Court Register under registration number KRS 16854.

Till 30 August 2007 the Company’s name was Stalexport S.A..

The Company together with its subsidiaries constitutes Stalexport Autostrady Capital Group (“Group”, “Capital Group”).

The business activities of the Group include the following:
- construction of roads and railroads, specifically services related to managing, construction by adapting to the requirements of toll motorway and exploitation of the section of A-4 motorway Katowice-Kraków,
- management and business advisory,
- rental services.

Consolidated entities

Stalexport Autostrady S.A. is a parent entity and prepares consolidated financial statements.

As at 31 March 2009, in addition to the Company, the Group comprised of the following entities:

Name of the entity	Seat	Consolidation method	Group’s interest and voting rights	Date of obtaining control/date of acquisition
Stalexport Autoroute S.a.r.l.	Luxemburg	Full consolidation	100%	2005
Stalexport Autostrada Małopolska S.A.	Mysłowice	Full consolidation	100%*	1998
Stalexport Transroute Autostrada S.A.	Mysłowice	Full consolidation	55%*	1998
Stalexport Autostrada Dolnośląska S.A.	Katowice	Full consolidation	100%	1997
Biuro Centrum Sp. z o.o.	Katowice	Full consolidation	74.38%	2007
Autostrada Mazowsze S.A.	Katowice	Equity method	30%**	2007
Stalexport Autostrada Śląska S.A. w likwidacji	Katowice	Full consolidation	37.50%/100%**	2008

* through Stalexport Autoroute S.a.r.l. **through Stalexport Autostrada Dolnośląska S.A.

The consolidated financial statements comprise financial statements of the Company and its subsidiaries and also Group’s share in net assets of associates.

The Capital Group is also included within the consolidated financial statements of the parent entity of the highest level Atlantia S.p. A. (Italy).

Additional information to the condensed consolidated financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

Information concerning the Concession Agreement

The activities of the Group include primarily business related to the management, construction by transformation to the toll motorway and operation of the section Katowice – Kraków of A-4 motorway, performed by the Company's subsidiary, Stalexport Autostrada Małopolska S.A. ("Concession Holder", "SAM S.A."). These activities are regulated by the concession agreement ("Concession Agreement").

The subject of the Concession Agreement is completion of construction, by transformation to the toll motorway, of the A-4 motorway on the section from Katowice (junction Murckowska, km 340.2) to Krakow (junction Balice I, km 401.1) and its subsequent operation and the conducting and completion of the remaining of the construction works as specified in the Concession Agreement.

The Concession Agreement has been concluded for a time equal to the term of the concession i.e. 30 years ending in 2027.

The Concession Agreement specifies the ways of earning the revenues by the Concession Holder from execution of the project. Principal revenues of the Concession Holder are:
a) toll revenues,
b) revenues due to reimbursement for the passage of toll-exempted vehicles.

Rates of tolls for the use of the toll motorway aforementioned in point (a) are set in accordance with:

- Polish Act on Toll Motorways;
- Decree on detailed rules for establishing and adjusting rates of tolls for the use of the toll motorway and resolutions of the Concession Agreement.

Conditions of obtaining the revenues as stated in point (b) above are set in accordance with above-mentioned regulations and Decree on public roads.

Throughout the term of this Agreement, the Concession Holder shall have the right to use and receive profits from the road strip of the Motorway. The right includes among other things the right to demolish and remove the existing buildings, facilities, equipment, trees and plants, subject to any relevant legal provisions.

The Concession Holder is responsible for the operation and maintenance of the toll motorway until the termination or expiry of the Concession Agreement, which determines detailed range of the Concession Holder's obligations.

The Concession Holder is obliged, among other things, to perform construction works.

Completed Phase I included the construction of toll collection system, implementation of maintenance centre in Brzęczkowice and construction of a communication and motorway traffic management system, including an emergency communication system.

Further investment phases, which are to be carried out include, among others, renovations of bridges, development of junctions, construction of rest areas and works related to environmental protection measures (constructions of noise screens, motorway drainage system, passes for animals).

At the conclusion of the Concession Agreement the right to use and receive profits from all buildings, structures and facilities constructed by the Concession Holder will be transferred to the State Treasury.

During the term of the Concession Agreement the Concession Holder is obliged to maintain proper standard of the road surface of the toll motorway and to carry out periodic heavy maintenance works of the toll motorway. In 2007 a first heavy maintenance commenced, completion of which is scheduled for the end of 2009.

As determined by the Concession Agreement, after fulfillment of conditions therein defined, the Concession Holder will be obliged to make concession payments to the National Road Fund constituting so-called subordinate debt (obligation due to loan received by State Treasury from the European Bank for Reconstruction and Development („EBRD") for the purpose of financing the construction of A-4 Toll Motorway Katowice-Kraków taken over by the Concession Holder).

According to provisions of the Concession Agreement between SAM S.A. and the Minister of Infrastructure and also of the Project Loan Agreement between SAM S.A. and consortium of following banks: PEKAO S.A., DEPFA BANK PLC, KfW, WESTLB BANK POLSKA S.A. and WESTLB AG (London Branch), the possibility of dividend payment by Stalexport Autostrada Małopolska S.A. to its shareholders depends, among others on, completion of specified construction phase, achieving minimum level of debt service ratios, and assuring the sufficient coverage of reserve accounts.

II. ACCOUNTING POLICIES APPLIED DURING PREPARATION OF CONSOLIDATED QUARTERLY REPORT

1. Statement of compliance

The condensed consolidated financial statements have been prepared in accordance with IAS 34 „Interim Financial Reporting", as adopted by the European Union (IFRS EU) and discloses reliably Group's financial position both as at 31 March 2009 and 31 December 2008, Group's comprehensive income and cash flows for 3-month periods ending at 31 March 2009 and 31 March 2008.

2. Going concern

The condensed consolidated financial statements have been prepared under the assumption that the Group will continue to operate as a going concern for the foreseeable future. At the condensed consolidated financial statements authorization date, no issues were identified that could threat Group's going concern.

3. Functional and presentation currency together with rules for translation of financial data

3.1. Functional and presentation currency

The consolidated financial statements are presented in Polish zloty, being the functional currency and presentation currency of the Group, rounded to full thousands.

3.2. Translation of financial data rules

Financial data quoted in EUR were translated in accordance with following rules:

a) items of statement of comprehensive income and statement of cash flows – according to average exchange rate, calculated as an average of average NBP exchange rates as at the last day of each month of accounting period – 4,5994 PLN/EUR for the period from 1 January to 31 March 2009 and 3,5574 PLN/EUR for the period from 1 January to 31 March 2008 respectively;

b) items of statement of financial position – at 31 March 2009 at average NPB exchange rate for that date amounting to 4,7013 PLN/EUR, at 31 December 2008 at average NPB exchange rate for that date amounting to 4,1724 PLN/EUR.

4. Adopted accounting principles

The accounting principles set out below have been applied consistently to all periods presented in the interim consolidated financial statements, and have been applied consistently by all Group entities.

4.1 Basis for consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the parent Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Associates

Associates are those entities for which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognized gains and losses of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of an associate.

(iii) Consolidation adjustments

Intragroup balances, and any unrealized gains and losses or income and expenses arising from intergroup transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with associates are eliminated to the extent of the Group's interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

4.2 Foreign currencies

(i) Foreign currency transactions

Transactions in foreign currencies on the day of transaction are translated into Polish zloty at the National Bank of Poland average exchange rate for particular currency at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the average NBP rate at that date. Foreign exchange differences arising on settlement of foreign transactions or balance sheet translation are recognized in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated at the average NBP rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at the average NBP rate at the date the fair value was determined.

Additional information to the condensed consolidated financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

(ii) Conversion of foreign subsidiaries
The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition are translated to Polish zloty at an average NBP rate at the reporting date.

The income and expenses of foreign operations excluding foreign operations in hyperinflationary economies are translated to Polish zloty at average NBP rates at the dates of the transactions. The income and expenses of foreign operations in hyperinflationary economies are translated at average NBP rates at the reporting date. Foreign currency differences are recognised directly within a separate item of the equity– “Foreign currency translation reserve”. When a foreign operation is partly or fully disposed of, the cumulative amount in equity is transferred to the profit and loss statement.

Prior to translating the financial statements of foreign operations in hyperinflationary economies, its financial statements for the current period including comparative data are restated to account for changes in the general purchasing power of the local currency. The restatement is based on relevant price indices at the reporting date.

(iii) Hedge of net investment in foreign operation
Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in foreign operation are recognised directly in equity. When the hedged net investment is disposed of, the cumulative amount in equity is transferred to the profit and loss account.

4.3 Property, plant and equipment

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Items of property, plant and equipment include road surface of the Motorway stated initially at cost being the equivalent of discounted concession payments and depreciated over the period of the Concession.

The cost includes the purchase price of the assets and costs directly related to the purchase and completion of the asset, so that it can be available for use, including the transport, loading, unloading and storing costs. Rebates, discounts and other similar reductions decrease the cost. The cost of property, plant and equipment or assets under construction includes total cost incurred by the entity in the period of their construction, assembly, adjustment and modernization till the date of their transfer to use (or up to the balance sheet date, if the asset was not transferred to use before this date). The cost also includes preliminary estimates of the cost of dismantling and removing the components of tangible fixed assets and the restoration cost. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) shall be capitalised as part of the cost of that asset. The capitalisation of borrowing costs as part of the cost of a qualifying asset shall commence when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs shall cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Reclassification to investment property
Property that is being constructed for future use as investment property is accounted for as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified as

investment property. When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property.

Subsequent expenditures
The Group recognizes in the carrying amount of an item of property, plant and equipment, the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the Group and the cost can be measured reliably. All other expenditures are recognized in the income statement as an expense as incurred.

Depreciation
Items of property, plant and equipment, relatively their significant and separate components, are depreciated on a straight – line basis over their estimated useful lives, considering residual values. Land is not depreciated.

The estimated useful lives adopted by the Group are as follows:

Motorway lane	concession period
Other buildings	10-40 years
Machinery and equipment	5-12 years
Vehicles	5-10 years
Other	1-5 years

If the estimated useful live of items of property, plant and equipment attributable to the Concession Agreement exceeds the period of Concession Agreement, the depreciation period is shortened to the remaining period of Concession Agreement.

The useful lives, depreciation methods and residual values (if significant) are reassessed annually.

4.4 Intangible assets

Intangible assets that are acquired by the Group are stated at cost less accumulated depreciation and impairment losses.

Subsequent expenditures
Subsequent expenditures on capitalized intangible assets are capitalized only when they increase the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognized in the income statement as incurred.

Amortization
Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. The estimated useful lives are as follows:

• intellectual property rights	up to 5 years
• computer software	up to 5 years
• licenses	from 2 to 5 years

4.5 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both. Investment property is measured at are stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of investment property, considering residual values. The group assumed 40-year period of economic useful life for the part of the building classified as investment property.

4.6 Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases.
Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. If it is not certain that at the conclusion of the lease agreement the ownership of the leased assets will be transferred to the Group, the assets are depreciated over the shorter of period of the lease and economic useful life of the assets.

Minimum lease payments made under finance leases are apportioned between reduction of the outstanding liability and the finance expense. The finance charge is allocated to each period during the lease term via effective interest rate method.

Other leases which are not classified as finance lease contracts are treated as operating lease.

4.7 Perpetual usufruct of land

The Group classifies perpetual usufruct of land as operating lease. The prepayments for perpetual usufruct of land are disclosed separately on the face of the balance sheet. The prepayments for perpetual usufruct are expensed to income statement during the period of lease.

4.8 Long and short term receivables

Long and short term receivables are non-derivative financial assets and financial assets not quoted in an active market with fixed or determinable payments. They are initially recognized at fair value and are subsequently measured at amortized cost less impairment losses.

4.9 Inventories

Inventories are stated at the lower of cost and net realizable value. The cost of inventories is determined based on the first in, first out principle. The costs include expenditure incurred in acquiring the inventories and their adoption for use or sales. In the case of finished goods and work in progress, costs include an appropriate share of overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

4.10 Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Group's accounting policies. Thereafter, as at the day of initial classification as held for sale, the assets (or disposal group) are measured at the lower of their carrying amount or fair value less cost to sell.

4.11 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term bank deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

4.12 Impairment

Financial assets

Financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit and loss account. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in equity is transferred to profit and loss account.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For available-for-sale financial assets that are equity securities, the reversal is not recognised directly in profit and loss account. If the fair value of available-for-sale financial assets that are debt securities increases and the increase can be related objectively to an event occurring after the impairment loss was recognised, the reversal of previously recognised impairment loss is recognised in profit and loss account.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit and loss account. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In case of assets, which do not generate independent cash flows, value in use is estimated for the smallest identifiable cash-generating unit to which the asset belongs.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Non-current assets held for sale

An impairment loss in respect of disposal group is allocated to assets on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit and loss account. Gains are not recognised in excess of any cumulative impairment loss.

4.13 Equity

From November 1993 until December 1996 the Group operated in a hyperinflationary economy. IAS 29 *Financial Reporting in Hyperinflationary Economies* requires restatement of each element of share capital (apart from undistributed profit and revaluation reserves) applying general price index. Retrospective application of IAS 29 influenced the increase of share capital revaluation in correspondence with the decrease in retained earnings.

Ordinary shares
Costs directly associated to issue of ordinary shares are attributed directly to equity.

Repurchase of treasury shares
When treasury shares are bought, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

Hedging reserve
Hedging reserve balance is the result of valuation changes of cash flow hedging instruments, which are considered effective and also respective changes of deferred tax.

4.14 Employee benefits

Retirement awards
The Group companies in accordance with Labour Code or their internal remuneration policies are obliged to payment of retirement awards.

The Group's obligation resulting from retirement awards is measured by estimation of future salary of a given employee for the period in which an employee will reach retirement age and by estimation of future retirement award. Retirement awards are discounted using market Treasury bond return rate at the balance sheet date. The retirement award obligation is recognized proportionally to the projected length of service of a given employee.

Disclosing liability due to retirement awards, the Group discloses total actuarial profits or losses as income or costs in profit and loss account, within the period in which they were indentified.

Jubilee bonuses
Some of the Group's companies offer its employees jubilee bonuses which depends on the current length of service of a given employee and an employee's salary at the vesting moment.

The Group's obligation resulting from jubilee bonuses is measured by estimation of future salary of a given employee for the period in which an employee will become entitled to a particular jubilee bonus and by estimation of future jubilee bonus. Jubilee bonuses are discounted using market Treasury bond return rate at the balance sheet date. Disclosing liability due to jubilee bonuses, the Group discloses total actuarial profits or losses as income or costs in profit and loss account, within the period in which they were indentified.

Staff rotation is estimated on the basis of historical data and forecasts on level of employment in the future.

Short-term employee benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

4.15 Provisions

A provision is recognized in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the liability.

(i) Provision for heavy maintenance of motorway surface
Based on the obligation resulting from the Concession Agreement the Group recognizes a provision for heavy maintenance of the road surface of the motorway relating to the operation and maintenance of the road surface of the motorway. The provision is recognized based on estimated cost of resurfacing proportionally to the usage degree. The estimated value is discounted at the reporting date.

4.16 Trade and other payables

Trade and other payables are initially recognized at fair value and subsequently measured at amortized cost. Current liabilities are not discounted.

4.17 Interest-bearing loans and borrowings

Interest–bearing loans and borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost on an effective interest basis.

Additional information to the condensed consolidated financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

4.18 Revenue

Sale of goods and products
Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or continuing Group involvement with the goods.

Rental income
Rental income from investment property is recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

Revenue from motorway management and exploitation
Revenue from motorway exploitation is identified according to accrual principle, that is in respective periods when motorway lane is used.

4.19 Lease payments

Payments made under operating leases are recognised in profit and loss statement on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

Minimum lease payments made under finance leases are apportioned between reduction of the outstanding liability and the finance expense. The finance charge is allocated to each period during the lease term via effective interest rate method.

4.20 Financial income and expenses

Financial income comprises interest income on funds invested by the Group, dividend income, gains on the disposal of available-for-sale financial assets, changes in the fair value of financial assets at fair value through profit and loss account, foreign currency gains, and gains on hedging instruments that are recognised in profit and loss account. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group’s right to receive payment is established.

Finance expenses comprise interest expense on borrowings, unwinding of the discount on provisions, foreign currency losses, changes in the fair value of financial assets at fair value through profit and loss account, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit and loss account. All borrowing costs are recognised in profit and loss account using the effective interest method.

4.21 Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit and loss account except to the extent that it relates to items recognised directly in equity. In the latter case it is recognised in equity.

Current tax is the expected tax payable on the taxable income of the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised. These reductions are reversed when it is probable that sufficient taxable profits will be available.

4.22 Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively for future resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

4.23 Earnings per share (EPS)

In preparation of consolidated financial statements basic earnings per share was calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding at the reporting date.

There were no factors that would result in dilution of earnings per share.

4.24 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.
Non-derivative financial instruments are recognised initially at fair value, except for investments valued at their fair value through profit and loss account, increased by any directly attributable transaction costs.
A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Held-to-maturity financial assets

Held-to-maturity financial assets include assets with fixed or determinable payments and fixed maturities that the Group has the positive intention and ability to hold to maturity. Held-to-maturity financial assets are valued at amortized cost calculated using the effective interest rate method.

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Assets in this category are recognized as non-current assets, if the realization date exceeds 12 months from the balance sheet date.

Financial assets measured at their fair value through profit and loss account

Financial assets acquired for the purpose of generating a profit from short-term price fluctuations are classified as financial assets measured at fair value through profit and loss account. They are valued at fair value, without transaction costs, and with the consideration of the market value as at balance sheet date. Changes in fair value are recognized in the income statement.

Assets in this category are classified as current assets, if the management of the Group has the positive intention to realize them within 12 months of the balance sheet date.

Available-for-sale financial assets

All remaining financial assets, which have not been classified as loans and receivables are considered available-for-sale financial assets.

Available-for-sale financial assets are valued at fair value without transaction costs, considering the market value as at balance sheet date. If the financial assets are not listed on a stock exchange and if there are no alternative ways to verify their fair value, available-for-sale financial assets are valued at costs less any impairment loss.

Gains or losses, except for impairment losses, , if there is a market price established by the regulated market or for which the fair value may be established in a reliable way, are recognized directly in equity. A decline in the value of the available-for-sale financial assets resulting from impairment loss is recognized in profit and loss account as a financial cost.

Loans and receivables

Subsequent to initial recognition, loans and receivables are valued at amortized cost.

Derivative financial instruments

Derivative financial instruments are recognized initially at fair value; attributable transaction costs are recognized in profit and loss account when incurred. Subsequent to initial recognition, derivatives are valued at fair value and changes therein are recognized immediately in income statement, unless a given derivative has a hedging purpose.

The Group does not apply fair value hedge accounting.

Derivatives defined as hedging instruments, from which it is expected, that cash flow related to them should compensate changes in cash flow of item being hedged, are recognized in accordance with cash flow hedging accounting, provided that all following conditions are met:

- upon establishing a hedge, hedging relations are formally set and documented, as well as Group's risk management goal and hedge strategy;
- it is expected that hedge shall be highly effective in compensating for changes in cash flow resulting from risk being hedged, in compliance with primarily documented risk management strategy, relating to these specific hedging holdings;
- the planned transaction being the subject of hedge must be highly probable and must be endangered by cash flow changes, which in result may have a bearing on profit and loss account;
- hedge effectiveness may be reliably determined;

Additional information to the condensed consolidated financial statements

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- hedge is subject to constant evaluation and its high effectiveness is confirmed throughout all of the reporting periods, for which the hedge has been established.

If the cash flow hedge accounting is applied, the Group:

- recognizes directly in equity a part of profits or losses related to hedging instrument constituting effective hedge, whereas
- ineffective part of profits and losses related to hedging instrument is recognized in profit and loss account.

If a transaction subject to hedge results in recognition of a financial asset item or financial liability item, the related profits or losses, which were recognized directly in equity, are transferred to profit and loss account either in that same period, or else, in those periods, during which acquired asset or accepted liability have a bearing on the profit and loss account. However, if the Group expects that all or a part of losses directly recognized under equity shall not be recovered in one or more future periods, then the expected unrecoverable amount should be recognized in the profit and loss account.

If hedging of planned transaction results in the recognition of non-financial asset item or non-financial liability item, or else, planned transaction related to non-financial asset item or non-financial liability item becomes a probable future liability, for which the fair value hedge is applied, the Group excludes related profits or losses, which were directly recognized in equity and includes them in primary acquisition cost or in other balance sheet value of assets or liabilities.

The Group stops applying the principles of cash flow hedge accounting, if:

- hedging instrument expires, is sold, dissolved, or exercised – then, cumulated profits or losses made in those periods, in which the hedge was effective are still recognized under separate item of equity, until the conclusion of planned transaction;
- hedge ceases to meet criteria of hedge accounting – in such a case cumulated profits or losses related to hedging instrument, charged directly to equity, continue to be recognized under a separate item of equity, until the conclusion of planned transaction;
- conclusion of planned transaction is no longer expected – then, all cumulated profits or losses related to the hedging instrument, charged directly to equity are recognized in profit and loss account.

If the Group cancels hedging relation, cumulated profits or losses related to hedging instrument and charged directly to equity, continue to be recognized under a separate item of equity, until the conclusion of planned transaction or until the moment at which the conclusion is no longer expected.

Additional information to the condensed consolidated financial statements
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III. INFORMATION ON SIGNIFICANT CHANGES OF ESTIMATES

1. Provisions for liabilities

Data for I Q	Provisions for motorway resurfacing	Other provisions	Total
As at 1 January 2008	**53 118**	**5 081**	**58 199**
Increases	6 884	1 859	**8 743**
Decreases	(2 112)	(11)	**(2 123)**
As at 31 March 2008	**57 890**	**6 929**	**64 819**
As at 1 January 2009	**42 034**	**23 622**	**65 656**
Increases	5 962	952	**6 914**
Decreases	(503)	(24 574)	**(25 077)**
As at 31 March 2009	**47 493**	**-**	**47 493**

As the result of agreement dated 25 February 2009, concluded between Stalexport Autostrada Małopolska S.A. and Minister of Infrastructure, which determined the corrected Negotiated Rate and defined financial settlement conditions, the provision of TPLN 24,574, created for the estimated rate decrease for the passage of toll-exempted vehicles (vignette vehicles), was utilized.
The amount payable to the State Treasury will be reimbursed by offsetting with future receivables resulting from the passage of vignette vehicles.

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2. Deferred income tax

	Assets		Liabilities		Net	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Deferred tax assets/liabilities	43 963	46 007	(3 497)	(3 104)	40 466	42 903
Offsetting of tax assets/liabilities	(3 497)	(3 104)	3 497	3 104	-	-
Net deferred tax assets	40 466	42 903	-	-	40 466	42 903

Deferred tax assets have not been identified in full amount of excess of negative temporary differences and tax losses over positive temporary differences, due to uncertainty of their utilization.

Changes of deferred tax assets and liabilities for 3-month periods ended 31 March 2009 and 31 March 2008 were following:

	Change of deferred tax profit for the year	recognised in equity
31 March 2009		
3 months	24	(2 461)
31 March 2008		
3 months	2 258	-

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IV. SEGMENT REPORTING

The Group presents its activity in business and geographical segments. Business segments are based on the Group's management and internal reporting structure.

Business segments

Business segments include:
- management, advisory and rental services,
- management and operation of motorways.

Business segments results

For the 3-month period ended 31 March 2009

	Management, advisory and rental services	Management and operation of motorways	Total
	3 months	3 months	3 months
Operating revenue			
Revenue from external customers	2 286	28 572	**30 858**
Total revenue	**2 286**	**28 572**	**30 858**
Operating expenses			
Cost of sales to external customers	(2 369)	(15 582)	**(17 951)**
Total cost of sales	**(2 369)**	**(15 582)**	**(17 951)**
Other income	473	876	**1 349**
Other expenses	(314)	(21)	**(335)**
General administrative expenses	(1 476)	(4 276)	**(5 752)**
Segment result	**(1 400)**	**9 569**	**8 169**
Unallocated income/expenses			
Net financial income/(expenses)			**(3 878)**
Share in profit/(loss) of associated entities			**(397)**
Income tax			**(1 213)**
Profit/(loss) for the period			**2 681**
Other comprehensiveincome for the year, net of tax			**10 529**
Total comprehensive income for the year			**13 210**

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For the 3-month period ended 31 March 2008

	Management, advisory and rental services	Management and operation of motorways	Total
	3 months	3 months	3 months
Operating revenue			
Revenue from external customers	1 916	31 457	**33 373**
Total revenue	**1 916**	**31 457**	**33 373**
Operating expenses			
Cost of sales to external customers	(2 051)	(13 855)	**(15 906)**
Total cost of sales	**(2 051)**	**(13 855)**	**(15 906)**
Other income	517	656	**1 173**
Other expenses	(114)	(5)	**(119)**
General administrative expenses	(1 690)	(6 354)	**(8 044)**
Segment result	**(1 422)**	**11 899**	**10 477**
Unallocated income/expenses			
Net financial income/(expenses)			**(3 216)**
Share in profit/(loss) of associated entities			**(118)**
Income tax			**(1 263)**
Profit/(loss) for the period			**5 880**
Other comprehensiveincome for the year, net of tax			**(3)**
Total comprehensive income for the year			**5 877**

Financial position according to business segments

	Management, advisory and rental services		Management and operation of motorways		Total	
	31 March 2009	31 December 2008	31 March 2009	31 December 2008	31 March 2009	31 December 2008
Assets of the segment	186 646	191 824	556 725	559 143	**743 371**	**750 967**
Unallocated assets	-	-	-	-	-	-
Total assets					**743 371**	**750 967**
Liabilities of the segment	72 008	75 685	324 925	339 162	**396 933**	**414 847**
Unallocated liabilities	-		-		-	-
Total liabilities					**396 933**	**414 847**

Geographical segments

Geographical segments results for the 3-month period ended 31 March 2009

	Poland	Other countries	Total
	3 months	3 months	3 months
Revenue from external customers	30 852	6	**30 858**

Additional information to the condensed consolidated financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

Geographical segments results for the 3-month period ended 31 March 2008

	Poland	Other countries	Total
	3 months	3 months	3 months
Revenue from external customers	33 373	-	**33 373**

V. CYCLICITY AND SEASONALITY OF BUSINESS

Group's activity is not significantly influenced by cyclicity and seasonality issues.

VI. FINANCIAL RESULTS OF THE CAPITAL GROUP AND ITS PARENT ENTITY FOR THE I Q 2009

Financial results of the parent entity Stalexport Autostrady S.A.

In 1Q 2009 the Company generated revenue on sales amounting to TPLN 749, over 14% higher than in comparable quarterly period of 2008. The increase of revenue in comparison to 2008 is mainly the consequence of higher rent rates adoption. The release of allowance for bad debt was the most significant item of other income – at the end of 1Q 2009 the corresponding net income amounted to TPLN 444.

The entity suffered a loss from operating activities for 1Q 2009 of TPLN 1,281 – in relation to a loss of TPLN 1,332 for similar period of 2008.

The financial activity of Stalexport Autostrady S.A. generated a profit of TPLN 569 for 1Q 2009. Interest on bank deposits (TPLN 1,535) constituted the main item of financial income, while interest resulting from guarantees given for Huta Ostrowiec to State Treasury was the most significant item of financial expenses (TPLN 1,106).

As the consequence of all the above Stalexport Autostrady S.A. suffered a net loss for the period of 1Q 2009 amounting to TPLN 712.

Financial results of motorway business

As a result of reorganization carried out in 2007, the motorway activity, consisting mainly of exploitation, toll collecting and execution of motorway investments on section Katowice – Kraków of A4 motorway and also participation in tender proceedings, has the biggest impact on Group's financial results. The activity is performed mainly by three subsidiaries: Stalexport Autostrada Małopolska S.A., Stalexport Transroute Autostrada S.A. and Stalexport Autostrada Dolnośląska S.A. Stalexport Autostrada Małopolska S.A. (Concession Holder) organizes and supervises motorway investments: resurfacing and repairs. Stalexport Transroute Autostrada S.A is responsible for motorway operation and on behalf of SAM S.A. collects tolls for vehicle passage. Stalexport Autostrada Dolnośląska S.A. current activity concentrates on participation in tender proceedings.

Consolidated revenue on sales generated by motorway activity for 1Q 2009 amounted to TPLN 28,572, declining by 9% in relation to revenue for 1Q 2008 (TPLN 31,457). This negative variation was the consequence of lower traffic on A4 motorway in 2009 as far as heavy vehicles (trucks, lorries) are concerned. Due to the fact that in comparison to 2008, in 1Q 2009 the decrease of revenue on sales was additionally accompanied by the increase of cost of sales (mainly due to increase of depreciation of property, plant and equipment), gross sale profit fell by over 26%.

Consolidated profit on operating activity attributed to motorway segment amounted to TPLN 9,569 for 1Q 2009, comparing to TPLN 11,899 for 1Q 2008.

Information on construction contracts involving Stalexport Autostrada Małopolska S.A.

In February 2009 construction works concerning acoustic screens no 27 and 7(b), conducted in accordance with Adjustment Order no. 5 to Contract no. F2a-3-2005, were completed.

On 28 March 2008, SAM S.A. concluded a contract with Pavimental S.p.A. involving the repair of 10 bridge facilities (6, 11, 12, 23 27, 30, 31, 42, 43, 44) situated along the motorway or above it, the repair of surface of traffic lanes and emergency lanes on a distance of approximately 26 km, repair of bituminous surface of two toll collection squares and repair of sidings of two motorway junctions. The value of the contract amounts to TPLN 142,188 and the contract-set project completion deadline was defined as the end of 2009. As at 31 March 2009 the contract was completed in 26.4% of its contractual value.

On 22 September 2008 SAM S.A. concluded an agreement with Gliwickie Przedsiębiorstwo Budownictwa Przemysłowego S.A. for construction of garages at OUA Brzęczkowice. The contract’s value amounted to TPLN 3,284. Corresponding construction works were completed in March 2009.

VII. IMPORTANT EVENTS WITHIN THE CAPITAL GROUP DURING THE PERIOD FROM 1 JANUARY 2009 TO 31 MARCH 2009

- On 23 February 2009 the General Directorate for National Roads and Motorways (GDDKiA) informed Company’s subsidiary Stalexport Autostrada Dolnośląska S.A. that the Consortium Stalexport Autostrada Dolnośląska S.A./Autostrade per l’Italia S.p.A has been prequalified to the tender concerning planning and adoption of section Wrocław-Sośnica of A4 Wrocław-Katowice Motorway to the standard of toll motorway and toll collection. Apart from abovementioned consortium, requirements for tender involvement were met by: Consortium Egis Projects S.A./Strabag Sp. z o.o. and Consortium Alcatel-Lucent Polska Sp. z o.o./Thales Transportation Systems S.A./Budimex-Dromex S.A. On 25 February 2009 GDDKiA provided prequalified consortia with detailed significant public order requirements (SIWZ), setting the deadline for offer submission to 7 April 2009.

- On 27 February 2009 the associated company Autostrada Mazowsze S.A. together with Public Negotiator (GDDKiA, Minister of Infrastructure) signed a protocol ending negotiations on tender for construction and operation of toll motorway A2 section Stryków-Konotopa and company’s involvement in this project. On the same day GDDKiA and Ministry of Infrastructure informed on their internet websites, that after analyzing offers submitted by companies involved in negotiations, and in accordance with GDDKiA recommendations, the Minister of Infrastructure decided that the section Łódź-Warszawa (Stryków – Konotopa) of A2 motorway (91 km) will be constructed within “Projektuj i Buduj” system (Design and Build). According to the statement, the decision was made after further negotiations with parties involved became impossible. Based on above, the tender should be considered terminated.

(all amounts in PLN thousand (TPLN), unless stated otherwise)

- During the 1Q 2009 Stalexport Autostrada Małopolska S.A. finalized the renegotiation process with Minister of Infrastructure/ GDDKiA of so called Negotiated Rate according to which the company receives an reimbursement for the passage of toll-exempted vehicles (vignette vehicles). On 25 February 2005, SAM S.A. concluded an agreement with Minister of Infrastructure, which determined the corrected Negotiated Rate. According to the agreement, the Concession Holder is obliged to reimburse to the State Treasury the gross amount of TPLN 31,122, constituting the difference between company's receivables calculated using Negotiated Rate and corrected Negotiated rate for the period from May 2007 to February 2009. In previous accounting periods SAM S.A. created a provision for above mentioned purpose - the amount payable to the State Treasury will be reimbursed by offsetting with future receivables resulting from the passage of vignette vehicles.

- On 30 March 2009 the XVI Ordinary General Meeting of Stalexport Autostrady S.A. seated in Katowice was held, which i.a. approved Management Board Report on the performance of Stalexport Autostrady SA Capital Group in 2008 together with Group's consolidated financial statements for 2008 (Resolutions no. 4 and 5 respectively) and also granted the discharge to members of the Management Board of the parent entity for the performance of their duties in 2008 (Resolutions no. 6 and 7).

VIII. DESCRIPTION OF TRANSACTIONS WITH RELATED ENTITIES (FOR ONE-OFF OR TOTAL VALUE EXCEEDING THE EQUIVALENT OF 500,000 EUR) AND INFORMATION ON TRANSACTIONS CONCLUDED BY THE PARENT ENTITY OR ITS SUBISIDIARY WITH RELATED ENTITIES ON NON-MARKET TERMS

All transactions concluded by Stalexport Autostrady S.A. or by its subsidiaries with related entities were on market terms.

The value of transactions concluded between Stalexport Autostrada Małopolska S.A. and Stalexport Transroute Autostrada S.A. pursuant to the Maintenance and Operation Contract amounted to TPLN 7,490 in 1Q 2009.

In the course of execution of Contract No. F2a-8-2007, in 1Q 2009 Pavimental S.p.A. performed resurfacing and construction works for SAM S.A. amounting to TPLN 2,039.

IX. SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY VIA THEIR SUBSIDIARIES AT LEAST 5% OF TOTAL NUMBER OF VOTES AT THE ANNUAL GENERAL MEETING OF THE PARENT ENTITY AT QUARTERLY REPORT'S DATE

List of Shareholders holding more than 5% of total number of votes eligible for Annual General Meeting:

Shareholder	Number of ordinary shares held	Share in share capital (%)	Number of votes at AGM	Share in total number of votes at AGM (%)
Autostrade per l'Italia S.p.A.	139,059,182	56.24 %	139,059,182	56.24 %

On 18 January 2008 Atlantia S.p.A submitted a non-cash contribution to its subsidiary Autostrade per l'Italia S.p.A. seated in Rome, in form of all shares of Stalexport Autostrady S.A. in its possession. As a result of

shares acquisition, Autostrade per l'Italia S.p.A. has currently a block of 139,059,182 shares and the same number of votes at the AGM of the Company.

X. PARENT ENTITY'S SHARES HELD BY MANAGING AND SUPERVISING PERSONNEL AT QUARTERLY REPORT'S DATE

	Number of shares held at report's issue date	Change since previous report's issue date
Management Board	**59,000**	**-**
Emil Wąsacz	59,000	-
Supervisory Board	**10**	**-**
Dario V. Cipriani	10	-

Stalexport Autostrady S.A. proxies are not in possession of its shares.

XI. CONTINGENT LIABILITIES AND LIST OF SIGNIFICANT LITIGATIONS

In thousands of PLN	**31 March 2009 (not audited)**	**31 December 2008**
Contingent liabilities		
towards related entities (due to)		
- gurantees given	14 741	14 371
towards other entities (due to)		
- gurantees given	2 032	1 699
Total contingent liabilities	**16 773**	**16 070**

In October 2007, the Office of Competition and Consumer Protection commenced antimonopoly proceedings against Stalexport Autostrada Małopolska S.A. in relation to the suspicion of abuse of dominant position on the market of paid passage of the section of the motorway A-4 Katowice – Kraków, through the imposition of unfair prices for the crossing through the paid section of the motorway in the magnitude as stated in the price list during the time of repairing of this section of the motorway, causing significant hindrance to vehicle traffic, which may constitute an infringement of the art. 9 sect. 2 pt. 1 of the act of law on competition and consumer protection. In response to the summons of the Office, the Group submitted relevant information required in relation to the proceedings in progress, and it made the necessary explanations.

On 25 April 2008, the Office of Competition and Consumer Protection issued a decision, in which it has been recognized that the Stalexport Autostrada Małopolska S.A. breached the above-mentioned art. 9 sect. 2 pt. 1 of the act of law on competition and consumer protection, simultaneously instructing it to relinquish the practices being the subject matter of the antimonopoly proceedings. The Office of Competition and Consumer Protection imposed on the Group a financial penalty in the amount of TPLN 1,300 payable to the Treasury. The decision is not valid and the Group availed of its right to make an appeal. At the moment, the issue is subject to Competition and Consumer Protection Court in Warsaw proceedings.

According to the Management Board of the Stalexport Autostrada Małopolska S.A. and the Management Board of the Group, the execution of the repair and investments deriving from the Concession Agreement and other applicable regulations concerning paid motorways, does not constitute a breach of the provisions regarding competition and consumer protection. Henceforth, in the consolidated financial statement no provisions have been created for the penalty resulting from the Office of Competition and Consumer Protection decision.

(all amounts in PLN thousand (TPLN), unless stated otherwise)

List of court litigations over TPLN 500 in which the Capital Group is the defendant:

no	amount	opposing party	legal status
1.	TPLN 4,300	CTL Maczki-Bór Sp. z o.o.	On 8 January 2008, the Group received a suit from the District Court in Katowice filed by CTL Maczki Bór Sp. z o.o. against: (i) the State Treasury represented by GDDKiA, (ii) Stalexport Autostrady S.A., and (iii) Stalexport Autostrada Małopolska S.A., in relation to the use of certain lots of land in the motorway lane without signing any agreement in the period from 26 May 1998 to 2 June 2006. The claimant requested to be paid PLN 4.3 million plus interest. The claimant requested that joint and several liability be determined to pay the above amount, including respectively: (i) from the State Treasury: the total amount of the claim, (ii) from Stalexport Autostrady S.A.: PLN 3.3 million, (iii) from Stalexport Autostrada Małopolska S.A.: PLN 1 million. In January 2008, the companies replied to the suit, asking that the claim be dismissed entirely due to the right granted by the Minister to hold land in good faith, according to the Concession, the Concession Agreement and accompanying agreements. During the court proceedings on 24 April 2009, the District Court obliged court expert to supplement his opinion, describing the market value of revenue, which could have been generated from the property mentioned. The date of next hearing will be set by the Court.

XII. SUBSEQUENT EVENTS

- On 17 April 2009 Stalexport Autostrada Dolnośląska S.A. received from the General Directorate for National Roads and Motorways (GDDKiA), a notification that in the tender procedure concerning planning and adoption of section Wrocław-Sośnica of A4 Wrocław-Katowice Motorway to the standard of toll motorway and toll collection, the bid submitted by the Consortium Egis Projects S.A./Strabag Sp. z o.o. was chosen as the most favorable one.

- On 17 April 2009 Stalexport Autostrady S.A. received a decision issued by the District Court in Katowice dated 8 April 2009, in which the Court acknowledged the completion of arrangement between Stalexport Autostrady S.A. and the creditors present at the creditors meeting held on 28 May 2002, approved by the decision issued by the District Court in Katowice on 27 June 2002.