



**STALEXPORT AUTOSTRADY S.A.**

**MANAGEMENT BOARD REPORT  
ON THE ACTIVITIES OF THE  
COMPANY  
IN 2012**

Katowice, March 5, 2013

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## Definitions and abbreviations

The table below presents the definition of abbreviations used in this Document.

Stalexport Autostrady, Company	Stalexport Autostrady S.A. with its registered office in Katowice
Capital Group, Stalexport Autostrady Group	Stalexport Autostrady S.A. Group in Katowice
SAM, Concessionaire	Stalexport Autostrada Małopolska S.A. with its registered office in Mysłowice
VIA4	VIA4 S.A. with its registered office in Mysłowice formerly Stalexport Transroute Autostrada S.A.
SAD	Stalexport Autostrada Dolnośląska S.A. with its registered office in Katowice
AMSA	Autostrada Mazowsze S.A. with its registered office in Katowice
Stalexport Autoroute	Stalexport Autoroute S.a.r.l. with its registered office in Luxemburg
Biuro Centrum	Biuro Centrum Sp. z o.o. with its registered office in Katowice
Atlantia	Atlantia S.p.A. with its registered office in Rome (Italy)
ASPI	Autostrade per l'Italia S.p.A. with its registered office in Rome (Italy)
GDDKiA	General Directorate of National Roads and Motorways
Concession Agreement	The Concession Agreement dated September 19, 1997 on building through conversion of A4 motorway section: Katowice (Murckowska Junction, km 340,2) – Kraków (Balice Junction, km 401,1) to the toll motorway standards and motorway operation on this section, including amendments made based on the appendices, which rights and obligations were totally passed from Stalexport Autostrady to SAM on July 26, 2004
Project Loan Agreement	Loan Agreement dated 28th December 2005, entered into between SAM and the banks, i.e. WESTLB BANK POLSKA S.A. Warsaw; WESTLB AG (London Branch), DEPFA BANK PLC, Dublin, Ireland; KfW Frankfurt, Germany and BANK BPH S.A., Warsaw. Loan agreement was aimed to grant the credit of PLN 380m on the A4 toll motorway project on section Katowice-Kraków (i.e. financing of construction works of Phase IIa and refinancing of construction works of Phase I)
Financing Banks	Portigon AG (London Branch), Polski Bank Przedsiębiorczości S.A., DEPFA Bank Plc, KfW IPEX-Bank GmbH and Bank Polska Kasa Opieki S.A.
KPMG	KPMG Audyt Sp. z o.o. with its registered office in Warsaw
Deloitte	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k.(formerly Deloitte Audyt Sp. z o.o.) with its registered office in Warsaw Al. John Paul II, No. 19, entered on the list of entities authorized to audit financial statements kept by the National Chamber of Statutory Auditors under no 73.
GM	General Meeting
GPW	Warsaw Stock Exchange
PPP	Public Private Partnership
Statement	Management Board Report on the activities of the Company in 2012
KSH	Commercial companies code
ADT	Average Daily Traffic

## 1. Letter from the President of the Management Board of Stalexport Autostrady

Dear Sir/Madam,

Dear Shareholders,

I hereby hand over to you the Report of the Stalexport Autostrady Management Board's activities for 2012.

That year was marked by changes in the organisation structure of the Group, mainly consisting in regrouping the organisational units and systematising the scope of operations, which allowed for a significant decrease in Group's operation costs.

The changes were completed in December 2012 with the Supervisory Board's decision regarding the appointment of Mr. Mariusz Serwa to the position of the Vice-President of the Management Board of Stalexport Autostrady S.A. He was also performing this function in a subsidiary company – Stalexport Autostrada Małopolska S.A. That solution shall increase the synergy of both companies' operations.

Additionally, the end of 2012 brought several investments important for the users of A4 Katowice-Kraków motorway. First of all, the repair of 22 bridge structures, which started in 2010, was completed. This is good information for drivers, since currently there are no difficulties in the traffic on the motorway.

Within the framework of increasing the flow capacity of the Toll Collection Area, the effect of which shall be decrease in travellers' transaction time, one of two Toll Collection Areas (in Mysłowice) was extended – there are 4 new travellers' service lanes. By the end of this year, we plan to complete the works in the second area, i.e. in Balice. The works shall commence at the beginning of 2013.

Another project within the framework of increasing the flow capacity is the replacement of toll collection equipment (Wymiana Urządzeń Poboru Opłat – WUPO). The works shall be carried out in the two following stages:

- The first stage (by the end of 2013) shall include replacement of the currently functioning manual toll collection equipment system in Mysłowice and Balice, as well as part of the booths. New methods of payment by means of proximity, fleet and fuel cards shall be implemented.
- The second stage shall include transformation of the remaining lanes for manual toll collection into automatic lines facilitating self-service.

The investment completion is planned for the second half of 2014.

The motorway Concessionaire does not exclude implementation of the solutions applied in the national electronic toll collection system, on A4 Katowice-Kraków – within the scope of new payment methods implementation. The solution was introduced by GDDKiA (General Directorate of National Roads and Motorways) on 1 July 2011 on selected sections of the motorways, expressways and national roads. The negotiations regarding interoperability of the toll collection systems commenced in Q3 of 2012, however, by the end of last year no agreements were reached.

Apart from the operations aiming at improvement of the traffic safety and faster travellers' service at the barriers, other area of our operations includes limitation of the negative effect of the motorway on the natural environment. At the beginning of 2012, modernisation of the water protection system in Balice was completed. The construction of the next 16-km section of the motorway water drainage system is scheduled for 2013. Construction of 800 m of noise screens protecting the inhabitants of one of Jaworzno's districts was also completed.

For the next years, the following operations are planned: reconstruction of Mysłowice junction, construction of Travellers Service Areas in Rudno and Grojec, construction of further noise screens, development of Rudno junction and Byczyna junction.

The year 2012 may be considered as a successful one, not only due to a number of completed investments, but also due to the high level of safety on A4 Katowice-Kraków. The road maintained the status of one of the safest roads in Poland – in 2012 no fatal accidents were recorded.

Stalexport Autostrady Group encompasses other special purpose entities created with a view to participation in the new motorway projects in Poland, e.g. construction and operation of A1 motorway on Tuszyn-Pyrzowice section and A2 motorway east of Warsaw. We await the final decision regarding the possibility of execution of those investments within the scope of the public–private partnership.

I would like to encourage you to read the financial report of STX Autostrady Group and the Management Board Report on Group Operation in 2012.

I would like to thank our shareholders and business partners for support, cooperation and interest. Thank you for all your remarks, opinions and comments. They are extremely valuable to us.

I would also like to thank the Supervisory Board Members for supporting our actions and help in the undertakings carried out by the Company.

Furthermore, I would like to thank the managing staff and employees of the entire Group for their contribution, professionalism, involvement and creativity.

I hope that further operations undertaken by the Group will meet your acceptance and support. I believe that those operations shall result in the increase in the value of Stalexport Autostrady S.A., and that 2013 will be another good year.

Yours sincerely,

*President of the Management Board*

*Director General*

.....

*Emil Wąsacz*

## 2. Basic information on Stalexport Autostrady

### 2.1. Basic corporate data and history of Stalexport Autostrady

ul. Mickiewicza 29  
40-085 Katowice  
tel. +(48) 32 762 75 45  
fax +(48) 32 762 75 56

Management Board:  
Emil Wąsacz – President of the Management Board, General Director  
Mieczysław Skołożyński – Vice-President of the Management Board, CFO (till 31.12.2012)  
Mariusz Serwa – Vice-President of the Management Board, CFO (since 01.01.2013)

KRS: 0000016854  
District Court Katowice-Wschód in Katowice 8<sup>th</sup>  
Business Department of the National Court Register

NIP (tax identification number): 634-013-42-11  
REGON (statistical number): 271936361

Share capital:  
PLN 185,446,517.25  
(paid in full)

[www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)

Stalexport Autostrady (formerly STALEXPORT S.A.) commenced its operations on January 01, 1963 as Przedsiębiorstwo Handlu Zagranicznego „Stalexport”. It specialized in exporting and importing steel products as well as importing raw materials for the Polish steel industry. In 1993, the company was transformed into a Company wholly owned by the State Treasury and privatized, while as of 26 October 1994 the shares of the Company have been listed at the GPW.

In 1997, Stalexport Autostrady won a tender process and was granted a concession to construct, adapt and operate A4 toll motorway section Katowice-Kraków (61km long) for the period of 30 years (in 2004, the concession was transferred to an entity established solely for this purpose, namely Stalexport Autostrada Małopolska S.A). The activities of the Company focused on two main areas, i.e. motorway services and commercial activities including exporting, importing and trading in Polish steel products, steel raw materials as well as steel products processing.

Starting from the half of 2006, the Company has been a part of an Italian Atlantia Group. The group manages a network of 5,138km of toll motorways in Italy, Brazil, Chile, India and in Poland, and it is a leader with respect to automatic motorway toll collections systems. Atlantia is listed at the stock exchange in Milan and its market value amounts to ca. EUR 9.1 bn as at December 31, 2012.

The strategic investor allowed Stalexport Autostrady to acquire in total PLN 269,700k in cash as a result of the share capital increase. At the first stage, the funds were earmarked to the completion of financial restructuring, while the remaining funds are allocated for covering the Company's own contribution into the planned motorway projects. One of the elements of the restructuring process included the separation and disposal of the steel part. Since October 01, 2007 the Company has focused only on activities related to the construction and operations of toll motorways as well as to the lease of office space in the office building at ul. Mickiewicza 29 in Katowice. The building is co-owned by the Company and it is a seat of its registered office.

In 2011, the shareholders decided to reduce the share capital of Stalexport Autostrady to the amount of PLN 185,446,517.25 to cover the uncovered losses from previous years. In this way the period history of the Company related to its trading activity was definitely closed

### 2.2. The Stalexport Autostrady Group

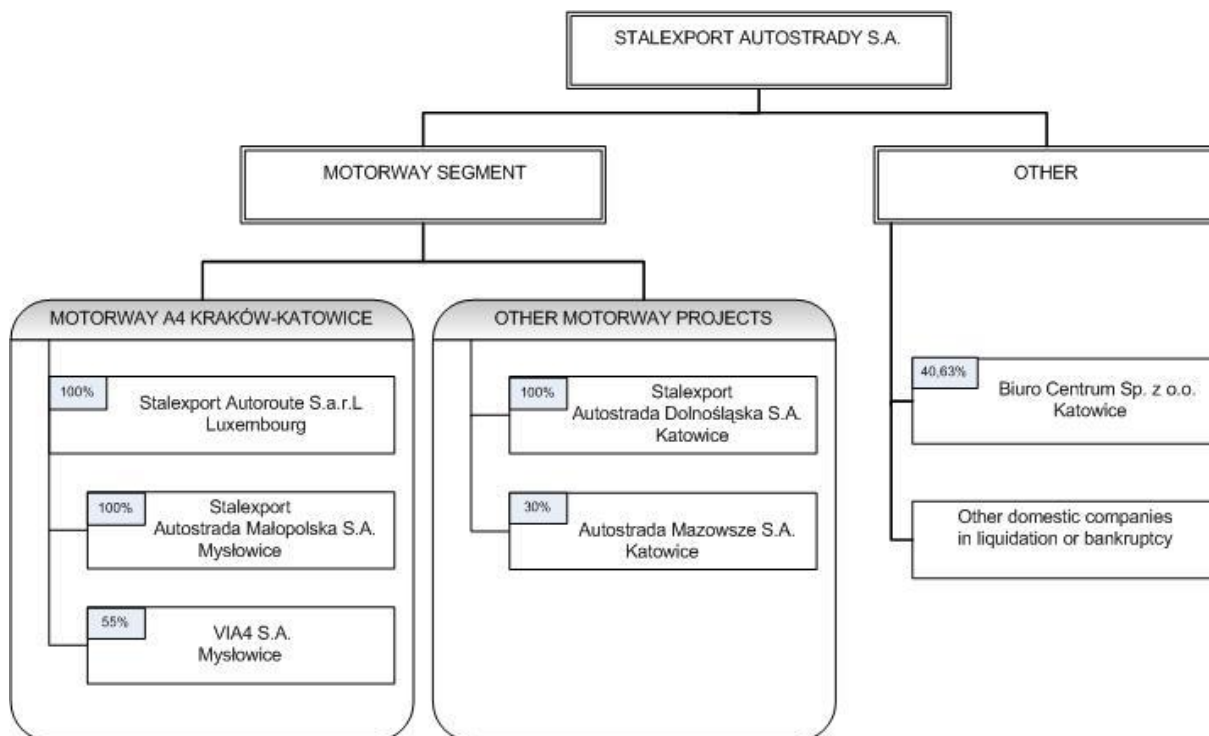
At present the operations of the Company and entities comprising its Capital Group focus primarily on activities related to motorways. It includes:

- (i) operation and maintenance of the A4 motorway section Katowice - Kraków. The activities are conducted by the company of SAM and VIA4 through the special purpose holding: Stalexport Autoroute;
- (ii) participation in selected tenders for the construction and/or operations of other motorway sections.

Additionally, owing to the fact that the Stalexport Autostrady Group co-owns the office building in the centre of Katowice, it provides services related to leasing office space and parking places. These activities are carried out by the Company itself, as the owner of the property, as well as by its subsidiary Biuro Centrum, as the property managing entity.

The chart below presents the organizational structure of the Stalexport Autostrady Group broken down into: (i) core area of activities - motorway segment and (ii) other activities.

Figure 1 Organizational scheme of the Stalexport Autostrady Group as at December 31, 2012



Source: Company's internal materials

The table below presents the basic financial data of Stalexport Autostrady as well as two biggest entities from the Capital Group: SAM and VIA4. For comparative purposes, the results recorded by the companies in 2012 are presented alongside their results from the previous year.



Table 1 Basic financial data of selected entities from the Capital Group [data in '000 PLN]

balance sheet data	Capital Group		Stalexport Autostrady		SAM		VIA4	
	31.12.12	31.12.11	31.12.12	31.12.11	31.12.12	31.12.11	31.12.12	31.12.11
Non-current assets	1 116 603	1 146 046	83 841	85 181	1 101 811	1 132 669	8 464	7 058
Current assets	179 093	221 956	131 434	141 621	35 196	62 416	10 570	12 744
Equity (total)	186 491	179 590	192 857	188 034	51 038	47 978	8 862	9 810
Non-current liabilities	962 722	986 777	7 949	21 094	954 541	965 363	5 173	4 220
Current liabilities	146 483	201 635	14 469	17 674	131 428	181 744	4 999	5 772
Net debt	47 103	54 625	-181 885	-179 965	161 137	168 797	-10 943	-1 662
performance data	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	185 507	179 763	3 826	3 893	178 826	169 479	33 753	34 632
Gross profit	95 060	98 950	623	480	76 583	77 467	16 099	18 511
EBITDA	138 616	124 212	-5 062	-14 071	130 834	123 308	12 942	14 751
EBIT	66 059	63 275	-5 796	-14 777	59 996	63 739	11 971	14 116
Net finance income / expenses	-47 755	-47 478	4 880	9 658	-46 870	-51 782	-284	-68
Net result	12 879	10 536	-965	-5 119	10 218	9 641	9 430	11 381
EBIT margin	36%	35%	-151%	-380%	34%	38%	35%	41%
ROE	7%	6%	-	-	20%	20%	106%	116%

*EBITDA = EBIT + depreciation and amortization + provision for resurfacing*

*EBIT margin = EBIT / Revenue*

*Net debt = financial liabilities – financial assets – cash in hand and cash equivalents*

Source: internal analysis

### 3. Stalexport Autostrady – financial analysis

#### 3.1. Presentation of the financial results

The following table shows the Company's basic financial results achieved in 2012, and comparative 2011 figures.

**Table 2 Selected items of the financial statement of comprehensive income of Stalexport Autostrady in 2012 and 2011 (stand-alone figures)**

'000 PLN	2012	2011	Change [%]
Revenue on sales	3826	3893	-2%
Cost of sales	-3203	-3413	-6%
<b>Gross profit</b>	<b>623</b>	<b>480</b>	<b>30%</b>
Other income	12	344	-97%
Administrative expenses	-6365	-8483	-25%
Other expenses	-66	-7118	-99%
<b>Profit/(Loss) from operating activities</b>	<b>-5796</b>	<b>-14777</b>	<b>-61%</b>
Financial income	12994	12861	1%
Financial expenses	-8114	-3203	153%
<b>Net finance expense</b>	<b>4880</b>	<b>9658</b>	<b>-49%</b>
<b>Profit/(Loss) before income tax</b>	<b>-916</b>	<b>-5119</b>	<b>-82%</b>
Income tax	-49	-	-
<b>Net profit (loss)</b>	<b>-965</b>	<b>-5119</b>	<b>-81%</b>

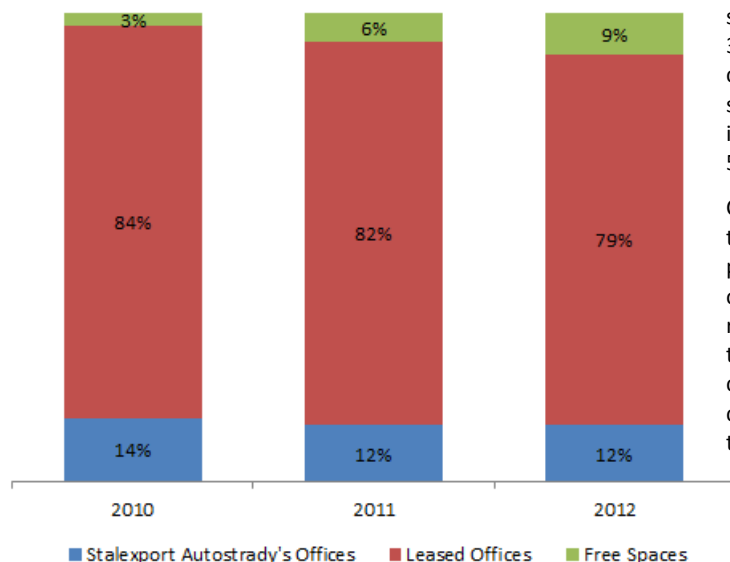
Source: own analysis based on the Company's financial statements

The main reason for the net loss in 2012 was the high level of financial costs, described in detail in section 3.1.3 of this report.

#### 3.1.1. The amount and structure of operating revenues

Stalexport Autostrady runs its motorway business via its subsidiaries. Thus, the stand-alone **revenues** generated by the Company include mainly the services related to rental of office space in the office building in Katowice at ul. Mickiewicza 29 and car parks located near this office building. In 2012, Stalexport Autostrady generated total revenues in relation to this operation in the amount of PLN 3,388 thousand, as compared to PLN 3,418 thousand in the previous year. Maintaining those revenues at the similar level in the last two years – despite unfavourable economic situation on the office space rental market – indicates the effectiveness of the intensive efforts made in order to win new lessees renting office space left by companies that have resigned from renting it.

Figure2 The structure of office space usage in the office building in Katowice at ul. Mickiewicza 29



Stalexport Autostrady is a joint owner of the office building in Katowice at Mickiewicza 29. As the joint owner, the Company has at its sole disposal the office space of 4,735 m<sup>2</sup> [1 m = 3.2809 ft] (and additionally 212 m<sup>2</sup> of conference rooms). In 2012, 569 m<sup>2</sup> of this office space was occupied by Stalexport Autostrady for its own needs (650 m<sup>2</sup> at the end of 2010 and 569 m<sup>2</sup> at the end of 2011).

Currently, the unoccupied office space is near to the minimum level possible from the technical point of view that results from a natural rotation of lessees and preparation (refurbishment or redecoration) of rooms in order to rent them out to external companies. This year, the plan is to continue the efforts in order to maintain the current number of lessees, while maintaining the optimum rent rates.

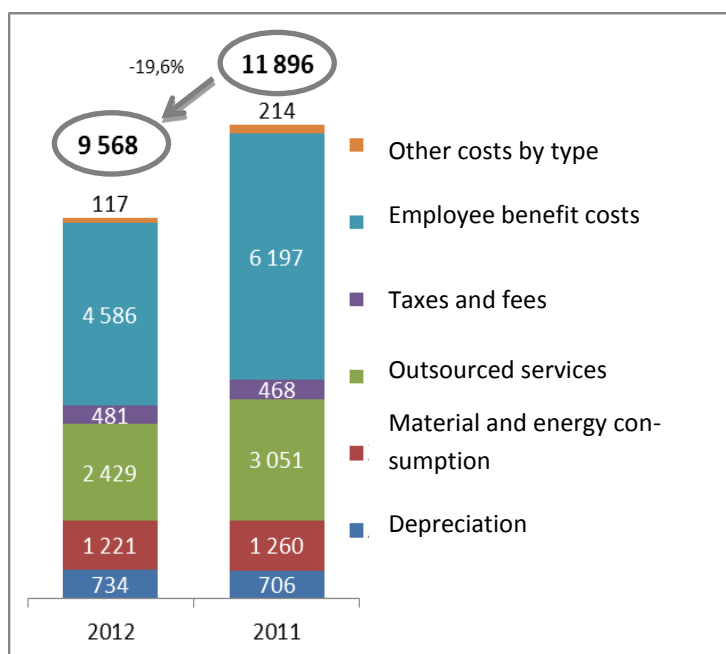
Source: prepared by the Company

Other sales revenues amounting to PLN 438 thousand were generated by the Company in relation to services, including mainly IT works and financial and accounting services (bookkeeping), provided for affiliated entities. In 2012, those revenues decreased by over PLN 37 thousand, as compared to the previous year. Moreover, Stalexport Autostrady receives from VIA4 a fee related to the performance guarantee granted to this company. The above-mentioned sources are **the permanent elements of the operating revenues** of Stalexport Autostrady and their value in the following periods should be similar to that reported in 2012.

### 3.1.2. The amount and structure of operating expenses

In 2012, the value of costs by type incurred by Stalexport Autostrady – including own costs of sales and operating costs – decreased by 20%. It was mainly caused by a decrease in employees' benefits by PLN 1,611 thousand. That decrease was mainly due to continuation of consolidation of managerial and functional positions within the existing structure of the Group. Furthermore, it should be emphasised that in 2012 the value of reported employees' benefits included a provision established by the Company for a three-year incentive plan for members of the Company's Management Board in the part concerning only the first half of 2012 and not the whole year as it took place in 2011.

Figure3 The structure of costs by type related to the Company's operations



Employees' benefits, including remunerations, account for the largest part of costs by type incurred by Stalexport Autostrady. The factors that contribute to the reduction of the value of this cost group were described above. Outsourcing accounts for the second largest item in the structure of the Company's costs by type. Outsourcing costs decreased last year by 20% as compared to 2011. It was mainly possible thanks to the reduction of the scope of outsourced services, including consulting services.

In 2012, the consumption of materials and energy, as well as depreciation maintained similar level as in 2011.

Source: prepared by the Company ('000 PLN)

In 2012, other operating expenses amounted to only PLN 66 thousand (as compared to PLN 7,118 thousand the year before) and included mainly the revaluation write-off of other receivables (and charged VAT tax not subject to deduction).

### 3.1.3. Financial operations

The financial operations of the Company significantly affect net profit generated by Stalexport Autostrady. On one hand, it is the result of the nature of the Company's operations (managing the group), and on the other – of the amount of financial resources collected for future motorway projects.

The figures in this area of operation are to the greatest extent affected by financial income, which in 2012 included the following:

- received dividends (PLN 6,209 thousand), including dividends from subsidiaries: Stalexport Autoroute (PLN 5,553 thousand) and SAD (PLN 400 thousand);
- interest related to depositing financial resources in banks (PLN 3,924 thousand);
- revenue related to valuation of resources invested via investment funds (PLN 2,386 thousand);
- interest related to a loan granted to an affiliated entity (PLN 10 thousand).

In 2012, total financial income amounted to PLN 12,994 thousand and increased by PLN 133 thousand in comparison to 2011. The amount of financial expenses is to the greatest extent affected by interest on the liability towards the State Treasury on account of a guarantee for Huta Ostrowiec S.A. in bankruptcy. In line with the schedule, Stalexport Autostrady repays the above-mentioned liability in equal monthly instalments plus the market value of interest. In 2012, the value of those instalments amounted to PLN 1,746 thousand,

as compared to PLN 2,345 thousand in the previous year. In accordance with the schedule, the last instalment shall be paid in June 2014. Thus, the costs related to interest will be lower in the consecutive periods.

Revaluation write-offs related to investments in the total amount of PLN 6,368 thousand constituted in the second important element of financial expenses. The decrease in value of Ideon S.A. shares, i.e. a significant and prolonging decrease in fair value (market value) of those financial assets in relation to the purchase value, accounted for the largest part of this item. In 2012, the Company recognised an additional revaluation write-off of their value to the profit or loss of the current period, by means of reclassification of accumulated loss, amounting to PLN 5,788 thousand, incurred in the previous reporting periods on the capital on the account of the valuation of financial assets available for sale.

### Material and financial position of the Company

The material and financial position of Stalexport Autostrady was presented on the basis of the synthetic report on the financial position presented in the table below. This report shows the structure of assets and liabilities of the Company and the dynamics of particular items, year over year.

**Table 3 A synthetic report on Stalexport Autostrady's financial situation as of 31 December 2012 and 31 December 2011– stand-alone figures**

data in '000 PLN			Dynamics	Structure	
	31 December 2012	31 December 2011	2012/2011	31 December 2012	31 December 2011
Property, plant and equipment	83841	85181	-2%	39%	38%
Current assets	131434	141621	-7%	61%	62%
Equity	192857	188034	3%	90%	83%
Long-term liabilities	7949	21094	-62%	4%	9%
Short-term liabilities	14469	17674	-18%	7%	8%
<b>Balance sheet total</b>	<b>215275</b>	<b>226802</b>	<b>-5%</b>	<b>100%</b>	<b>100%</b>

Source: own analysis based on the Company's financial statements

#### (i) ASSETS

As far as the structure of **property, plant and equipment** is concerned, the main items include the shares of subsidiaries running the motorway business, i.e. Stalexport Autoroute (PLN 67,086 thousand) and SAD (PLN 11.168 thousand). The decrease in the property, plant and equipment reported in the analysed period was the result of the revaluation write-off of SAD share value to the amount of PLN 759 thousand, and termination of the obligation to maintain a long-term investment for the amount of PLN 400 thousand, which in the previous year constituted a security for the line of overdraft credit.

The amount of **current assets** depends on the financial resources collected to implement future motorway projects. Until these financial resources are allocated for projects related to the basic business line of the Company, Stalexport Autostrady invests them on the money and capital market, taking into account risk diversification and the need to ensure the optimum rate of return at the minimum acceptable risk level. As the result, the majority of the Company's free financial resources are invested in the short-term deposits. In 2012, part of these free resources was also allocated for purchase of investment fund units or invested on the capital market via *asset management* funds. However, due to the increasing risks referred to in detail in section 6.2 of this report, the Company's authorities decided to gradually withdraw from the investment funds. At the end of 2012, it resulted in a change in the current asset structure, when the value of cash and its equivalents amounted to PLN 100,512 thousand, while the value of assets in investment funds amounted to PLN 20,248 thousand.

Other significant items of STX Autostrady's current assets include the shares held for sale in the amount of PLN 3,402 thousand and trade receivables amounting to PLN 7,213 thousand, including overdue net receivables for the amount of PLN 6,987 thousand, for which the write-off was not made because they are secured on the contracting party's property, which exceeds the receivables value.

(ii) EQUITY AND LIABILITIES

In 2012, the own capitals' structure changed due to reclassification of accumulated loss incurred on the capital for the valuation of financial assets available for sale, amounting to PLN 5,788 thousand, to the profit or loss of the current period, which is described in section 3.1.3 of this report.

As of 31 December 2012, total liabilities of the Group amounted to PLN 22,418 thousand, and a decrease in this item by PLN 16,350 thousand was mainly the result of regular repayment of liabilities towards the State Treasury on the account of guarantees for Huta Ostrowiec S.A. in bankruptcy. Pursuant to the agreement with the State Treasury entered into in 2004, the above-mentioned liabilities are repaid in equal monthly principal instalments in the amount of PLN 1,083 thousand each, payable until June 2014. As of 31 December 2012, total liabilities on this account amounted to PLN 20,571 thousand, of which the amount of PLN 7,579 thousand was recognised as non-current liabilities. Additionally, as of 31 December 2012, other significant liabilities of Stalexport Autostrady were the settlements related to the employees' benefits and remunerations (PLN 1,028 thousand).

## 4. Analysis of the core business of the Company

### 4.1. Programme for Construction of National Roads for the years 2011-2015

Taking into account the present condition of road infrastructure, as well as development needs, the Ministry of Infrastructure, developed the "Programme for Construction of National Roads for the years 2011-2015" (hereinafter "Programme"). That document defines the aims and investment priorities of the public party, throughout the programming period. The Programme execution has been planned for 5 years, whereas the physical and financial planning/ programme for the period is 3 years (2011-2013). For that reason, the Programme includes a detailed list of investment tasks, the execution of which will have begun by 2013, and the amount for funds assigned in the National Road Fund and state budget to that purpose. On January 25, 2011 the Council of Ministers adopted, by enactment the "Programme for Construction of National Roads for the years 2011-2015".

In line with the enactment referred to above, the total amount of expenditures for the years 2010- 2015, within the framework of investment tasks, whose execution shall have started by 2013, included in the Programme, assessed for October 13, 2010, amounts to PLN 82.8 billion.

The Ministry of Transport, Construction and Maritime Economy is announcing conducting the update of the mentioned above Programme and replacing of it with new construction program for years 2014-2020. It should be noted that already in 2011-2012 the initial range of investments was reduced.

In connection with the above, the demand - indicated in the Programme – for financial means will be covered every year in the financial plans of the National Road Fund, as well as further acts of law. According to authors of the Programme only by making reservations for financial means in full amount in the consecutive Acts of law defining budget, as well as yearly financial plans of the National Road Fund is it possible to guarantee the Programme execution within the scope assumed.

#### **Investment priorities of the Programme until the year 2015**

In the field of road investments, the priority tasks comprise connections between most important economic centers in the country, which generate the biggest demand for transport, including:

- motorway A1 – completion of construction along its entire length;
- motorway A2 – completion of construction along the length of the section Świecko - Mińsk Mazowiecki, possibly commencing of construction of the section between Mińsk Mazowiecki and eastern Polish border;
- motorway A4/A18 – completion of construction along its entire length;
- motorway A8 – completion of construction along its entire length;
- express roads: S1, S2, S3, S5, S7, S8, S17, S19, S69.

#### **Assumed systems for Programme execution**

Implementation of the priorities determined above will take place in two systems: concession one (PPP formula) or traditional one.

In the model of concession system / PPP, the investor will be a company, with which the Minister of Infrastructure shall conclude a contract for construction and operation of toll motorway, on the basis of the *Act of law of October 27, 1994 on toll motorways and National Road Fund (Official Journal of Law - Dz. U. – 2004, No. 256, item 2571, with subsequent changes)*. Besides the Act of law on toll motorways, it is possible also to use tender procedures stipulated in the following Acts of law: Public procurement Act, Act on concessions for construction works or services, or the Act on public-private partnerships. Financing of the construction of toll motorway is provided by the company involved. Those projects are not included in the Programme discussed here. Financing the construction of those project does not pose a burden upon the limits of funds reserved for

road investment tasks in individual years. The following sections of toll motorways are or will be built using the PPP system:

- motorway A1, section Nowe Marzy - Toruń (62.4 km), where the contractor is GTC S.A. The contract for building and operation of toll motorway was concluded on September 30, 2008. The section was put to use in October 2011;
- motorway A2, section Świecko - Nowy Tomyśl (105.9 km). The contract for building and operation of toll motorway was concluded on June 29, 2009. The section was put to use in December 2011, and full completion of the entire infrastructure on this section was finished in 2012;
- motorway A1, section Tuszyn - Pyrzowice (138.9 km) – analysis of execution system;
- motorway A2, section Warszawa – state border – analysis of execution system.

The last two stretches are of interest to Stalexport Autostrady Group.

(i) Moreover, a so-called traditional system prevails – with investments made by GDDKiA, together with a variation of this system executed by the road-construction special purpose vehicles. Both traditional systems mentioned above are not of interest to Stalexport Autostrady Group.

#### 4.2. Projects being a potential source of the development for Stalexport Autostrady

In the period covered by the National Road Construction Program for 2011-2015, GDDKiA is going to execute projects financed both from public funds and through PPP (concession system, based on contracts for the construction and operation of toll motorways). It should be considered, that the condition of developing the road infrastructure, improvement of quality of its maintenance for the users' safety reasons, is the execution of other (than typical construction) projects for which there is a necessity of finding the sources of financing. Taking into account related technical and financial requirements (PPP), their execution will provide a prospective source of the development for Stalexport Autostrady Group. The Company is mainly interested in winning and execution of the following projects:

- building of motorways based on contracts for building and operation of toll motorways (concession system). Due to the economic slowdown and the necessity to limit the public expenditures, it is possible that some of the projects originally intended for execution in the traditional system will actually be executed on a PPP basis. The assumptions of the Programme list already mention – currently - two sections of motorways, for which public funds are not available in the perspective until 2013, for which the application of the PPP formula is subject of thorough analyses by the public party. Those are:
  - section of the motorway A1 Tuszyn - Pyrzowice, having the total length of app. 140 km. Construction of that section had already been subject of a bigger PPP contract (Stryków - Tuszyn section - 180km) concluded in 2009 with the Cintra consortium, yet due to the difficult situation on the financial markets, as well as problems faced by the consortium itself, in the year 2010 it withdrew from the contract. The analyzed section of the A1 motorway, shorter than the original one, has a substantial potential for the PPP formula, due to the forecasted high traffic, as well as reduced – in comparison with the previous project, level of construction risks (half of the section will run where the present A1/DK1 road Tuszyn - Rzęsawa), which enables significant improvement of the risk profile in comparison with that stipulated in the 2009 contract. The execution of that section will, simultaneously, enable completion of one of the main transit routes in Poland, and connection of the motorway network into one whole. All those factors affect the possibility of the realization of this segment in the PPP formula. In 2011, the Ministry of Infrastructure / GDDKiA entered into discussions with the European Commission and Eurostat on the A1 project in PPP system, including securing that the public side liabilities arising from the project shall stay outside public debt and deficit statistics. Eurostat interpretation, which was received in December 2011, may lead to limitation of A1 project, implemented in PPP formula, only to section Rzęsawa-Pyrzowice (app. 57km) or realization of the whole of the project in the traditional system;



- section of the motorway A2 – Warszawa - Kukuryki, having the total length of app. 200 km. The construction of that section is not, however, a priority in the “Programme for Construction of National Roads for the years 2011-2015”. The traffic levels forecasted for that section make it doubtful whether the PPP formula can be applicable without making use of State Treasury guarantees, e.g. in the availability payment formula applied in case of the concession on A1 motorway section Gdańsk - Toruń, which would create a burden for the budget and/or National Road Fund. However, according to the latest Eurostat interpretation of assigning projects to the public debt, A2 project implemented in the PPP formula, for this reason, may be easier to launch than priority A1 project described above;
- adaptation of the existing sections of motorways built in traditional system to the toll motorways standards, including the delivery of security and traffic management systems, as well as the infrastructure for motorway maintenance. In this area it can be mentioned the A4/A18 section Wrocław - Olszyna;
- entering operation and maintenance contracts for virtually all existing and planned sections of motorways built in the traditional system, with regard to daily road maintenance on behalf of the State Treasury. It may refer to both the emerging network of motorways (e.g. A4 Kraków - Eastern border, A1 Toruń - Łódź, and A2 Warszawa - Eastern border) and A4/A18 Wrocław - Western border section.

The Company also considers the option of equity investment in some of the existing concession projects in Poland, if another participant of the projects is ready to quit the project or one of consortiums would look for additional capital support.

Moreover, bearing in mind the high levels of public debt and of budget deficit, one should not overlook the possibility of infrastructure privatization, also with regard to motorways currently under the management of public side. The experiences of Italy and France in this respect show that such a step allows for a rapid reduction in public debt, as well as for speeding up the process of infrastructure development, with the standards of safety and quality met. This issue, however, has not yet entered the public debate.

## 5. Other information on Stalexport Autostrady

### 5.1. Information on contracts significant for the Capital Group's operating activity, including contracts with its shareholders, insurance, cooperation contracts the Company is aware of

On January 03, 2012 the Ministry of Transport, Construction and Maritime Economy and SAM concluded the Annex no 6 to the Concession Agreement. The purpose of the conclusion of the Annex No. 6 is to modify the scope of the Concession Agreement and to limit the scope of responsibilities of SAM in relation to the section covering the "Murckowska" junction and determining that the responsibility for operation and maintenance, repairs, and the safety of users of Section (as defined below) shall be borne by GDDKiA. Section is a road strip of toll motorway including Murckowska junction, (covering the junction with roads and slip roads) from km 340+200 to km 341+640, reconstructed by GDDKiA in the period September 2007 - November 2009. The Concessionaire paid to GDDKiA the amount of 23,441,387.15 PLN gross, as a payment covering the full amount of gross remuneration for the services provided by GDDKiA for the Concessionaire due to the delegation of the tasks to GDDKiA referred to in Article 10A of the Concession Agreement. The parties agreed and acknowledged that this amount was equivalent to the costs which the Concessionaire would bear during the term of the Agreement, in connection with the operation and maintenance of Murckowska junction in its original form.

### 5.2. Information on changes in organizational or capital relations of the Capital Group with other entities

- (i) On **January 23, 2012**, Stalexport Autostrady was once again notified by ASPI of the purchase of the Company's shares. In its notification, ASPI stated (among others) that:
- it purchased the total of 5,852,198 shares of Stalexport Autostrady on the GPW's regulated market in the period between December 22, 2011 and January 19, 2012. The shares represent 2.367% of votes in the total number of votes at the General Meeting of the Company;
  - before December 22, 2011, ASPI held 144,071,265 shares of Stalexport Autostrady, which accounted for 58.267% of the initial capital of Stalexport Autostrady and 141,557,148 votes (58.267% of the total number of votes) at the General Meeting of the Company;
  - when Krajowy Depozyt Papierów Wartościowych S.A. (The National Depository for Securities) settles the transactions referred above, ASPI will hold 149,923,463 shares of Stalexport Autostrady, which would account for 60.633% of the share capital of the Company and 149.923.463 votes accounting for 60.633% of the total number of votes at the General Meeting of Stalexport Autostrady;
  - the subsidiaries of ASPI and related parties of ASPI did not hold any shares of Stalexport Autostrady and as the result of the transactions referred to in section a) above-mentioned companies did not increase their share capital of Stalexport Autostrady of the number of votes the the General Meeting of the Company;
  - neither ASPI nor its subsidiaries entered into agreements with third parties in order to transfer the voting rights related to the remaining shares of Stalexport Autostrady;
  - within the last 12 months, ASPI purchased 10,864,281 shares of Stalexport Autostrady, which account for 4.394% in the entire share capital and 4.394% of all votes at the General Meeting of the Company.
- (ii) On **23 March 2012** Stalexport Autostrady S.A. and Węglokoks S.A. signed a conditional share sale agreement of 54 shares in Biuro Centrum. The agreement covers the sale by Stalexport Autostrady S.A. (the Seller) to Węglokoks SA (the Buyer) of 54 shares in Biuro Centrum at a price of PLN 9,162.50 per share. The total transaction value amounted to PLN 494,775.00.

The transfer of shares took place after fulfillment (jointly) of two conditions:

- Węglokoks S.A. obtains an approval of the general shareholders meeting for the purchase of shares, preceded by the release of an opinion by the Supervisory Board in accordance with the requirements of the statutes of the Węglokoks S.A.,
- the Extraordinary General Meeting of Biuro Centrum was held with participation of both parties (i.e. Stalexport Autostrady and Węglokoks S.A.) and they agreeably made changes to the Articles of the Association of Biuro Centrum Sp. z o. o.

Before the transaction Stalexport Autostrady held 119 shares in Biuro Centrum which constituted 74.38% stake in Biuro Centrum.

After transfer of the shares Stalexport Autostrady holds 65 shares in Biuro Centrum which will constitute 40.63% stake in Biuro Centrum.

- (iii) **On 19 December 2012** the Management Board of Stalexport Autostrady received from ALTUS Towarzystwo Funduszy Inwestycyjnych S.A. (Altus Investment Funds Society, hereafter Altus TFI S.A.) with its office in Warsaw a notification about an increase - over 5% - in total number of votes at the general meeting of shareholders of Stalexport Autostrady S.A.

In this notification Altus TFI S.A. informed that:

- a) Funds managed by Altus TFI S.A. exceeded 5% of votes in total number of votes at the general meeting of shareholders;
- b) Exceeding of 5% of votes in total number of votes in the company was caused by acquisition of company's shares on the 11th of December, 2012;
- c) Before the acquisition – according to the status as at 10th of December 2012 – investment funds managed by ALTUS TFI S.A. held 12,279,263 of company's shares, which constituted 4.97% in total number of votes at the general meeting of shareholders and in share capital;
- d) After the acquisition investment funds managed by ALTUS TFI S.A. hold at present in total 12,679,263 of company's shares, which constitutes 5.13% in total number of votes and in share capital;
- e) There are no subsidiaries of shareholders, notifying about the acquisition, which hold company's shares;
- f) There are no individuals mentioned in article 87 section 1 point 3 c of Act on the public offer and conditions for introduction of financial instruments to organized trading and on public companies in relation to shareholders notifying about the acquisition.

- (iv) **On 14 January 2013** the Management Board of Stalexport Autostrady received from Kairos Investment Management S.p.A. with its office in Milan a notification about a decrease in total number of votes at the general meeting of shareholders of the Company below 5%.

According to this notification, as a result of sale of 2,300,000 shares of Stalexport Autostrady on 10th of January 2013 Kairos Investment Management S.p.A. holds 10,783,506 shares of Stalexport Autostrady and the same number of votes at GM of the Company which constitutes 4.36 % in share capital and in total number of votes at GM of Stalexport Autostrady through the following funds:

- a) Kairos Focus Fund Ltd. – 2,820,000 shares (1.14 % in share capital of the Company and in total number of votes at GM),
- b) Kairos Centauro – 7,963,506 shares (3.22% in share capital of the Company and in total number of votes at GM).

There were no other similar changes in the reporting period and to the day of producing this Statement.

### 5.3. Description of transactions with affiliated companies and information on transactions concluded by the Company or its subsidiaries with affiliated companies on the terms different than market terms

#### (i) Transaction with affiliated companies for the single or total transaction value exceeding in the accounting year the amount of EUR 500,000

In the case of the Company, throughout the accounting year, there were two transactions meeting the above-mentioned criteria:

- In 2012, Stalexport Autostrady was incurring costs as per maintenance cost estimates and estimates for investments connected with the safety and functioning of the office facility located in Katowice, at Mickiewicza 29. All of the above-mentioned expenses were executed by the agency of Biuro Centrum, and their total amount falling to Stalexport Autostrady amounted to PLN 2,676 thousand. It is an equivalent of approximately EUR 654 thousand (based on average rate as of 31 December 2012 stated by the National Bank of Poland).
- During 2012, Stalexport Autoroute transferred to Stalexport Autostrady a dividend in the total value of PLN 5,553 thousand (in instalments), which amounts to approximately EUR 1,358 thousand (based on average rate as of 31 December 2012 stated by the National Bank of Poland).

#### (ii) Information on transactions concluded by the Company or its subsidiaries with affiliated companies on terms different than market terms.

All transactions concluded by Stalexport Autostrady or its subsidiaries with affiliated companies were carried out on the market terms. The Management Board of Stalexport Autostrady would like to draw the attention to the six significant Agreements entered into by its subsidiaries with the affiliated companies.

- The first agreement is **Operation and Maintenance Agreement**, which initially was entered into in 1998 between Stalexport Autostrady and VIA4. The current agreement was entered into **between SAM and VIA4** on 22 March 2006. The maintenance and operation agreement, entered into for the period of the Concession Agreement (until 2027), and its scope includes clearly defined works connected with A4 concession project, including toll collection services and current maintenance and operation of the motorway (including winter maintenance). The contractual level of operator's remuneration in the period of the agreement in a long-term separates the risk of impact of the frequent market price changes on maintenance and operation costs, and provides continuity of services and operation throughout the many years of investment project execution. The value of the transaction between SAM and VIA4 resulting from the above-mentioned Agreement amounted to PLN 32,965 thousand in 2012. Considering the specificity and the scope of the above-mentioned agreement, as well as very limited market for that type of services, there is a difficulty in referring the entries of the Operation and Maintenance Agreement to the conditions, which would be possible to reach on the so-called free market. In the opinion of the Company's Management Board, the above-mentioned contract was completed on the market terms, and its provisions do not differ from the conditions possible to reach in the case of entering into it with an entity not belonging to the Group.
- The second agreement is **Agreement no. F2b-1-2009 entered into between SAM and Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium** (those entities are members of Atlantia Group, which owns 99.6% shares of Pavimental S.p.A., i.e. the only shareholder of Pavimental Polska Sp. z o.o.) **for the repair of 22 bridge structures on A4 motorway**. Selection of the Contractor for that Agreement was based on the two-stage tendering procedure, the conditions of which were agreed with GDDKiA (in accordance with the provisions of the Concession Agreement, the Concessionaire selects each contractor by means of a tender, and GDDKiA has a right to verify the tendering criteria and conditions, before announcing each of the tenders) and with the Financing Banks. The announcement of the tender was published in the Official Journal of the European Union – Supplement to the Official Journal of the European Union no. TED-

publication 2009/S123-179334-PL of 1 July 2009. In response to the announcement, the following companies submitted the prequalification application: (i) Budimex Dromex S.A.; (ii) WARBUD S.A. (iii) Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium, and (iv) Sinohydro Corporation Ltd. from China. The following companies completed the prequalification stage and submitted the final offers: (i) Budimex Dromex S.A.; (ii) WARBUD S.A. and (iii) Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium. As a result of the tendering procedure, which included the assessment of the quality and price criteria, the offer submitted by Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium was considered the most beneficial and that entity was selected as a contractor. The initial value of contractual works amounted to net PLN 103,194 thousand. The work commencement order was issued on 22 December 2009, and it is anticipated that the contract shall have been completed by the beginning of 2013. Taking into consideration the procedure for selection of the entity executing the F2b-1-2009 agreement, it is the opinion of the Company's Management Board that its terms shall be recognised as the market terms. The projected general value of works, with consideration of the value of the change order, amounted to net PLN 116,209 thousand, of which, at the end of 2012, the total net value of the receivables towards Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium amounted to PLN 110,891 thousand. Only in 2012, the value of the transaction amounted to PLN 39,208 thousand.

- The third agreement is the **Agreement no. F2b-2-2009 entered into between SAM and Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium** (those entities are members of Atlantia Group, which owns 99.6% shares of Pavimental S.p.A., i.e. the only shareholder of Pavimental Polska Sp. z o.o.) **for modernisation of the water drainage system of the motorway in Balice**. Selection of the Contractor for that Contract was based on a tendering procedure, the conditions of which were agreed with GDDKiA (in accordance with the provisions of the Concession Agreement, the Concessionaire selects each contractor by means of a tender, and GDDKiA has a right to verify the tendering criteria and conditions before announcing each of the tenders) and with the Financing Banks. In March 2010, SAM decided to cancel the first tender due to low competition and contractual price, which was inadequate with the anticipated price. SAM obtained the permission for modification of the tendering documentation from the financing banks. Renewed tender was announced in Q3 of 2010. On 7 September 2010, an offer for works execution from Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium was received. As a result of the assessment of the offer, Pavimental consortium was selected a contractor. The total value of contractual works amounted to net PLN 17.316 thousand. The work commencement order was issued on 20 December 2010, and the acceptance certificate for the contracted works was issued on 15 February 2012. Taking into consideration the procedure for selection of the entity executing the F2b-2-2009 agreement, it is the opinion of the Company's Management Board that its terms shall be recognised as the market terms. In connection with the execution of that agreement, in 2012 the final value of the transaction between SAM and Pavimental S.p.A. and Pavimental Polska Sp. z o.o. consortium was settled, and it amounted to PLN 903 thousand.
- The fourth agreement is the **Agreement between SAM and Pavimental Polska Sp. z o.o.** (that entity is a member of Atlantia Group, which owns 99.6% shares of Pavimental S.p.A., i.e. the only shareholder of Pavimental Polska Sp. z o.o.) **for extension of the Toll Collection Area in Brzeczkwice** (km 351+660). The subject of this agreement is the provision of 4 additional toll collection lanes, which are made of toll collection booths, placed on concrete islands, as well as road strips incoming to and outgoing from the Toll Collection Plaza. The Contractor for that contract was selected on the basis of an inquiry and price negotiations carried out on the basis of the received reply. The final execution of the works in question shall be carried out for a lump-sum fee, amounting to PLN 12,140 thousand. The scope of works and the applied procedure were accepted by the Independent Engineer. In the Company's Management Board opinion, the above-mentioned agreement was entered into on the market terms, and its provisions are not different from the conditions possible to reach in the case of entering into it with an entity not belonging to the Group. The works connected with the expansion of the Toll Collection Area in Brzeczkwice commenced on 22 May 2012, and the contracted works were completed on time, i.e. 23 December 2012. By the end of

2012, net value of works invoiced by Pavimental Polska Sp. z o.o. on the account of the Agreement amounted to PLN 10,550 thousand. The works executed in the last part of 2012 shall be settled in 2013.

- The fifth agreement is the **Agreement between SAM and Autostrade-Tech S.p.A.** (the entity is a member of Atlantia Group, which owns 100% of shares of Autostrade-Tech S.p.A.) for **replacement of the toll collection equipment (WUPO)**. The Contractor for the agreement was selected on the basis of the established tendering procedure. On 31 May 2012, SAM sent invitations to tender to the selected companies. In the defined time (i.e. by 10 July 2012), the offers from the following two companies were submitted: (i) Autostrade-Tech S.p.A. and (ii) Egis Project S.A. As a result of the tender committee works, with the participation of the Independent Engineer, the offer of Autostrade Tech S.p.A. was assessed as the best. The agreement with that company was completed on 14 September 2012, following the approval of the financing banks. The Agreement is executed in the „design-build” formula. In accordance with the terms of the agreement, the contractual price depends on SAM’s selection of the method of functioning and interaction between electronic toll collection (ETC), which is an element of WUPO agreement, with the national toll collection system operating in the public road network, managed by GDDKiA (the so-called interoperability options). Depending on the interoperability option selection, the contract value may amount to: from PLN 15,397 thousand to PLN 15,862 thousand. Issuing the change order was necessary in order to facilitate full conformity of the WUPO contract scope with the current condition of the Toll Collection Plaza development and the state of Concessionaire’s negotiations with the public party, with reference to the interoperability. In the Company’s Management Board opinion, the above-mentioned agreement was entered into on the market terms, and its entries do not differ from the conditions possible to reach in the case of entering into it with an entity not belonging to the Group. The works connected with the WUPO agreement commenced on 22 October 2012 and by the end of 2012 they remained in activation phase. The Agreement is divided into two phases. Completion of works in Phase 1 is scheduled for October 2013, and completion of Phase 2 is scheduled for the date one year after completion of Phase 1. In 2012, no financial settlements between SAM and Autostrade-Tech S.p.A. on the account of the contract were made.
  
- The sixth and the last agreement is the **Agreement between SAM and Pavimental Polska Sp. z o.o.** (that entity is a member of Atlantia Group, which owns 99.6% shares of Pavimental S.p.A., i.e. the only shareholder of Pavimental Polska Sp. z o.o.) for **extension of the Toll Collection Area in Balice**. The subject of the contract is building of the additional two road strips on the northern side, and one strip on the southern side. Such a solution was triggered by lack of Balice International Airport’s permission to transfer the land necessary for the investment of extending Balice Toll Collection Area on the southern side. Therefore, the extension is executed within a limited scope. The Contractor for that agreement was selected on the basis of inquiry and price negotiations carried out on the basis of the received replies. The final execution of the works in question shall be carried out for a lump-sum fee, amounting to PLN 8,397 thousand. The scope of works and the applied procedure were accepted by the Independent Engineer. In the Company’s Management Board opinion, the above-mentioned agreement was entered into on the market terms, and its entries do not differ from the conditions possible to reach in the case of entering into it with an entity not belonging to the Group. The works connected with the development of the Toll Collection Area in Balice commenced on 23 November 2012, and the completion of the contracted works is scheduled for September 2013. In 2012 no financial settlements between SAM and Pavimental Polska Sp. z o.o. on the account of that contract were made.

#### 5.4. Information regarding contracts on credits and loans incurred and revoked in the accounting year

On 26 October 2012, the Company cancelled a credit line to the current account held by BNP Paribas Bank Polska S.A. for the amount of PLN 400 thousand.

Throughout 2012, the Company did not raise any credits or loans. No agreement regarding credit or loans was revoked, either.



## 5.5. Information on loans granted in the financial year, in particular loans granted to the related parties

In 2012, the Company did not grant the loans to related parties and entities outside the Group.

## 5.6. Information on guarantees granted and received in the financial year, in particular guarantees granted to the related parties

In 2012, the Company did not grant or have received guarantees. At the end of 2011, the Company has a contingent liability under the guarantee of good performance against the company VIA4 in the amount of PLN 15,574 thousand. Company gets payment on this account.

## 5.7. Information on issuance of securities including description of usage of inflows from the issuance by the Company

There was no issuance of securities by the Company in 2012.

## 5.8. Explanation of differences between the financial results presented in the annual report and previously published financial results forecasts for the financial year

The 2012 financial result forecasts were not published by the Company.

## 5.9. Evaluation of financial resources management, including in particular the Company's ability to pay off its liabilities and determination of potential threats and actions undertaken by Stalexport Autostrady or actions it intends to undertake against those threats

Currently there are no threats relating to liquidity. Cash held by Stalexport Autostrady is sufficient to pay off the liabilities and can be used to finance future motorway projects. Currently free cash is invested by bank deposits or investment funds, which generates additional financial revenues.

## 5.10. Investment plans feasibility assessment

In 2012, the Company allocated the amount of PLN 555 thousand for fixed assets and intangible assets investments, their specification is presented in the following table.

**Table 4** Specification of the Company's CAPEX incurred in 2012

Expense purpose		Amount ['000 PLN]
1	Office building modernisation	507
2	Office furnishing and equipment	12
3	Software and licences	36
<b>Total CAPEX</b>		<b>555</b>

Source: prepared by the Company

The investments described above were carried out on the basis of CAPEX plan for 2012, which was approved by the Supervisory Board of the Company. All CAPEX were financed from Stalexport Autostrady's own funds.

CAPEX for 2013 were limited to the absolute minimum and were of reconstructing nature or they resulted from the requirements regarding safety and use of office building at ul. Mickiewicza 29. The source of their financing shall be Stalexport Autostrady's own funds.

## 5.11. Assessment of the factors and unusual events influencing the operation results in the reporting period, with stipulation of the impact level of those factors or unusual events on the achieved result

In connection with the objective factors for Ideon S.A. share value loss, i.e. significant and prolonged decrease in fair value (market value) of those financial assets in relation to the purchase value, in 2012, the Company recognised additional revaluation write-off of their value to the profit or loss of the current period by means

of reclassification of accumulated loss amounting to PLN 5,788 thousand incurred in the previous reporting periods on the capital for the valuation of financial assets available for sale.

Additional information regarding that matter is available in Chapter 3 of the Report (Stalexport Autostrady – financial analysis).

5.12. Characteristic of external and internal factors significant for the Company’s development and perspectives for activities’ development

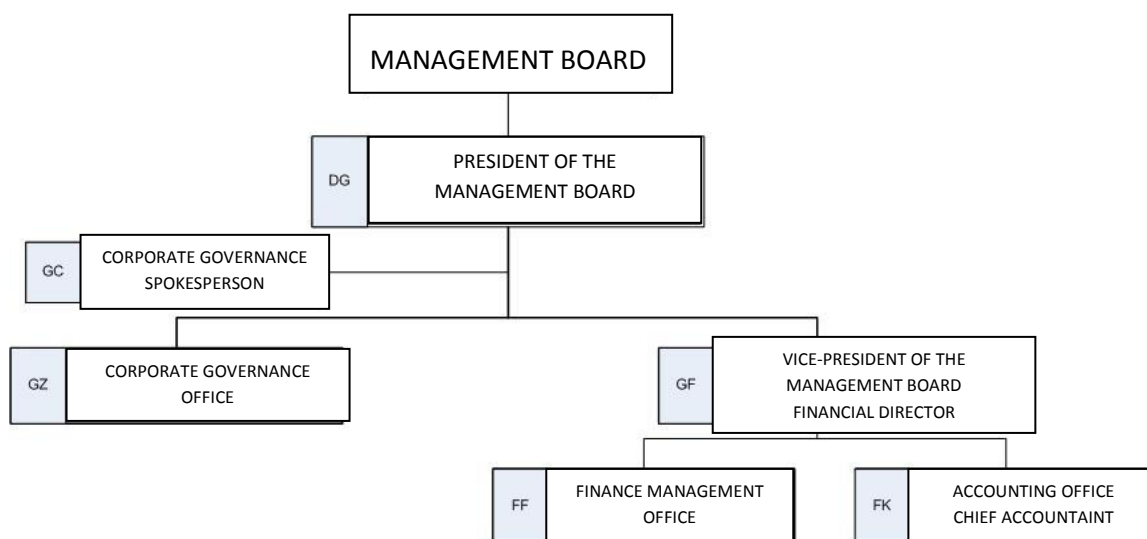
Detailed information on that respect was presented in:

- section 3 of the Report (Financial analysis of Stalexport Autostrady);
- section 4 of the Report (Analysis of the core business of the Company);
- section 6 of the Report (Perspectives for development and identification of major risks and threats, characteristic of external and internal factors important for development of Stalexport Autostrady).

5.13. Changes in the basic principles for the Company’s management and essential information for employment situation assesment

Throughout 2012, the process of optimisation of organisation structure and employment continues in the Company and in the Group in order to adjust the structure to the current market conditions and to minimise the costs. The effect of the process is Company’s organisation structure presented in the figure below.

Figure 4 Organisation structure of Stalexport Autostrady as of 31 December 2012



Source: Company’s materials

Additionally, according to the state as of 31 December 2012, a decrease in employment to the level of 23 persons (7½ FTE) was recorded, as compared with 31 December 2011, when the employment was 28 persons and 25 ¼ FTE.

The decrease in employment results from dismissal of the part of employees (decrease in headcounts), as well as from the change in the work time of individual employees, most of whom are currently employed on a ¼ time basis in Stalexport Autostrady and on ¾ time basis in SAM. It is also a result of continuation of



consolidation of managerial positions within the Group, which commenced in the second half of 2009. As a result of the consolidation, as of the date of Report preparation:

- Emil Wąsacz holds the position of: President of the Management Board of Stalexport Autostrady, President of the Management Board of SAM and Chairman of the Supervisory Board of VIA4;
- Mariusz Serwa (from 1 January 2013) holds the position of: Vice-President of the Management Board of Stalexport Autostrady, Vice-President of the Management Board of SAM and Member of the Supervisory Board of VIA4;
- Paweł Kocot holds the position of: Member of the Management Board of SAM, President of the Management Board of AMSA and Proxy in SAD;
- Mieczysław Skołożyński holds the position of: Vice-President of the Management Board of VIA4, Deputy Chairman of the Supervisory Board of SAM, Chairman of the Supervisory Board of AMSA and Deputy Chairman of the Supervisory Board of SAD;
- Jacek Karolak holds the position of: President of the Management Board of SAD and Financial Management Director at Stalexport Autostrady and SAM;
- Tomasz Behrendt holds the position of: Vice-President of the Management Board of AMSA Manager of Investment Preparation Division of SAM.

#### 5.14. Information regarding the agreements entered into between the Company and the managing persons, which would provide for an indemnification in the case of their resignation or dismissal from their position without important reason or in the case of recalling or dismissing due to the Company's merger by takeover

The employment contracts completed with the members of the Management board in 2012 (Emil Wąsacz and Mieczysław Skołożyński) include the clause regarding 6-month severance pay in the case of recalling before the end of the term of office.

On 19 December 2012, in connection with changes in the composition of Stalexport Autostrady's Management Board approved by the Supervisory Board, the following agreements with the Company's managing persons were into:

- with Mieczysław Skołożyński – agreement on termination of the employment contract as of 31 December 2012, providing the severance payment for employment contract termination without notice of termination, amounting to the 3-month remuneration, with concurrent waiving of the six-month severance payment referred to above, due to continuation of the employment in the Group on the position of the Vice-President of the Management Board of VIA4;
- with Mariusz Serwa – management contract guaranteeing the managing person payment of additional benefit amounting to the 6-month remuneration in the case of termination of the contract by the Company, excluding termination for the reasons attributable to the managing person.

#### 5.15. Remuneration of the managing and supervising persons of Stalexport Autostrady

In accordance with the Statutes of Stalexport Autostrady, the principles for the Management Board Member remuneration payment are defined by the Supervisory Board. Total remuneration on the account of employment contracts of the Company's managing persons, i.e. the members of the Management Board in 2012 amounted to PLN 4,413 thousand. Whereas the total remuneration of the Company's managing persons received for being a member of the subsidiaries' governing bodies in the same period amounted to PLN 638 thousand. The detailed information regarding the amount of remuneration of the Company's managing persons in 2012 is presented in the table below.

Table 5 Remuneration paid in 2012 to the Company's managing persons [data in '000 PLN]

No.	Name and surname	Position in the company	Remuneration, rewards or profit amounts paid within the Company	Remuneration amounts received for being a member of the subsidiaries' governing bodies	TOTAL
1	Emil Wąsacz	President of the Management Board Director General	2 230	584	2,814
2	Mieczysław Skołożyński	Vice-President of the Management Board Finance Director	2 183	54	2,237
<b>x</b>	<b>TOTAL</b>		<b>4 413</b>	<b>638</b>	<b>5,051</b>

Source: prepared by the Company

The remuneration amounts presented in the table above include the payment of PLN 2,828 thousand on the account of the three-year incentive plan covering the period between July 2009 and June 2012, and PLN 336 thousand on the account of annual bonus paid out in 2012, and concerning 2011, which was included in the created provision created for 2011.

Whereas the provision for the Management Board bonus for 2012 amounting to PLN 396 thousand and additional amount of PLN 153 thousand paid to Mieczysław Skołożyński in January 2013 on the account of damages connected with employment contract termination were provisioned for 2012.

In accordance with the Statutes of Stalexport Autostrady, the principles for the Supervisory Board Member remuneration payment are defined by the General Meeting. Some members of the Supervisory Board waived the remuneration for being a member of the Supervisory Board.

In 2012 the total remuneration of the members of the Supervisory Board amounted to PLN 63 thousand. The detailed information regarding the amount of the remuneration paid to individual persons serving as members of the Supervisory Board of Stalexport Autostrady in that period are presented in the table below.

Table 6 Remuneration paid in 2012 to the members of the Company's Supervisory Board [data in '000 PLN]

No	Name and surname	Position in the Supervisory Board of Stalexport Autostrady	Remuneration amount
1	Roberto Mengucci	Chairman	did not collect remuneration
2	Aleksander Galos	Vice-Chairman	34
3	Michelangelo Damasco	Secretary	did not collect remuneration
4	Nicolo Caffo	Member	did not collect remuneration
5	Christopher Melnyk	Member	did not collect remuneration
6	Tadeusz Włudyka	Member	29
7	Costantino Ivoi	Member	did not collect remuneration
8	Massimo Lapucci	Member	did not collect remuneration
	<b>Total</b>		<b>63</b>

Source: prepared by the Company

There are no incentive or bonus programmes based on the Company's capital, including programmes based on senior bonds, convertible bonds, warrants (in cash, nature or any other form), paid, due or potentially due to the Company's managing and supervising persons.

#### 5.16. The Company's shares and the related parties' shares held by persons managing and supervising Stalexport Autostrady

Number and nominal value of Stalexport Autostrady shares held by the persons managing and supervising the Company is provided based on declarations of those persons. The balance as at 31 December 31 2012 (and also as at the date of producing the Report) is presented in the table below.

**Table 7** Number and nominal value of Stalexport Autostrady's shares held by persons managing and supervising the Company (as at 31 December, 2012 and also as at the date of producing the Report)

No.	Name and surname	Number of shares [items]	Nominal value [in PLN]
1.	Emil Wąsacz	59,000	44,250

Source: internal analysis based on declarations made by the persons managing and supervising the Company

Persons managing and supervising Stalexport Autostrady do not held any shares in related parties.

**5.17. Information on the agreements known to the Company (also including those concluded after the balance sheet date), which in the future may result in changes in relations of the shares held by the existing shareholders and bondholders**

The Company is not aware of information on other agreements which may result in changes in relations of the shares held by the existing shareholders and bondholders.

**5.18. Information on the control system regarding employee share schemes**

There are no employee share schemes in Stalexport Autostrady.

**5.19. Date of entering into contract with an entity authorised to audit financial statements and consolidated financial statements for the period of the contract, as well as total amount of remuneration for the individual and consolidated audit in a given accounting year**

In accordance with the powers stipulated in the Statutes of the Company, the Supervisory Board entrusted the audit of the financial statement and consolidated financial statement of Stalexport Autostrady S.A. Group for 2012 with Deloitte. Deloitte entered into the list of entities authorised to audit financial statements under No. 73.

On 13 July 2012, the Company entered into an agreement with Deloitte for audit and revision of financial statements in the period 2012-2013.

Total Deloitte's remuneration for the audit and review of the financial statements for 2012 shall amount to net PLN 105 thousand, including the works connected with the following:

- review of the interim financial statement – individual and consolidated – of Stalexport Autostrady for the period of 6 months, which ended on 30 June 2012 – PLN 31,5 thousand;
- audit of the annual financial statement – individual and consolidated – of the Company for 2012 – PLN 73,5 thousand.

The limit for additional costs covered by the return was agreed to be 5%.

Whereas, in accordance with the powers stipulated in the Statutes of the Company, the Supervisory Board entrusted the audit of financial statement of the Company and the consolidated financial statement of the Group for the previous accounting year, i.e. 2011, with KPMG, which entered into the list of entities authorised to audit financial statements under No. 458. On 25 June 2009, the Company entered into an agreement with KPMG for the audit and revision of financial statements in the period 2009-2011.

Total KPMG's remuneration for the audit and review of the financial statements for 2011 amounted to net PLN 210 thousand, including the works connected with the following:

- review of the interim financial statement – individual and consolidated – of Stalexport Autostrady fo the period of 6 months, which ended on 30 June 2011 – PLN 82 thousand;

- audit of the annual financial statement – individual and consolidated – of the Company for 2011 – PLN 128 thousand.

5.20. [Information on litigations in court, proper authority for the arbitration proceedings or the authority of the public administration](#)

The Company is not a party of any legal proceedings in common, arbitration court of law, and also the bodies of the public administration in matters, in which the individual value of the subject of the dispute exceeds the amount constituting at least 10% of the Company's equity. It concerns both individual litigations and all litigations conducted by the Company or against the Company.

## 6. Perspectives for development and major risks and threats, external and internal factors crucial for development of Stalexport Autostrady

### 6.1. Growth prospects

In recent years, the Company participated in tenders related to the construction, management and operation of toll motorways. The Road Construction Programme, described in details in the preceding part of the Report, is a potential market for the Company and the Group. However, it should be emphasised that the road infrastructure area is a sector heavily dependent on the state regulator. Thus, the number of tenders related to the projects interesting for the Company and possibility of their implementation under the PPP formula is the consequence of the Public Party's policy on road construction and the national budget.

Stalexport Autostrady's growth prospects were described in detail in Section 4.2 of the Report.

### 6.2. Description of the basic risks and threats, and the characteristics of the external and internal factors significant to the development of Stalexport Autostrady, and the risk prevention methods

The basic risks and threats, and external and internal factors significant to the operation of Stalexport Autostrady may be divided into two basic groups connected with the following:

- A4 Katowice-Kraków project under execution;

Within that scope, the risks as well as the economic and financial factors connected with the general economic situation and current situation on the construction work market, as well as the risks of political and legal nature prevail.

The **economic situation** in the country has an impact mainly on the number of vehicles using the A4 motorway (this factor affects mainly the truck traffic); thus, at the level of revenues from toll collection generated by the Concessionaire. The Group limits that risk by means of adequate (optimal) price policy and by taking actions aiming at the improvement of the customer service quality by extension of the toll collection plazas on the motorway section managed by the Group and replacing toll collection equipment (currently executed), which allows for diversification of the forms of payment for using the motorway.

In the case of **construction work market**, the good prosperity period increases the prices of construction services and decreases the efficiency of A4 Katowice-Kraków project; whereas, during the bad prosperity the Group may negotiate more beneficial conditions for execution of necessary works, thus more financial resources remain at the disposal of the shareholders. The Company strives to limit the risk within that area by active management of the schedule of planned and carried out construction works, within the scope entrusted with the Company by the Concession Agreement.

Institutional and legal instability of the environment regulating the infrastructure sector in Poland is the main factor from the **political and legal risk group**. By means of promotion of good practices and solutions aiming at creation of suitable legal framework for execution of infrastructure projects, and by active participation in public discussion regarding new legislation solutions, etc., the Company strives to prevent from those risks. This risk group includes also the potential actions aiming at changing the existing law, which may influence the revenue or expense level of the A4 Katowice-Kraków project. It is worth emphasising that the Concession Agreement includes provisions, which facilitate claiming damages from the State Treasury in the case of actions on the part of the Public Party, which shall have a negative effect on the profitability of A4 Katowice-Kraków project.

The other group consists of risks directly connected with the provisions of the Concession Agreement, including users' service levels and other obligations on the part of the Concessionaire.

Additional risks are also connected with the UOKiK's [Office of Competition and Consumer Protection] decision of 2008, and the decision of the court of proper jurisdiction for the claim filed by CTL Maczki Bór Sp. z o.o.

- Lease of the office space and investment of owned financial resources

Within that scope, the risks connected with the economic situation and investment climate, as well as the risk of the market interest rate shall be mentioned.

The **economic situation** in the country is directly related to the office space lease market; therefore, it influences the size of the free (unleased) space and the rent rate level. The Company limits that risk by application of the flexible price policy and carrying out investments aiming at increasing attractiveness of the office space and improving the user safety. Furthermore, the Company constantly carries out operations aiming at winning new lessees.

In the case of making a decision regarding participation in tenders connected with the motorway infrastructure development, the important risk factor is worsening of the **investment climate**, which can lead to difficulties in obtaining a long-term investment capital. The Company strives to minimise such risks by constant cooperation with financial institutions, which have an extensive knowledge and experience in the infrastructure project sector, as for example Atlantia Group entities, by participation in public consultations aiming at development and implementation of innovative solutions in that respect, for instance consisting in risk allocation in the infrastructure project sphere and placing them on the side of the entities, which can best manage the risks.

Owing to the revenue structure and the nature of the business, the financial results of the Company have a relatively high **interest rate risk**. The risk results from the changeability of the financial markets and manifests itself in the changes in the money value. Stalexport Autostrady limits the risk by diversification of the periods for which the resources for future motorway projects are invested.

Another group consists of the risks directly connected with the investment policy followed by investment funds, by the agency of which the Company invested part of the owned financial resources. Stalexport Autostrady limited the risk, on one hand, by dividing the resources between various investment funds, and on the other, if it is possible, by precise definition of the scope of the possible investments. The outcome of situation regarding the Idea Premium SFIO – one of the funds managed by Idea TFI – shall be material for the profitability of such investments. The fund, due to the significant majority of remissions over purchases temporarily suspended the possibility of submitting the unit repurchase orders and then performed a verification of asset and liability components due to the presence of bonds issued by entities under composition or reconciliatory proceedings in their portfolio. The above-mentioned verification caused decrease in the price of the share unit of that fund. Fearing further decrease in the unit value and anticipating the weak market period, the Company's authorities decided to withdraw from the investment funds in order to maintain diversified profit from that operation. At the end of 2012, the assets of the Company included only a small part of the resources in the investment funds, partially resulting from the schedule for repurchase of Idea Premium SFIO fund units imposed by the Polish Financial Supervision Authority.

## 7. Statement of the Management Board of Stalexport Autostrady on best practices implemented by the Company

### 7.1. Introduction

Performing the duty resulting from §29 section 5 of the GPW by-laws and the resolution No. 1013/2007 of the GPW Management Board dated December 11, 2007 (on the range and the structure of the report on implementing the best practices by the stock exchange companies) and the resolution No. 718/2009 of GPW Management Board dated December 16, 2009 (on transmission by the listed companies the reports on best practices), the Management Board of Stalexport Autostrady publishes this statement on implementing by Company, the rules of best practices from the set "The Good Practices of Companies listed on GPW" in the period from January 01, 2012 to the date of publishing the annual report for 2012.

### 7.2. The set of rules of best practices, the Company is subject to, and its public availability

The Management Board of Stalexport Autostrady declares that the set of rules of best practices, which the Company is subject to, is publicly available on the following websites:

- Stalexport Autostrady S.A. ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl))
- Warsaw Stock Exchange ([www.gpw.gov.pl](http://www.gpw.gov.pl))
- Polish Association of Stock Exchange Issuers ([www.seg.org.pl](http://www.seg.org.pl)).

### 7.3. Information on the scope in which the Company renounces from the provisions of the set of rules of best practices mentioned above, indicating these provisions and explanation of the reasons for this renouncement

In accordance with the resolution no 1014/2007 of the GPW Management Board dated December 11, 2007 on partial excluding the duty to publish the report regarding the rules of corporate governance binding on main market of GPW - the Management Board of Stalexport Autostrady referring to the rules included in the Good Practices of Companies listed on GPW (DPSN) declares that in 2011 the Company did not broadcast the GMs over the Internet, however it recorded the GMs and published the recordings on the website. Furthermore the company informed with delay, i.e. on 14.02.2013 (instead of in 4Q 2012) about the participation of women and men in the Management Board and Supervisory Board of Stalexport Autostrady in two last years, what is said in DPSN (Chapter II point 1 subpoint 2a).

### 7.4. Description of the basic attributes of the systems of internal control and the risk management in regard to drawing up the unconsolidated and consolidated financial reports, applied in the Company

The Management Board of Stalexport Autostrady is responsible for system of internal control and its effectiveness. The system of internal control and risk management in relation to drawing up the financial reports is being executed in the Company by the procedures of drawing up and approving the financial reports binding in the Company. Due to it, it is possible to monitor the liabilities' level, the level of costs and achieved results. The financial data which are the basis for the financial reports and the periodic ones come from the accounting-financial system IMPULS (the register of the documents consistent with Company's accounting policy based on the International Accounting Standards).

The financial reports are drawn up by the financial –accounting staff under the control of the Chief Accountant of the Company and next verified by the Vice-President of the Management Board, Financial Director in cooperation with the Finance Management Director, and its final contents are approved by the Management Board in its resolution.

The financial reports approved by the Management Board are verified by the independent auditor – chartered accountant, chosen by the Supervisory Board of the Company. Next according to § 18 section 2 point 1) of the Company's Statutes, the Supervisory Board – following the recommendation of Audit Committee, each year

evaluates the audited financial reports of the Company and the Capital Group in the scope of their conformability with books and documents as well as with the actual condition, and it informs the shareholders about the results of this evaluation in its annual Report.

The Company has been systematically monitoring the external provisions and regulations relating to the requirements of the stock exchange reporting and it takes steps to implement them properly.

#### 7.5. Shareholders holding directly or indirectly significant block of shares along with showing the number of shares held by these entities, their percent share in equity, number of votes resulting from them and their share in % in total number of votes at the general meeting of the Company

The shareholders holding - according to the best knowledge of the Company - at least 5% in total number of votes at the Stalexport Autostrady's GM are presented in the table below.

**Table 8 List of Stalexport Autostrady's shareholders holding significant block of shares of the Company (as at 31 December 2012)**

Name of company	Number of ordinary bearer shares [units]	Share in share capital [%]	Number of votes at GM	Share in the total number of votes at GM [%]
ASPI	149.923.463	60,63 %	149.923.463	60,63 %
ALTUS TFI S.A.	12.679.263	5,13 %	12.679.263	5,13 %
Kairos Investment Management SpA	12.391.265	5,01 %	12.391.265	5,01 %

Źródło: opracowanie własne

The below table contains the list of shareholders, which for the day of producing a Statement - according to the best knowledge of the Company at least 5% in total number of votes at the Stalexport Autostrady's GM.

**Table 9 List of Stalexport Autostrady's shareholders holding significant block of shares of the Company (state on the date of drawing up Statement)**

Name of company	Number of ordinary bearer shares [units]	Share in share capital [%]	Number of votes at GM	Share in the total number of votes at GM [%]
ASPI	149.923.463	60,63 %	149.923.463	60,63 %
ALTUS TFI S.A.	12.679.263	5,13 %	12.679.263	5,13 %

Źródło: opracowanie własne

#### 7.6. The holders of any shares giving the special control rights along with their description

No shares of Stalexport Autostrady provide shareholders with the special control rights towards the Company.

#### 7.7. Information on all limitations regarding exercising the voting right, such as limitation of exercising voting right by the holders of a specified part or number of votes, time limitations regarding exercising the voting rights or provisions, according to which, with the cooperation of the company, the capital rights related to the securities are separated from the ownership of the securities

The shares of Stalexport Autostrady are not subject to any limitations as far as the exercising the right to vote related to the shares is concerned



7.8. Information on all limitations regarding transferring the ownership rights to the Company's securities

The shares of Stalexport Autostrady are not subject to any limitations as far as the transferring of the ownership rights is concerned.

7.9. Description of the rules of appointing and recalling of the managing persons and their rights, in particular the right to decide on the issuance or buy out of shares

Pursuant to §10 of the Statutes of Stalexport Autostrady, the Management Board of the Company is composed of 1 to 3 persons. The President of the Management Board is appointed by the Supervisory Board, whilst other members of the Management Board are appointed by the Supervisory Board at the motion of the President of the Management Board.

The rights of the Management Board are defined in the Statutes of the Company and the Regulations of the Management Board as well as in the Code of commercial companies and other generally applicable law. The Statutes of the Company and the Regulations of the Management Board are the enclosures to this annual report (**enclosures Nos. 1 and 2**) and moreover they are available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

7.10. Description of the rules of amending the statutes or the articles of association of the Company

The amendment to the Statutes of the Company is based on rules described in the provisions of the Code of commercial companies; the Statutes do not comprise other different provisions in this respect. Except for § 5 section 2 which refers to the essential amendment to the subject of the Company's activity without necessity to buy out the shareholders which do not agree on the amendment.

7.11. The modus operandi of the general meeting and its essential rights and the description of the rights of the shareholders and the way of their exercising, in particular the principles resulting from the regulations of the general meeting, if such regulations were approved, providing the information in this respect, do not result directly from the law

The general meetings of Stalexport Autostrady are held under the rules of the Code of commercial companies, of the Statutes and the Regulations of the GM and do not differ from the principles which are applied by other companies listed on GPW. In particular, except for the shareholders, the members of the Management Board and the Supervisory Board of the Company, also the guests as well as the experts invited by the body convening the general meeting can attend the meeting. The representative of the auditor of the Company participates in the meeting and gives explanations during the general meetings which agenda comprises the financial matters of the Company.

GM are convened in the manner and according to the principles indicated in commonly binding regulations. It means that the announcement on convening a General Meeting is made in the current report and published at the website of Stalexport Autostrady (address: [www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)) no later than 26 days before the date of the general meeting.

Those shareholders are entitled to take part in the general meeting (assembly) who hold the shares of Stalexport Autostrady on the 16th day before the date of such meeting, which is the record date. The basis for admitting a shareholder to participation in general meeting is putting a given shareholder on the list, made available to the Company by KDPW (National Depository of Securities) not later than one week before the date of the general meeting.

The general meetings are held in the seat of the Company, in Katowice, and the detailed rules of its debate are defined in the Regulations of the General Meeting of Stalexport Autostrady resolved on November 27, 2002. The currently binding text of the Regulations of GM takes into account three amendments made in years 2004, 2005, 2006, and 2010, and it's the **enclosure No. 3** to the Report, it is also available at the corporate website of

Stalexport Autostrady. Changes introduced in 2010 take into account the new principles concerning organization of general assemblies of public (listed) joint stock companies, introduced on August 03, 2009 by amendments of the Code of commercial companies of December 05, 2008 (Official Journal of Law - Dz.U. - of 2009, No. 2, item 28).

The above Regulations determined in particular the scope of rights of shareholders (in connection with the most important right they execute, namely participation in the General Meeting, as well as the manner of executing them, the rules of electing the Chairman of the General Meeting, the tasks of the Chairman of the General Meeting and his duties, the rules of electing the Scrutinizing Committee and its duties. In the Company the Scrutinizing Committee is not appointed according to the decision of the General Meeting, because the voting is carried out via a computer system of casting and counting the votes, and the printed results of voting are signed by the Chairman of the General Meeting, in compliance with §10a of the Regulations concerning General Meetings.

According to the §24 of the Company's Statutes the resolutions of the General Meeting are required in particular in case of:

- 1) the approval after considering the Management Board's report on the Company's activity and the financial statement for the previous turnover year,
- 2) the profit distribution or loss coverage;
- 3) extending a vote of acceptance to the members of the Management Board and the members of the Supervisory Board;
- 4) disposal and lease of the enterprise or its organized part and setting up a limited property right upon them;
- 5) the issue of convertible bonds or bonds with the priority right;
- 6) consideration and approval of the financial statement of the Capital Group of Stalexport Autostrady;
- 7) the amendment to the Company's Statutes, including the subject of the Company's activity, increase or decrease in the stock capital and also the amortization of shares;
- 8) an essential change of the subject of the Company's activity;
- 9) dissolution and liquidation of the Company;
- 10) merging, dividing and transforming the Company;
- 11) appointing members of the Supervisory Board after previous determining the number of its members for a given term and recalling them;
- 12) determining the remuneration rules for the appointed members of the Supervisory Board.

#### 7.12. The composition and its changes which took place during the last turnover year as well as the description of the activity of the bodies managing, supervising or administering the Company and their committees

##### (i) Management Board

Pursuant to §10 of the Statutes of Stalexport Autostrady, the Management Board of the Company is composed of 1 to 3 persons. The President of the Management Board is appointed by the Supervisory Board, whilst other members of the Management Board are appointed by the Supervisory Board upon the motion of the President of the Management Board. Joint term of the Management Board's members lasts three successive years, and their mandates expire on the day of holding the GM approving the financial statement for the last full turnover year of performing the function of the Management Board's member.

In the reporting period the composition of the Management Board didn't change and it was as follows:

- Emil Wąsacz- President of the Management Board;
- Mieczysław Skołożyński – Vice-President of the Management Board.

However on the day of 19 December 2012 the Supervisory Board of Stalexport Autostrady S.A. passed the resolution to appoint Mariusz Serwa as Vice-President of the Management Board of Stalexport Autostrady S.A.

from the 1 January 2013. With reference to the above (on the day of drawing a Statement) the Management Board was composed of two members:

- Emil Wąsacz - President of the Management Board;
- Mariusz Serwa - Vice-President of the Management Board.

The Management Board have been acting on the basis of the law, including the Code of commercial companies and the Statutes resolved by the GM. Moreover acting in conformity with Statutes of the Company, the Management Board resolved its regulations defining the course of proceedings. The Regulations, according to the Company' Statutes, were approved by the Supervisory Board and the document is the enclosure no 2 to the Report, moreover it is available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

## (ii) Supervisory Board

Pursuant to §14 of the Company's Statutes, Supervisory Board consists of 5 to 9 persons appointed for the joint term of three years. GM appoints and recalls the members of Supervisory Board fixing first their number for a given term.

According to the resolution No. 22 the General Meeting on March 30, 2010 decided that the Stalexport Autostrady Supervisory Board of VII term (2010-2012) will consist of eight members. Next, General Meeting on December 22, 2010, in the resolution no 3 and also Ordinary General Meeting on March 4, 2012 in the resolution No. 19 decided that the Supervisory Board of VII term (2010-2012) will consist of seven members.

Between January 01, 2012 and February 14, 2012 the Supervisory Board has been acting in the following, a seven – member composition:

1. Roberto Mengucci - Chairman,
2. Aleksander Galos - Vice-Chairman,
3. Michelangelo Damasco - Secretary,
4. Costantino Ivoi,
5. Christopher Melnyk,
6. Massimo Lapucci,
7. Tadeusz Władyka.

On February 14, 2012 the Company received resignation of Mr Massimo Lapucci, a member of the Supervisory Board, from that function, it was followed by resignation of another member, Mr Christopher Melnyk, on April 2, 2012.

On April 4, 2012 the General Assembly of Stalexport Autostrady appointed Mr Nicola Caffo and Mr Stefano Cusmai as members of the Supervisory Board.

At present the Supervisory Board has the following composition:

1. Roberto Mengucci - Chairman,
2. Aleksander Galos - Vice-Chairman,
3. Michelangelo Damasco - Secretary,
4. Nicola Caffo,
5. Stefano Cusmai,
6. Costantino Ivoi,
7. Tadeusz Władyka.

Mr Aleksander Galos and Mr Tadeusz Władyka meet the criteria of independent members.

Acting in accordance with §25 item 2 of the by-laws of the Supervisory Board of Stalexport Autostrady, and in particular with the Code of Good Practice of Companies Listed at the Warsaw Stock Exchange (GPW), including

especially the good practice for members of supervisory boards, the Supervisory Board established the Audit Committee and Remuneration Committee, consisting of the Supervisory Board members.

As of January 01, 2012 the Supervisory Board committees had the following composition:

**1) Remuneration Committee:**

- Roberto Mengucci – Chairman,
- Aleksander Galos,
- Costantino Ivoi,
- Tadeusz Włudyka;

**2) Audit Committee:**

- Costantino Ivoi – Chairman,
- Aleksander Galos,
- Massimo Lapucci.

In connection with the fact that Mr Massimo Lapucci resigned from the position of Supervisory Board member, the Supervisory Board of the Company, on March 1, 2012 supplemented the composition of the Audit Committee, appointing Mr Michelangelo Damasco as its member.

The Supervisory Board have been acting on the basis of law, including the Code of commercial companies and the statutes resolved by the GM. Moreover acting in conformity with the Company's Statutes, the Supervisory Board resolved its regulations defining the course of proceedings. The document is the **enclosure no 4** to the Report, moreover it is available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

The above mentioned committees have been acting on the basis of the regulations approved by the Supervisory Board which are the enclosures to the Regulations of the Supervisory Board. Those Regulations are available at the corporate website of the Company ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

**(ii) Proxies**

Pursuant to art. 371 §4 of the Code of Commercial Companies, proxies are appointed by the Management Board. In the reporting period there were no proxies in the Company.

## 8. Summary

Summarising the presentation of reports, we would like to emphasize that Stalexport Autostrady acting in motorway business, has a solid financial founding which guarantee the stability of current business as well as provides the opportunities for future implementation of usually very capital-consuming projects related to construction and management of motorways.

Vice-President  
of the Management Board  
Chief Financial Officer (CFO)

President  
of the Management Board  
Chief Executive Officer (CEO)

.....

/Mariusz Serwa/

.....

/Emil Wąsacz/

Katowice, March 5, 2013

## 9. Statements

- 9.1. Statement of the Management Board setting forth that according to their best knowledge, the annual financial statements as well as the comparable data have been drawn up in line with the applicable accounting standards and they give true, fair and clear view of the Company's state of affairs and its financial result, as well as the Management Board's report on the performance of the Company comprises a true picture of the Company's development and achievements and situation, including the description of basic risks

### Statement

We hereby state that according to our best knowledge, the annual financial statements of the Company for 2012 as well as comparable data have been drawn up in line with the applicable accounting standards and they give true, fair and clear view of the Stalexport Autostrady's state of affairs as well as its the financial result.

At the same time we also declare that the annual report of the Management Board on the activity of the Stalexport Autostrady reflects a true picture of the Company's development, achievements and situation, including the description of basic risks and threats.

Vice-President  
of the Management Board  
Chief Financial Officer (CFO)

President  
of the Management Board  
Chief Executive Officer (CEO)

.....

/Mariusz Serwa/

.....

/Emil Wąsacz/

Katowice, March 5, 2013

- 9.2. Statement of the Management Board stating that the entity entitled to audit the financial statements, auditing the annual financial statements, has been selected in accordance with the provisions of law and that this entity as well as chartered auditors conducting the audit have met the conditions regarding issuing impartial and independent opinion on the audited annual financial statements, in line with the appropriate provisions of the law and the professional standards.

### Statement

We hereby state that Deloitte company with its registered office in Warsaw, entitled to audit the financial statements, auditing the annual financial statements for 2012, has been selected in accordance with the provisions of law i.e. pursuant to §18 section 3 point 8 of the Statutes of Stalexport Autostrady.

At the same time we also declare that the above-mentioned entity and the chartered auditors conducting the audit have met the conditions regarding issuing impartial and independent opinion on the audited annual financial statements, in line with the appropriate provisions of the law and the professional standards.

Vice-President  
of the Management Board  
Chief Financial Officer (CFO)

President  
of the Management Board  
Chief Executive Officer (CEO)

.....

/Mariusz Serwa/

.....

/Emil Wąsacz/

Katowice, March 5, 2013

## 10. Enclosures

- Enclosure no 1 Stalexport Autostrady's Statutes
- Enclosure no 2 Regulations of Stalexport Autostrady's Management Board
- Enclosure no 3 Regulations of Stalexport Autostrady's General Meeting
- Enclosure no 4 Regulations of Stalexport Autostrady's Supervisory Board
- Enclosure no 5 Financial highlights of Stalexport Autostrady

The content of the Statutes of the Company and the aforementioned Regulations can be found on Stalexport Autostrady corporate website ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).



**Enclosure no 1**

**Stalexport Autostrady  
Joint Stock Company**

**STATUTES**

## **I. GENERAL PROVISIONS**

### §1

1. The Company's firm is Stalexport Autostrady Joint Stock Company.
2. The Company may use the abbreviation of the firm: Stalexport Autostrady S.A. and the graphic or verbal-graphic symbol that distinguishes it (logotype).

### §2

The city of Katowice is the seat of the Company.

### §3 *(deleted)*

### §4

The Company conducts its activity on the basis of this Statutes, the Code of commercial companies and other regulations in force.

## **II. THE SUBJECT OF THE COMPANY ACTIVITY**

### §5

1. The subject of the Company activity:

- 25.11.Z Manufacture of metal structures and parts of structures
- 26.30.Z Manufacture of Communications equipment
- 32.99.Z Other manufacturing n.e.c.
- 33.11.Z Repair of fabricated metal products
- 33.20.Z Installation of industrial machinery and equipment
- 38.31.Z Dismantling of wrecks
- 41.10.Z Development of building projects
- 41.20.Z Construction of residential and non-residential buildings
- 42.11.Z Construction of roads and motorways
- 42.12.Z Construction of railways and underground railways
- 42.13.Z Construction of bridges and tunnels
- 42.21.Z Construction of transmission pipelines and distribution systems
- 42.22.Z Construction of utility projects for electricity and telecommunications
- 42.91.Z Construction of water projects
- 42.99.Z Construction of other civil engineering projects n.e.c.

43.21.Z Electrical installation  
43.29.Z Other construction installation  
43.32.Z Joinery installation  
43.91.Z Roofing activities  
43.99.Z Other specialised construction activities n.e.c.  
45.11.Z Sale of cars and light motor vehicles  
45.19.Z Sale of other motor vehicles except motorcycles  
46.13.Z Agents involved in the sale of timber and building materials  
46.44.Z Wholesale of china and glassware and cleaning materials  
46.51.Z Wholesale of computers, computer peripheral equipment and software  
46.69.Z Wholesale of other machinery and equipment  
46.72.Z Wholesale of metals and metal ores  
46.73.Z Wholesale of wood, construction materials and sanitary equipment  
46.74.Z Wholesale of hardware, plumbing and heating equipment and supplies  
46.75.Z Wholesale of chemical products  
46.76.Z Wholesale of other intermediate products  
46.77.Z Wholesale of waste and scrap  
46.90.Z Non-specialised wholesale trade  
47.41.Z Sale of computer, peripheral units and software in specialized stores  
47.42.Z Retail sale of telecommunications equipment in special stores  
49.41.Z Freight transport by road  
52.10.A Warehousing and storage of gaseous fuels  
52.10.B Warehousing and storage of other goods  
52.21.Z Service activities incidental to land transportation  
52.24.C Cargo handling at other transshipment points  
52.29.C Other transportation support activities  
59.20.Z Sound recording and music publishing activities  
61.30.Z Telecommunications activities  
61.90.Z Other telecommunications activities  
62.01.Z Computer programming activities  
62.02.Z Computer consultancy activities  
62.03.Z Computer facilities management activities  
62.09.Z Other information technology and computer service activities  
63.11.Z Data processing, hosting and related activities  
63.12.Z Web portals  
63.99.Z Other information service activities n.e.c.  
64.20.Z Activities of holding companies  
64.30.Z Trusts, funds and similar financial entities  
64.91.Z Financial leasing  
64.92.Z Other credit granting

64.99.Z Other financial service activities, except insurance and pension funding n.e.c.  
 66.19.Z Other activities auxiliary to financial services, except insurance and pension funding  
 68.10.Z Buying and selling of own real estate  
 68.20.Z Renting and operating of own or leased real estate  
 68.32.Z Management of real estate on a fee or contract basis  
 69.20.Z Accounting, bookkeeping and auditing activities; tax consultancy  
 70.10.Z Activities of head offices and holding companies except financial holdings  
 70.21.Z Public relations and communication activities  
 70.22.Z Business and other management consultancy activities  
 71.11.Z Architectural activities  
 71.12.Z Engineering activities and related technical consultancy  
 71.20.B Other technical testing and analysis  
 73.11.Z Advertising agencies  
 73.12.A Brokerage in the sale of time and space for advertising purposes on the radio and on the television  
 73.12.B Brokerage in the sale of space for advertising purposes in printed media  
 73.12.C Brokerage in the sale of time and space for advertising purposes in electronic media (the Internet)  
 73.12.D Brokerage in the sale of time and space for advertising purposes in other media  
 74.10.Z Specialised design activities  
 74.90.Z Other professional, scientific and technical activities n.e.c.  
 77.12.Z Renting and leasing of other motor vehicles except motorcycles  
 77.32.Z Renting and leasing of construction and civil engineering machinery and equipment  
 77.39.Z Renting and leasing of other machinery, equipment and tangible goods n.e.c.  
 77.40.Z Leasing of intellectual property and similar products, except copyrighted works  
 78.10.Z Activities of employment placement agencies  
 78.20.Z Temporary employment agency activities  
 78.30.Z Other human resources provision  
 81.10.Z Combined facilities support activities  
 82.11.Z Combined office administrative service activities  
 82.19.Z Photocopying, document preparation and other specialised office support activities  
 82.91.Z Activities of collection agencies and credit bureaus  
 82.99.Z Other business support service activities n.e.c.  
 85.60.Z Educational support activities  
 95.11.Z Repair of computer and peripheral equipment  
 95.12.Z Repair of Communications equipment

2. The General Meeting of Shareholders may pass a resolution on a significant change of the subject of the Company's activity also without buying out the shares of these shareholders who do not accept the change provided that such resolution is passed with the majority of two thirds of votes in the presence of the people who represent at least one half of the stock capital.

### **III. STOCK CAPITAL**

#### **§6**

The stock capital of the Company amounts to PLN 185,446,517.25 (one hundred eighty five million four hundred and forty six thousand five hundred seventeen zloty and twenty five).

#### **§7**

The stock capital of the Company is divided into 247,262,023 ( two hundred forty seven million two hundred sixty two thousand twenty three) of ordinary bearer shares of a nominal value of PLN 0,75 (seventy five) each, including 8,341,030 (eight million three hundred forty one thousand thirty) shares of the A series with numbers from A 000,000,001 to A 008,341,030; 492,796 (four hundred ninety two thousand seven hundred ninety six) shares of the B series with numbers: from B 008,341,031 to B 008,833,826; 4,000,000 (four million) shares of the D series with numbers: from D 008,833,827 to D 012,833,826; 94,928,197 ( ninety four million nine hundred twenty eight thousand one hundred ninety seven) shares of the E series with numbers: from E 12,833,827 to E 107,762,023; 50,000,000 (fifty million) shares of the F series with numbers: from F 107,762,024 to F 157,762,023; and 89,500,000 (eighty nine million five hundred thousand) share of the G series with numbers from G 157,762,024 to G 247,262,023.

All shares of the Company are bearer shares.

#### **§8**

1. The Shares may be written off with the consent of a shareholder by means of the acquisition by a Company determined in the Resolution of General Meeting.
2. *(deleted)*
- 2.a *(deleted)*

### **IV. THE COMPANY'S AUTHORITIES**

#### **§9**

The authorities of the Company are:

1. The Management Board of the Company.
2. The Supervisory Board.
3. The General Meeting.

## A. THE MANAGEMENT BOARD OF THE COMPANY

### §10

1. The Management Board consists of 1 to 3 persons.
2. The Supervisory Board appoints the President of the Management Board and the Supervisory Board appoints the other members of the Management Board upon the motion of the President of the Management Board.
3. The joint term of office of the members of the Management Board lasts three consecutive years and their mandates expire on the day of the General Meeting approving the financial report for the last full turnover year of performing the function of the member of the Management Board.
4. *(deleted)*
5. The member of the Management Board can be recalled or suspended in his functions at any time by the Supervisory Board and also by the General Meeting.
6. A person who is a Polish citizen with a place of residence on the territory of the Republic of Poland can be appointed President of the Management Board.

### §11

1. The Management Board conducts the matters of the Company and the right of the member of the Management Board to represent the Company concerns all judicial and extrajudicial actions of the company.
2. The Management Board makes its decisions in the form of resolutions or without resolutions being passed. The resolution form is required for decisions concerning:
  - 1) purchasing and selling real properties, and a part of them as well, and the perpetual usufruct or a part of it, with the reservation, that if the value of the transaction exceeds five million PLN the approval of the Supervisory Board is required,
  - 2) incurring liabilities, including credits, sureties, etc. the value of which exceeds one million PLN,
  - 3) *(deleted)*,
  - 4) convening general meetings and accepting draft resolutions for these meetings,
  - 5) proposing the Supervisory Board the selection of a chartered auditor,
  - 6) purchasing and selling the company shares or shares of other companies,
  - 7) creating a company branch or representation abroad,
  - 8) lay-offs,
  - 9) adopting an investment plan, selling and leasing the enterprise with a group of tangible and intangible assets, as well as transferring the usufruct rights.
3. The resolutions of the Management Board are passed with an absolute majority of votes and in case of an equal amount of votes, the vote of the President of the Management Board is the casting one.
4. The Management Board may also adopt resolutions in all matters it deems material and essential, as long as they fall within the objects of the Company as well as its functioning.
5. The resolutions of the Management Board are recorded and the minutes should include the agenda, the list of the present members of the Management Board, the list of votes cast in regard to the individual resolutions, distinct sentences and signatures of the present members of the Management Board.
6. The Management Board may pass its own regulations. The Management Board regulations are approved by the Supervisory Board.

## §12

When the Management Board is numerous, the following persons are entitled to submit declarations on behalf of the Company:

- independently - the President of the Management Board,
- jointly - two members of the Management Board,
- or - the member of the Management Board with the proxy.

## §13

The remuneration and other terms of employing the members of the Management Board are determined by the Supervisory Board which concludes suitable contracts with them and also represents the Company in possible disputes with the members of the Management Board.

## **B. THE SUPERVISORY BOARD**

### §14

1. The Supervisory Board consists of 5 to 9 members including the Chairman and its deputy. The General Meeting decides about the number of members of the Supervisory Board for a given term.
2. The term of the Supervisory Board lasts three years. The mandates of the Supervisory Board's members expire on the day of the General Meeting approving the financial statements for the last full year of performing duties as a member of the Supervisory Board.
3. The Supervisory Board's members are appointed for a joint term. The mandate of a member of the Supervisory Board, appointed before the end of the term, expires simultaneously with the mandates of the other members of the Supervisory Board.
4. The General Meeting appoints and recalls the members of the Supervisory Board. The member of the Supervisory Board shall elect, from among its members, the Chairman of the Supervisory Board and at his request - the Deputy Chairman.
5. In the event of death or resignation of a member of the Supervisory Board is entitled to continue its work within a given term, unless the number of remaining members meet the rules provided by law. Passage 6 of §14 shall apply accordingly.
6. The Supervisory Board should comprise also the independent members, i.e. independent of any relations, which could have significant impact on the ability of an independent member to make impartial decisions.
7. Independency discussed in passage 6 should be understood as:
  - a) the lack of relations with the Company, i.e. the member of the Supervisory Board is not related with the Company or its subsidiary or associated companies by employment contract or any other civil law agreements resulting in its dependency,
  - b) lack of relations with shareholders possessing over 5% shares in equity capital, i.e. the member of the Supervisory Board:
    - is not related with the shareholder by the employment contract or by any civil law agreements resulting in its dependency;
    - does not serve on managing and supervising authorities of the entities which are the shareholders of the Company;

- lack of relations with the members of the Company's Management Board. i.e. a member of the Supervisory Board is not the member of the closest family of any of the members of the Company's Management Board.

#### §15

1. The Supervisory Board on its first meeting elects in a secret voting the Chairman of the Supervisory Board, his deputy and its secretary and on the next meeting, in case there is such a need conducts supplementary elections.
2. The Chairman of the Supervisory Board or his deputy or a person indicated by the Chairman convenes the meetings of the Supervisory Board and presides at them. The Chairman of the Supervisory Board of the former term of office or a member of the Supervisory Board indicated by the Chairman convenes and opens the first meeting of the newly elected Supervisory Board and presides at it until choosing the Chairman of the Supervisory Board. Should the first meeting of the Supervisory Board not be convened as described above within 14 days from the day of the selection, any of the selected members of the Supervisory Board is entitled to convene it.
3. The Supervisory Board may recall the Chairman, his deputy or the Secretary of the Supervisory Board from the performed function in a secret voting.

#### §16

1. The Supervisory Board should convene meetings if necessary, however not less than three times during the turnover year.
2. The Chairman of the Supervisory Board or his deputy has the duty to convene the meeting of the Supervisory Board upon the request of the Management Board or a member of the Supervisory Board containing the proposed agenda within two weeks from the day of receiving the motion.

#### §17

1. Taking into consideration the resolutions of section 2, the Supervisory Board passes resolutions with an absolute majority of votes, i.e. the number of votes exceeding half of the cast valid votes when at least half of the Supervisory Board's composition is represented.
2. The Supervisory Board passes its regulations which determine the mode of its proceedings in a detailed way.
3. The members of the Supervisory Board may take part in passing resolutions of the Supervisory Board, casting their vote in writing by hand of another member of the Supervisory Board with the exclusion of matters that are introduced to the agenda on the meeting of the Supervisory Board.
4. The members of the Supervisory Board may participate in passing resolutions casting their vote in a written course or by using means of direct remote communication under the condition of notifying all members of the Supervisory Board about the contents of the resolution draft.

#### §18

1. The Supervisory Board permanently supervises the activity of the Company in all domains of its activity.
2. The Supervisory Board has, in particular, the following entitlements:



- 1) to estimate the reports of the Management Board on the Company's activity and the financial report for the previous turnover year in the range of their conformity with the books and documents, as well as, with the real status,
  - 2) to estimate the motions of the Management Board concerning the profit distribution or loss coverage,
  - 3) to submit to the General Meeting an annual report, in writing, on the results of the estimates mentioned in point 1 and 2.
3. The Supervisory Board is also entitled to:
- 1) to approve the regulations of the Management Board of the Company,
  - 2) to appoint and recall individual or all members of the Management Board (in a secret voting),
  - 3) to conclude contracts with the members of the management, including the establishment of the remuneration and other terms of performing the function of the member of the Management Board,
  - 4) to determine the remuneration for the member of the Supervisory Board delegated to a permanent individual supervision in case of entrusting this entitlement by the General Meeting,
  - 5) to suspend in functions - out of important reasons - individual or all members of the Management Board (in a secret voting),
  - 6) to delegate the members of the Supervisory Board to temporarily perform the functions of the members of the Management Board who are not able to perform their functions,
  - 7) to grant consent for reducing employment if it has a nature of the so called group dismissal according to the interpretation of proper regulations,
  - 8) to choose, upon the motion of the Management Board, an expert auditor in order to examine financial reports,
  - 9) to give consent to acquire and sell real estates, perpetual usufruct or a share in the real estate of a value exceeding five million PLN,
  - 10) to grant the Management Board the consent for acquiring and taking over shares or stocks in other companies the single value of which does not exceed one million PLN or 25% in the capital of such company,
  - 11) to grant consent for setting up branch offices or representative offices abroad,
  - 12) to approve the investment plan for the Company and the Stalexport Autostrady Capital Group,
  - 13) to give an opinion on the resolutions presented by the Management Board on General Meetings,
  - 14) to give consent to grant guarantees or warranties and also to contract other off- balance sheet liabilities, the single value of which exceeds five million PLN,
  - 15) to give consent - on the motion of the Management Board - to issue the bonds other than convertible ones and with the priority rights,
  - 16) on the motion of the Management Board - to give a consent to transfer the rights and duties resulting from licences and concessions granted the Company by appropriate bodies of administration,
  - 17) on the motion of the Management Board - to give an opinion regarding the sale and leasing of the enterprises as well as tangible and intangible assets and making the right of perpetual usufruct on them,
  - 18) on the motion of the Management Board - to give a consent to sell the shares in the subsidiary companies for which Stalexport Autostrady S.A. with the seat in Katowice, is the dominant company.

§19

1. The Supervisory Board carries out its duties collectively, it can, however, delegate its members to an independent performance of definite supervisory functions.
2. The members of the Supervisory Board perform their rights and duties personally.

**C. THE GENERAL MEETING**

§20

1. The Ordinary General Meeting takes place in a period of 6 months after the passage of each turnover year.
2. The Extraordinary General Meeting may take place in any term when the organs or persons entitled to convene the general meetings acknowledge it as advisable maintaining the binding procedures.
3. The Management Board convenes the General Meeting.
4. The General Meeting shall be convened by publishing the announcement, at least twenty-six days before the date of the meeting, on the company's website and in the manner provided for publishing the current information, in accordance with the provisions of the Act on Public Offering and the conditions for introducing financial instruments to organized trading system and public companies.
5. The Supervisory Board has the right to convene an Ordinary General Meeting, if the Management Board does not convene it in the term defined in section 1 and Extraordinary General Meeting if convening it considers as necessary.
6. The shareholder or shareholders representing at least 1/20 of the stock capital may request to convene an Extraordinary General Meeting.

§21

1. The General Meeting may pass resolutions only in matters covered by the agenda, unless the entire stock capital is represented and no one from the present members submits an objection in regard to passing the resolution.
2. Motions of an orderly nature and the motion on convening the Extraordinary General Meeting may be voted and resolutions in this range passed, despite the fact that they have not been placed on the agenda.
3. Taking off of the agenda or abandonment of examining the question put on the agenda, on motion of the shareholders, requires passing a resolution of the general meeting, after approval given beforehand by all present shareholders, who notified such motion, supported by 75% votes of the general meeting.

§22

The General Meetings are held at the seat of the Company.

## §23

1. The General Meeting of Shareholders is opened by the Chairman of the Supervisory Board or his deputy or another member of the Supervisory Board - and in case when the members of the Supervisory Board are absent - the President of the Management Board or a person indicated in writing by the Management Board and next the chairman is chosen from among the persons entitled to participate in the General Meeting.
2. The General Meeting may pass its own regulations, determining the course of conducting the meetings in a detailed way.

## §24

1. The resolutions of the General Meeting of Shareholders require, in particular:
  - 1) the approval after considering the Management Board's report on the Company's activity and the financial report for the previous turnover year,
  - 2) the profit distribution or loss coverage,
  - 3) granting the members of the Management Board and the members of the Supervisory Board exoneration from duties performed by them,
  - 4) sale and lease of the enterprise or its organised part and setting up a limited property right upon them,
  - 5) the issue of convertible bonds or bonds with the priority right,
  - 6) consideration and approval of the financial statement of the Stalexport Autostrady Capital Group,
  - 7) the amendment of the Company's Statutes, including the subject of the Company's activity, increase or decrease of the stock capital and also the amortisation of shares,
  - 8) an essential change of the subject of the Company's activity,
  - 9) dissolution and liquidation of the Company,
  - 10) merging, dividing and transforming the Company,
  - 11) appointing members of the Supervisory Board after establishing earlier the number of its members for a given term of office and recalling them,
  - 12) determining the remuneration principles for the appointed members of the Supervisory Board.

## §25

An essential change of the subject of the Company's enterprise may take place without the duty to redeem shares with the observance of the adequate provisions of law.

## **V. THE COMPANY'S ECONOMY**

## §26

The calendar year is the turnover year of the Company.

§27

1. The reserve capital is formed in order to cover losses up to the value no smaller than 1/3 of the stock capital;
2. The Company may form other reserve capitals for covering particular losses or expenditures.

§28

1. The shareholders have the right to a share in the profit indicated in the financial report unless the General Meeting passes a resolution in this subject;
2. The General Meeting determines the day of the dividend and the date of its payment.

**VI. FINAL PROVISIONS**

§29

1. The Company publishes its announcements in the Judicial and Economic Monitor.
2. Moreover, every announcement of the Company should be posted up at the seat of the Company in places that are accessible to all employees.

Katowice, 04.04.2011

**Enclosure no 2**

Regulations  
of the Management Board  
of Stalexport Autostrady  
Joint Stock Company  
in Katowice

**REGULATIONS<sup>1/3/4</sup>**  
**OF THE MANAGEMENT BOARD**

§1

The Regulations determines the organisation and activities of the Management Board of Stalexport Autostrady S.A.

§2

The Management Board conducts the matters of the Company and represents it, and all the matters which are not restricted for the statutory or legal competence of the Supervisory Board or the General Meeting of Shareholders, are within its competence.

§3

1. In case the Management Board is numerous - the Chairman - individually, two members of the Management Board jointly or a member of the Management Board together with a proxy - are entitled to submit declarations on behalf of the Company.
2. The Management Board may grant proxies.

§4

The Management Board conducts the matters of the Company collectively, and the resolutions of the Management Board form the judicial basis for carrying out the provisions of that acts of the internal law for all organizational units and the employees of the Company.

§5

1. Meetings of the Management Board are held once a month, if there is such a need.
2. Meetings of the Management Board are convened by the Chairman or when he is absent, by the member of the Management Board, appointed by the Chairman - out of his own initiative or on a written motion of each of the members of the Management Board.
3. Meetings of the Management Board are also convened out of the initiative of the Supervisory Board or it Chairman.
4. A meeting convened on motion of the Supervisory Board or a member of the Management Board should be held without delay but not later than within 7 days from the date of submitting the motion.

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<sup>1</sup> These regulations were passed - on the basis of §11 reg.5 of Statutes of STALEXPORT S.A. - by the Management Board of the Company on 13.03.2003 (resolution no. 32/2003) and approved by the Supervisory Board on 26.03.2003 (Resolution no 2/2003).

<sup>3</sup> §10 the Management Board of the Company on 15.04.2004 (resolution no. 26/2004). The change was approved by the Supervisory Board on 26.04.2004 (resolution no. 3/2004).

<sup>4</sup> Section 2 §7 deleted by the Management Board on 02.02.2010 (resolution no 10/2010). The change was approved by the Supervisory Board on 02.03.2010 (resolution no 2/2010).

## §6

1. A notification about convening a meeting of the Management Board should be such forwarded so as each member of the Management Board was informed about it in an adequate time.
2. The agenda should be enclosed to the notification about the meeting of the Management Board.
3. Participation of members of the Management Board in the meetings is obligatory.

## §7

1. The Management Board passes the resolutions in all matters which, according to it are crucial and important in the activity which constitutes the subject of the Company's enterprise and for functioning of the Company.
2. (deleted).
3. In case of justified absence of a member of the Management Board at the meeting, he may, in matters covered by the agenda, submit his standpoint in writing to the Management Board.

## §8

1. In justified cases, a resolution may be passed in a circular course, without holding the meeting of the Management Board.
2. In the remaining matters the current decisions are taken by individual members of the Management Board, according to the competence resulting from the Regulations of the Company's Organisation with maintaining the rule of the appropriate representation in case of need to submit declarations on the behalf of the Company.

## §9

1. To make resolutions of the Management Board valid, it is necessary to notify about the meeting all members of the Management Board.
2. The President of the Management Board or a member of the Management Board appointed by him, presides over the meetings of the Management Board.
3. Resolutions are passed by the absolute majority of votes, if there is an equal number of votes, the vote of the President of the Management Board is decisive.

## §10

1. The members of the Management Board observe the Best Practices accepted by the Company, in particular:
  - will inform the Management Board if there is possibility of investing by them or concluding other profitable transaction connected with the subject of the Company activity,
  - will inform immediately the Supervisory Board about each conflict of interests which already occurred or is possible to occur, in connection with the function they perform.

2. In case of an inconsistency between the Company's business with a personal business of a member of the Management Board, his spouse, relatives and kinsmen, the member of the Management Board should restrain himself from taking part in deciding about such matters and he should demand that this be pointed out in the minutes.

§11

Other persons, invited by the President out of his own initiative or on motion of a member of the Management Board, may take part in the meetings of the Management Board.

A member of the Management Board has the right to object to the participation of persons from beyond the Management Board. The matter will be settled by the Management Board by means of adopting an adequate resolution.

All participants of the meeting are obliged to keep the meetings secret.

§12

Resolutions passed by the Management Board should contain the date and the number according to the order they are passed and a concise definition of their subject.

Members of the Management Board, who pass the resolutions, sign them.

§13

The meetings of the Supervisory Board are entered on the minutes, signed by the members of the Management Board, present at the meeting as well as by the recorder.

Persons taking part in the meeting, the agenda, the subject of the passed resolutions, number of votes cast for particular resolutions and individual opinions and, in case a member of the Management Board is absent, the reasons of this absence should be enclosed in minutes.

The minutes are kept in the book of minutes of the Management Board meetings.



**Enclosure no 3**

**Regulations  
of the General Meeting**

Consolidated text<sup>1</sup>

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<sup>1</sup> Determined by the Supervisory Board's resolution no. 25/2010 dated on 15.04.2010.

## **Regulations<sup>2/3/4/5/6</sup> of the General Meeting**

### §1

The General Meeting, is the highest organ of authority of Stalexport Autostrady S.A. Convening and preparing the General Meeting is done according to the rules determined in the Commercial Companies Code and in the Charter of Stalexport Autostrady S.A.

### §2

1. The right to participate in General Meeting have only persons being shareholders 16 days before the date of the General Meeting.
2. The day of registration on the General Meeting is uniform for entitled persons/shareholders having bearer and inscribed shares.
3. The owners of inscribed shares and temporary certificates as well as lienors (pledgers) and the users, who have the right to vote if they are registered in share book on day of the registration on the General Meeting.

### §3

1. A list of shareholders authorized to participate in the General Meeting is made up and signed by the Management Board.
2. The list should include:
  - 1/ names and surnames (firm names) of shareholders or the name of the company authorized to participate,
  - 2/ place of their residence or company's seat,
  - 3/ number and type of shares and the number of votes they are entitled to.
3. The list should be displayed at the office of the Management Board of the Company for three working days immediately preceding the date fixed to hold the General Meeting.
4. Each shareholder may review the list of shareholders at the office of the Management Board and demand the duplicate of the list with the return of the costs of its preparation, or an electronic copy, indicating the email address to which the document is to be sent.

### §4

1. A shareholder has the right to participate in the General Meeting and has the right to vote personally or by a proxy. The power of attorney to participate in General Meeting should be made in the written or electronic form. The electronic form does not require to be signed by safe electronic signature verified by a valid qualified certificate.
2. *(deleted)*.

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<sup>2</sup> Passed by the Extraordinary General Meeting of Shareholders of STALEXPORT S.A. on 27.11.2002 (resolution no 6)

<sup>3</sup> Point 4 in § 23 was added by EGSM on 15.01.2004 (resolution no 9)

<sup>4</sup> Point 2 in § 11 was added by XII OGSM on 24.06.2005 (resolution no 23)

<sup>5</sup> Point 1 in § 6, point 2 in §10 and point 2 in §22 were changed by the EGSM on 20.10.2006 (resolution no 6)

<sup>6</sup> Changes made by the General Meeting of Stalexport Autostrady S.A. dated on 30.03.2010 r. (resolution no. 21). The changes concern: §1, §2, §3 point 4, §4 point 1 i 2 (deleted), §6 point.1, §14 point.1 and §23 point. 4

## §5

The General Meeting is opened by the Chairman of the Supervisory Board or by his deputy, in case that persons are absent – the President of the Management Board or a person pointed by the Management Board, then a chairman is chosen from amongst the persons entitled to participate in the General Meeting.

## §6

1. Each person entitled to participate in General Meeting Has the right to run for the Chairman of the General Meeting as well as to enter to the minutes the candidatures for the post of the Chairman of the General Meeting.
2. The proposed candidate is entered on the list after inserting the statement to the minutes that he agrees to run for the post.
3. The Chairman of the General Meeting is chosen by means of voting for each candidate separately in the alphabetical order in secret vote.
4. The person, who opens the General Meeting supervises the correctness of voting and announces its results.
5. The person from among the proposed candidates who agreed to run for the post and achieved the highest number of validly cast votes becomes the Chairman of the General Meeting.

## §7

1. The Chairman of the General Meeting directs the debate according to the agenda, law regulations and the provisions of these Regulations.
2. The duties of the Chairman of the General Meeting are particularly as follows:
  - 1/ taking good care of an efficient and proper course of the agenda and voting,
  - 2/ granting the right to speak,
  - 3/ supervising the factual course of debates,
  - 4/ issuing the adequate order regulations in the conference room,
  - 5/ ordaining a break in the debates,
  - 6/ ordaining voting and supervising it correct course and signing all documents containing the results of voting,
  - 7/ supervising the exhaustion of the agenda,
  - 8/ settling doubts resulting from the regulations.

## §8

1. The Chairman of the General Meeting immediately after the election, signs the attendance list containing the record of shareholders participating in the General Meeting specifying the number of shares each of them has and the number of votes they are entitled to.
2. The Management Board appoints persons to make up the attendance list.. The attendance list is made up on the basis of the shareholders list, referred to in § 3 of these regulations.
3. While making up the attendance list one should:
  - 1) check whether the shareholder is entitled to participate in the General Meeting,
  - 2) check the identity of the shareholder or his proxy on the basis of the identity card or another reliable document,
  - 3) check the correctness of the power of attorney which should then be enclosed to the

- 4) minutes of the General Meeting, obtain the signature of the shareholder or his proxy on the attendance list,
  - 5) give the shareholder or his proxy a suitable magnetic card for voting or another document that will be used for voting.
4. The Chairman of the meeting has to be addressed in case the entitlement to participate in the General Meeting is called off. The attendance list is displayed during the debates of the General Meeting all the time till it is closed. Persons who make up the attendance list are obliged to introduce, without delay, changes of the persons constituting the General Meeting and at the same time indicate the moment they occurred.
  5. At the motion of the shareholders, owing 1/10 of the equity represented at that General Meeting, the attendance list should be made up by the committee chosen for that purpose, including at least three persons, and the applicants have right to choose one member of the committee.

### §9

After electing and signing the attendance list, the Chairman of the General Meeting ascertains that the Meeting has been convened in a proper way and confirms its ability to pass resolutions, presents the agenda and ordains the election of the Scrutinizing Committee. When necessary, the Chairman of the General Meeting may appoint a person to perform the function of the Secretary of the Meeting who will help him.

### §10

1. The Scrutinizing Committee consisting of 3 to 5 members is chosen by the General Meeting by means of the absolute majority of votes cast in secret vote.
2. Each shareholder has the right to enter any number of candidates proposal to the minutes. The voting is carried out for each candidate separately in the alphabetical order. The indicated persons should give their consent to run in the elections. Those candidates who consecutively received the highest number of votes are considered chosen.
3. The Committee chooses the Chairman and the Secretary from among themselves.
4. The duty of the Committee is to supervise the correct course of voting and the computer service of voting, checking and estimating the results of voting and submitting them to the Chairman of the General Meeting and performing other duties connected with the voting procedure.
5. In case of noting an irregularity in the course of voting, the Committee is obliged to immediately inform the Chairman of the General Meeting and at the same time file motions as to the further procedure.
6. Documents containing the results of each voting are signed by all members of the Committee and the Chairman of the General Meeting.
7. The General Meeting may appoint other committees to perform indicated or commissioned functions in the same course as electing the Scrutinizing Committee.
8. Minutes are taken from the functions of the Committee. After being signed by the Chairman and the Secretary they are submitted to the Chairman of the General Meeting.

## §10a

In case the voting is carried out via the computer system of casting and counting the votes, the General Meeting may pass a resolution on not appointing the Scrutinizing Committee. In such case the print of the voting is signed by the Chairman of the General Meeting

## §11

1. The General Meeting may pass a resolution to cross out matters from the agenda, as well as to change the order of matters covered by the agenda.
2. Resolutions cannot be passed in subjects not covered by the agenda, unless the whole share capital is represented at the General Meeting and nobody from the present opposes passing the resolution.
3. Taking off of the agenda or abandonment of examining the question put on the agenda, on motion of the shareholders, requires passing a resolution of the general meeting, after approval given beforehand by all present shareholders, who notified such motion, supported by at least 75% votes of the general meeting.

## §12

1. After presenting each consecutive matter included on the agenda, the Chairman of the General Meeting opens the debate, granting the right to speak according to the order of submitted applications.
2. The Chairman of the General Meeting may grant the right to speak to all members of the Management Board and the Supervisory Board beyond the order.
3. The Chairman of the General Meeting may ordain to register applications for the discussion in writing, indicating the name and the surname.
4. In case there are too many applications for discussion over a definite point of the agenda, the Chairman of the General Meeting may submit a motion for voting whether to close the discussion over this point of debate or shorten the time of their speeches.

## §13

1. One has the right to speak only in matters covered by the approved agenda and being currently considered
2. While considering each point of agenda, each shareholder has the right to a one 5-minute speech and a 3-minute-retort.
3. The Chairman of the General Meeting has the right to rebuke the speaker, who strays from the point of discussion or exceeds the time limit determined in point 2. The Chairman may deprive of speech those speakers who do not comply with the remarks.

## §14

1. Each of the shareholders entitled to participate in General Meeting Has the right to ask questions on each item of the Agenda.
2. Members of the Company's authorities - each within his competences - are obliged to give profound answers and explanations to all questions asked.

## §15

1. Each shareholder has the right to submit suggestions of changes and supplements to projects of resolutions covered by the agenda of the debates of the General Meeting - till the discussion over a point of agenda covering the project of the resolution is closed.
2. These suggestions with a short justification should be submitted in writing - separately for each project of the resolution - indicating the name and surname (firm) of the shareholder, to the Chairman of the General Meeting personally. The suggestions of the amendments and supplements of the formal and language character may be submitted verbally with a short justification.

## §16

The Chairman of the General Meeting has the right to allow experts to speak, in particular the representatives of the expert auditor.

## §17

1. In formal matters the Chairman allows to speak beyond the order. A motion in a formal matter may be submitted by each shareholder.
2. The motions referring to the course of debating and voting are regarded to be motions in formal matters and in particular referring to:
  - 1) limitation, postponement or closing the discussion
  - 2) closing the list of speakers,
  - 3) limitation of the time of speeches,
  - 4) the way of conducting debates,
  - 5) ordaining a break in debates
  - 6) the order of passing motions
3. A discussion over formal motions should be opened immediately after they are submitted.
4. In a discussion over motions in formal matters only two speakers can rise to speak one for and one against the submitted motion, unless the General Meeting decides otherwise.
5. Immediately after the discussion, the Chairman of the General Meeting submits a motion in a formal matter for voting which is passed by the absolute majority of cast votes.

## §18

1. The General Meeting is valid no matter how many shares are represented at this Meeting except cases determined in the Commercial companies code.
2. The absolute majority of votes is necessary for the validity of the resolutions, except the cases determined in Commercial companies code and the Company's Charter.

## §19

A shareholder can vote neither personally nor by a proxy or as well as a proxy of another person over the resolutions concerning:

- his responsibility before the Company whatever the claim is, including granting the discharge,
- discharging form the liabilities towards the Company.
- disputes between him and the Company.

## §20

1. The votings have the form of open ballots.
2. A secret vote is ordained at elections and over motions to call off the members of the Company' s authorities or liquidators, to call the members of the Company' s authorities account, also in personal matters, as well as at the demand of even one of the present shareholders or represented at the General Meeting.

## §21

1. After closing the discussion over each point of the agenda, before starting to vote, the Chairman announces which motions were submitted and determines the order of voting. Voting over motions is carried out according to the order they are submitted.
2. The voting is carried out via a computer system of casting and counting voices, ensuring that casting votes at the amount corresponds to the number of owned shares as well as eliminating - in case of secret vote -the possibility of identifying the way of casting votes by individual shareholders, or in another way accepted by the organ convening the General Meeting or passed by the General Meeting.

## §22

1. Before starting the election to the Supervisory Board, the General Meeting on motion of the Chairman of the General Meeting determines the number of members of the Supervisory Board each time according to the Statutes of the Company.
2. Each shareholder has the right to propose any number of candidates for a member of the Supervisory Board. Each candidate is proposed orally to the minutes with a brief motivation.
3. The proposed candidate is registered on the list after he enters to the minutes a declaration orally or in writing, that he agrees to candidate.
4. The Chairman of the General Meeting makes the list of proposed candidates for members of the Supervisory Board in an alphabetical order. When the list is made public it is regarded as closed.

## §23

1. Elections to the Supervisory Board are carried out by secret vote for each candidate separately in an alphabetical order.
2. Those candidates are regarded to be chosen for members of the Supervisory Board who consecutively achieved the highest amount of votes and achieved the absolute majority of votes.
3. In case the candidates qualified to enter the Supervisory Board achieved an equal number of votes, the Chairman ordains complementary voting. This person is regarded to be chosen who achieved the highest amount of votes.
4. In case of choosing the members of the Supervisory Board – on the shareholders` motion - by voting by groups, it takes place on the basis of a separate attendance list, In a separate place, enabling the choice of the chairman of the meeting of a given group, as well as having a discussion and carrying out the election.

§24

When the course of the agenda is completed, the Chairman of the General Meeting announces the closure of the General Meeting.

§25

1. Resolutions of the General Meeting are entered on the minutes by a notary public under pain of being invalid.
2. The minutes are taken according to the contents of adequate regulations of the Commercial companies code.
3. The Management Board of the Company enters the duplicate of the minutes into the Minute-Book.
4. Shareholders have the right to review the Minute-Book, as well as to demand an issue of copies of resolutions certified by the Management Board.
5. Detailed minutes from the agenda are taken by the Secretary of the General Meeting provided he will be appointed by the Chairman of the General Meeting.

§26

Resolutions of the General Meeting may be appealed to the Court in the course and on conditions determined in art. 422 and subsequent ones of the Commercial companies code.

§27

Regulations of the Commercial companies code and the Statutes of the Company are applied in cases not settled by these Regulations.

§28

The Regulations as well as the amendments take effect beginning from the next General Meeting after the meeting at which the Regulations was passed or its amendments.



**Enclosure no 4**

Regulations of the Supervisory Board  
of Stalexport Autostrady  
Joint Stock Company  
in Katowice

This document is a free translation of the Polish original. The binding Polish original should be referred to in matters of interpretation.

## **Regulations of the Supervisory Board <sup>1/2/3/4/5/6/8/9</sup>**

### **I. GENERAL PROVISIONS**

#### §1

The Supervisory Board acts on the basis determines, on the basis of the Company's Statutes, the resolutions of the General Meeting of Shareholders as well as on the law regulations in force, especially the Commercial Companies Code.

#### §2

The Supervisory Board permanently supervises the activity of the Company in all branches of its enterprise, and the detailed competences are determined in § 18 of the Company's Statutes.

#### §3

The Supervisory Board performs its tasks and duties at the meetings as well as, as determined in § 17 section 3 and 4 of the Company's Statutes, also by supervising and monitoring the Company's activities in its all domains.

### **II. COMPOSITION AND ELECTION OF THE SUPERVISORY BOARD**

#### §4

The Supervisory Board is composed of 5-9 members chosen in the way determined in the Company's Statutes, and performs its rights and duties personally.

#### §5

1. The joint term of the Supervisory Board lasts 3 years, simultaneously both the whole Board and each of its members may be dismissed by the General Meeting at any time.
2. The mandates of the members of the Supervisory Board expire:

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<sup>1</sup> Passed by the Supervisory Board on 07.08.2002 (resolution no 14/2002)

<sup>2</sup> Amended by the Supervisory Board on 07.06.2004 (resolution no 9/2004, amendments concern par. 5 passage 2 point 2b and par. 9 passage 1)

<sup>3</sup> Amended by the Supervisory Board on 06.07.2005 (resolution no 10/2005), amendments concern par 21 (reading of the first line was changed as well as point 12) and par. 25 ( point 2 was added)

<sup>4</sup> Amended by the Supervisory Board on 02.03.2007 (resolution no 9/2007) the change concerns § 25 point 2 (second sentence was added in point 2 – introducing the Regulations of Remuneration and Audit Committees).

<sup>5</sup> Amended by the Supervisory Board on 30.07.2009 (resolution no 16/2009) the change concerns § 25 point 2 (new wording and approval of the new Regulations of the Audit Committee of Supervisory Board of Stalexport Autostrady S.A.)

<sup>6</sup> Amended by the Supervisory Board on 02.03.2010 (resolution no 3/2010) the change concerns §3, §4, §8 point 1, §12 point 3 and §28.

<sup>8</sup> Amended by the Supervisory Board – resolution no 16/2011. The amendment refers to §13 and art.1 of the Regulations of the Audit Committee, which the enclosure no 2 to the Regulations of the Supervisory Board.

<sup>9</sup> Amended by the Supervisory Board – resolution no 11/2012. The amendment refers to §19 (§20 and §21 deleted).

- a) with the lapse of the term i.e. with a date of the General Meeting confirming the financial statement of the Company for the last turnover year of performing their duties,
- b) in case of resigning from the function,
- c) in case of dismissal by the General Meeting with a passing of the appropriate resolution,
- d) in case of death of the Board member.

## §6

If the composition of the Supervisory Board is diminished during the term, the Chairman of the Board submits a motion to supplement the composition at the nearest General Meeting.

## §7

On the first meeting of a new term of office, the Supervisory Board chooses from themselves, in secret voting, the Chairman, the Vice Chairman and the Secretary; on the subsequent meeting, in case of need, the complementary elections are held.

### **III. CONVENING THE MEETINGS AND CONDUCTING THE AGENDA**

## §8

1. The Supervisory Board's meetings are held if necessary, but not less frequently than three times a turnover year.
2. It is the duty of the Chairman of the Supervisory Board or his deputy to convene the meeting of the Supervisory Board at the demand of the Management Board or the member of the Supervisory Board, including the proposed agenda within two weeks after submitting the motion.

## §9

1. The notification of the Supervisory Board meeting together with the agenda should be sent at least 7 days before the planned date of the meeting, by means of registered mail or fax or by e-mail. The notification is effective if it is confirmed.  
In justified cases the Chairman of the Supervisory Board may shorten the above date.
2. The member of the Supervisory Board, not able to participate in the meeting, notifies the Chairman of the Supervisory Board by means of mail, phone, fax or e-mail of the cause of his absence, sent to the address of the Company's Office in Warsaw.
3. The Management Board is responsible for the distribution of the materials and their protection.

## §10

1. The agenda of the meeting is determined by the person who convenes it, or by his authorisation, by the Board Secretary, including the motions to convene the meeting submitted according to § 8.2. of the Regulations.
2. The resolutions may be passed only in matters covered by the agenda, unless all members of the Board are present at the meeting and agree to supplement the agenda and to vote on the matter not included earlier in agenda.

## §11

1. The Chairman of the Supervisory Board directs the works of the Board, convenes the Board's meetings and presides over the convention. In case the Chairman is absent his duty is performed by his deputy.
2. The Chairman of the Supervisory Board of the previous term of office convenes and opens the first meeting of a newly chosen Board and he presides over it until the Chairman of the Supervisory Board of a new term office is chosen.

## §12

1. The Supervisory Board passes the resolutions by the absolute majority, i.e. the number of votes which exceeds half of the validly cast votes of at least half present composition of the Supervisory Board which was properly notified.
2. The members of the Supervisory Board may participate in passing resolutions by the Board, casting their votes in writing or through the other member of the Supervisory Board excluding the matters put on agenda at the meeting of the Board.
3. The voting is open. The secret voting is applied during elections and on motions to dismiss a member of the Management Board or the whole Management Board, to prosecute them, as well as in personal matter. Besides, the Board may resolve a secret voting in every matter by absolute majority of votes of the members present at the meeting.

## §13

The members of the Supervisory Board may participate in passing resolutions by the Board, casting their votes in writing or by means of direct distant communication provided that all members of the Board are notified of a resolution draft (circular course).

## §14

1. On the meetings despite resolutions the Supervisory Board also passes provisions such as: the opinions and motions for the General Meeting as well as the recommendations after the supervision actions for the Management Board.
2. While passing provisions the same rules are applied as while passing resolutions.

## §15

The meetings of the Supervisory Board are entered on the minutes. The minutes should record the date and the agenda of the meeting, names and surnames of the Board members present at the meeting as well as the persons invited; the statement that the Board has capacity to pass resolutions and that all members has been notified of the meeting; the numbers of votes cast during voting on individual provisions together with their tenors and dissenting judgement.

## §16

The minutes from the meeting are signed by all members of the Supervisory Board present at the meeting. Signing may take place at the subsequent meeting of the Board. The refusal to sign should be justified in writing.

## §17

1. The Supervisory Board is obliged to keep the minute-book.
2. The Supervisory Board keeps the separate resolutions-book which includes only the resolutions passed by the Board. The resolutions are signed by the Chairman of the Board or by his Deputy and the Secretary ( if need be - the member of the Board drawing up the minutes).
3. The Secretary of the Supervisory Board is responsible for drawing up the minutes, keeping the minutes-book and the resolutions book.

## §18

1. The President of the Management Board of the Company is invited to the Supervisory Board meetings and may participate in them.
2. The Chairman of the Supervisory Board may also invite other persons to the meeting of the Supervisory Board.
3. The Chairman of the Management Board may submit a motion to invite other members of the Management Board, proxies or attorneys at the individual points of the agenda. The decision in this matter is made by the Chairman of the Board or his deputy.

**IV. TASKS AND THE RANGE OF THE SUPERVISORY BOARD ACTIVITY**

## §19

1. The Supervisory Board permanently supervises the activity of the Company in all domains of its activity.
2. The Supervisory Board has, in particular, the following entitlements:
  - 1) to estimate the reports of the Management Board on the Company's activity and the financial report for the previous turnover year in the range of their conformity with the books and documents, as well as, with the real status,
  - 2) to estimate the motions of the Management Board concerning the profit distribution or loss coverage,
  - 3) to submit to the General Meeting an annual report, in writing, on the results of the estimates mentioned in point 1 and 2.
3. The Supervisory Board is also entitled to:
  - 1) to approve the regulations of the Management Board of the Company,
  - 2) to appoint and recall individual or all members of the Management Board (in a secret voting),
  - 3) to conclude contracts with the members of the management, including the establishment of the remuneration and other terms of performing the function of the member of the Management Board,
  - 4) to determine the remuneration for the member of the Supervisory Board delegated to a permanent individual supervision in case of entrusting this entitlement by the General Meeting,
  - 5) to suspend in functions - out of important reasons - individual or all members of the Management Board (in a secret voting),
  - 6) to delegate the members of the Supervisory Board to temporarily perform the functions of the members of the Management Board who are not able to perform their functions,

- 7) to grant consent for reducing employment if it has a nature of the so called group dismissal according to the interpretation of proper regulations,
- 8) to choose, upon the motion of the Management Board, an expert auditor in order to examine financial reports,
- 9) to give consent to acquire and sell real estates, perpetual usufruct or a share in the real estate of a value exceeding five million PLN,
- 10) to grant the Management Board the consent for acquiring and taking over shares or stocks in other companies the single value of which exceeds one million PLN or 25% in the capital of such company,
- 11) to grant consent for setting up branch offices or representative offices abroad,
- 12) to approve the investment plan for the Company and the Stalexport Autostrady Capital Group,
- 13) to give an opinion on the resolutions presented by the Management Board on General Meetings,
- 14) to give consent to grant guarantees or warranties and also to contract other off- balance sheet liabilities, the single value of which exceeds five million PLN,
- 15) to give consent - on the motion of the Management Board - to issue the bonds other than convertible ones and with the priority rights,
- 16) on the motion of the Management Board - to give a consent to transfer the rights and duties resulting from licences and concessions granted the Company by appropriate bodies of administration,
- 17) on the motion of the Management Board - to give an opinion regarding the sale and leasing of the enterprises as well as tangible and intangible assets and making the right of perpetual usufruct on them,
- 18) on the motion of the Management Board - to give a consent to sell the shares in the subsidiary companies for which Stalexport Autostrady S.A. with the seat in Katowice, is the dominant company.

#### §20

The Supervisory Board is entitled – through the Management Board which is obliged to conclude suitable agreements - to demand to perform for its needs, at the Company's expense, the expert's reports, analysis and other documents necessary to perform its statutory purposes.

#### §21

The members of the Supervisory Board has right to participate in the Management Board meetings.

#### §22

The Chairman of the Board is entitled - performing the resolutions of the Board – to demand that the meeting of the Management Board of the Company should be convened and particular problems be put on the agenda.

#### §23

1. The Supervisory Board or delegated, individual members of the Board have the right to supervise the full range of the Company's activity, and in particular:
  - a) to exam all documents of the Company,

- b) to demand the reports and explanations from the Management Board and the employees,
  - c) to verify the assets of the Company.
2. The Supervisory Board appoints, out of its members, the Management Board's Remuneration Committee and the Audit Committee, determining the tasks, rights and the modus operandi in their Regulations. The committees report to the Board on their annual activity, and their regulations are the enclosures to the Regulations of the Supervisory Board.

## §24

The information undertaken by the members of the Supervisory Board in connection with the performance of their duties, is an official secret.

## §25

1. The Supervisory Board may delegate its members to perform individual particular supervision.
2. The members of the Board delegated to perform supervision mentioned above, receive separate remuneration in the amount determined every time by the General Meeting, at the motion of the Board.

## §26

The Supervisory Board is entitled to convene the Extraordinary General Meeting if the Management Board does not do so within the time period defined in the Statutes as well as the Extraordinary General Meeting insofar as it is deemed necessary

## §27

The members of the Supervisory Board receive the remuneration in the amount and on principles resolved by the General Meeting.

## §28

1. The costs of the Supervisory Board activity are covered by the Company.
2. The Supervisory Board uses the office rooms, devices and materials of the Company.
3. The administrative and technical service is provided by the Company.

## §29

The regulations become effective from the date they are passed.

The Secretary  
of the Supervisory Board  
/-/ Michelangelo Damasco

The Chairman  
of the Supervisory Board  
/-/ Roberto Mengucci

**Regulations<sup>7</sup>  
of the Remuneration Committee of the Supervisory Board  
of Stalexport Autostrady S.A.**

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### **1. General provisions**

The Remuneration Committee (hereafter called Committee) is an advisory body, subject to the Supervisory Board.

### **2. Composition of the Committee**

- 1) the Committee is appointed by the Supervisory Board and composed of the Supervisory Board members,
- 2) the Supervisory Board appoints the Chairman of the Committee (hereafter called „the Chairman”),
- 3) the Chairman directs the work of the Committee.

### **3. Rules of activity**

- 1) the meetings of the Remuneration Committee are held at its discretion,
- 2) the Chairman of the Committee may invite to the meetings of the Committee the members of the Supervisory Board or of the Management Board, the employees of the Company or other persons,
- 3) the Committee takes decisions by the simple majority. In case of equal number of votes, the conclusive vote belongs to the Chairman,
- 4) the members of the Committee may participate in the meetings of the Committee and vote personally, or by means of direct distant communication,
- 5) the meetings of the Remuneration Committee are convened by the Chairman. The information on the meeting must be delivered to the members of the Committee, at least 5 days before the meeting, and if there is a need, not later than one day before the meeting,
- 6) the Chairman may appoint the secretary of the Committee, the task of which will be, in particular, preparing the agenda, arranging the distributions of the documents and drawing up the minutes of the meetings of the Committee.

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<sup>7</sup> *Approved by the resolution no 9/2007 dated 02.03.2007 in regard to the changes in the Regulations of the Supervisory Board of STALEXPORT S.A.*



#### **4. The tasks of the Committee**

The task of the Committee is present to the Supervisory Board the recommendation of the principles and the remuneration amount of the Management Board members.

The detailed tasks of the Committee cover:

- 1) determining the terms of employment and remuneration of the members of the Management Board,
- 2) annual presenting to the Supervisory Board of the proposals of bonus tasks for the members of the Management Board as well as the criteria of assessment of their execution,
- 3) presenting to the Supervisory Board the recommendations concerning the amount of the bonus for the members of the Management Board,
- 4) drawing up an annual report on the activity of the Committee for the Supervisory Board.

#### **5. Powers of the Committee**

The Committee is entitled to:

- 1) examining any activity of the Company, essential from the viewpoint of the tasks of the Committee,
- 1) obtaining from the Management Board any information, experts' reports, reports and explanations, essential for the activity of the Committee.

**Regulations<sup>8/9</sup>  
of the Audit Committee of the Supervisory Board  
Stalexport Autostrady S.A.**

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§1

The Audit Committee consists of three members of the Supervisory Board – *appointed by the Supervisory Board* -. The Chairman is in charge of the Committee.

§2

The tasks of the Audit Committee, include in particular:

- 1) monitoring of financial reporting process of the Company,
- 2) monitoring of effectiveness of the internal control systems, the internal audit and risk management in the Company,
- 3) monitoring of financial audit,
- 4) monitoring of independence of auditor and entity authorized to audit financial statements, including other services provided for the Company,
- 5) recommending to the Supervisory Board the entity authorized to audit financial statements which will perform financial audit in the Company,
- 6) reviewing and analyzing the periodic and annual financial statements of the Company, both individual and consolidated ones, and next presenting the essential conclusions to Supervisory Board of the Company,
- 7) drawing up the annual report on the activity of the Committee for Supervisory Board.

§3

The Audit Committee is authorized in particular:

- 1) to examine the documentation of the Company regarding the matters and issues covered by the Committee's tasks, also to receive from the Management Board and through it, from the other employees of the Company any information and explanations concerning the issues covered by the Committee competence,

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<sup>8</sup> *Approved by the resolution no 16/2009 dated 30.07.2009 regarding the changes in the Regulations of the Supervisory Board and approving the Regulations of the Audit Committee.*

<sup>9</sup> *Amended by the Supervisory Board - resolution no 16/2011. The amendment refers to art.1 of the Regulations of the Audit Committee.*

- 2) to cooperate with auditors in the issues covered by the tasks of the Committee, including the following:
  - to receive from entity authorized to audit the financial statements of the Company (performing a financial statement audit in the Company), a declaration confirming its independence and also the independence of auditors,
  - to receive from the above entity a declaration of other services provided for the Company, such as tax consultancy, preparing the expert opinions or other services,
  - to receive from the aforementioned entity an information in writing on threats of independence of the entity authorized to audit financial statements and the action taken to limit such threats.

#### § 4

1. The Audit Committee holds regular meetings at least once a quarter prior to publication of financial statements by the Company.
2. The meetings of the Committee are convened by its Chairman, who duly informs the other members of the Committee about it, no later than five days before the date of the meeting, and exceptionally in urgent cases, one day before the meeting's date.
3. The Audit Committee takes the decisions by simple majority of votes with a reservation, that in case of casting the equal number of votes in favour and against, the Chairman has the final vote.
4. The Audit Committee performs its tasks at the meetings, however in justified cases it is acceptable to make a decision by means of direct distant communication such as phone, e-mail, etc.
5. The Chairman of the Audit Committee can designate other member of the Committee to take the responsibility for its organizational issues and to draw up the minutes of its meetings.

## Enclosure 5 - Financial highlights of STX Autostrady

Table 1 Financial data concerning the financial statements of STX Autostrady for the year ended 31 December 2012

	TPLN		TEUR	
	2012	2011	2012	2011
Revenue	3 826	3 893	917	940
Results from operating activities	(5 796)	(14 777)	(1 389)	(3 569)
Loss before income tax	(916)	(5 119)	(219)	(1 236)
Loss for the period	(965)	(5 119)	(231)	(1 236)
Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
Basic earnings per share (PLN/EUR)	(0.00)	(0.02)	(0.00)	(0.01)
Diluted earnings per share (PLN/EUR)	(0.00)	(0.02)	(0.00)	(0.01)
Net cash used in operating activities	(22 664)	(22 654)	(5 430)	(5 472)
Net cash from investing activities	49 000	23 366	11 740	5 644
Net cash used in financing activities	-	(6 516)	-	(1 574)
	<b>31.12.2012</b>	<b>31.12.2011</b>	<b>31.12.2012</b>	<b>31.12.2011</b>
Total assets	215 275	226 802	52 658	51 350
Total non-current assets	83 841	85 181	20 508	19 286
Total current assets	131 434	141 621	32 150	32 064
Total liabilities	22 418	38 768	5 484	8 777
Total non-current liabilities	7 949	21 094	1 944	4 776
Total current liabilities	14 469	17 674	3 539	4 002
Total equity	192 857	188 034	47 174	42 572
Share capital	185 447	185 447	45 362	41 987

Source: own materials

Selected financial data has been translated to Euro according to following rules:

- items of the statement of comprehensive income and the statement of cash flows for the year 2012 and 2011 according to exchange rate, calculated as an average of average NBP exchange rates at the last day of every month comprising the accounting period, i.e. 4.1736 PLN/EUR and 4.1401 PLN/EUR respectively;
- items of statement of financial position according to average NBP exchange rate at the reporting date i.e. 4.0882 PLN/EUR at 31 December 2012 and 4.4168 PLN/EUR at 31 December 2011.