



STALEXPORT AUTOSTRADY S.A.

**MANAGEMENT BOARD'S
REPORT ON THE ACTIVITIES OF
CAPITAL GROUP**

IN 1st SEMESTER 2012

Katowice. July 30, 2012

Table of Contents

Definitions and abbreviations	3
1. Basic information on Stalexport Autostrady Group	6
1.1. Stalexport Autostrady S.A.	7
1.2. Entities covered by the consolidation and the methods of their consolidation	8
1.3. Description of other companies of Stalexport Autostrady Group	8
2. Essential information for the evaluation of the financial situation, assets situation and financial result of the Stalexport Autostrady Group and their changes and essential information for the evaluation of the possibilities to execute liabilities by the Company and its Group	12
2.1. Presentation of the financial results	12
2.2. Assets and financial position	15
3. Other information on Stalexport Autostrady Group	17
3.1. Information on concluded agreements significant for the Group's operations, including the agreements, the Company is knowledgeable about, concluded between the shareholders, insurance agreements or cooperation agreements	17
3.2. Information on the changes in organizational or capital relations of the Group with other entities	17
3.3. Information regarding transactions concluded by the Company or by its subsidiary with related entities on non-market terms ..	18
3.4. Information on suretyships and guarantees granted and obtained in the turnover year, in particular suretyships and guarantees granted to affiliated entities	19
3.5. Information on the issuance of securities along with the description of the utilization of inflows from the issuance by the Company	19
3.6. Information significant for the evaluation of the HR matters of the Stalexport Autostrady Group	20
3.7. Company's shares as well as stocks in the entities connected with the Company held by the Stalexport Autostrady Group managing and supervising persons	23
3.8. 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	23
3.9. Information on judicial proceedings pending in court, proper authority for the arbitration proceedings or the authority of the public administration	24
4. Description of the main risks and hazards as well as the characterization of the external and internal factors crucial for the development of the Company and the Stalexport Autostrady Group	25
5. Summary	27
6. Statements	28
6.1. Statement of the Management Board setting forth that according to their best knowledge, the semi-annual condensed consolidated financial statement 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 Group 's state of affairs and its financial result, as well as the Management Board's semi-report on the activities of the Company's Group comprises a true picture of the Company's Group development and achievements and situation, including the description of basic risks	28
6.2. Statement of the Management Board stating that the entity entitled to audit financial statements, reviewing the semi-annual condensed consolidated financial statement, has been selected in accordance with the provisions of law and that this entity as well as chartered auditors reviewing the statement have met the conditions regarding issuing impartial and independent report on reviewing the semi-annual abridged consolidated financial statement, in line with the appropriate provisions of the national law and the professional	29

List of Tables

Table 1	Basic financial data of Stalexport Autostrady Group and the most important entities from the Group	7
Table 2	Companies covered by the consolidation, consolidation methods description	8
Table 3	Selected positions of statement of comprehensive income of Stalexport Autostrady Group in 1 st semester of 2012 as well as the corresponding period of 2011 (consolidated data)	12
Table 4	Structure of the revenues on the motorway toll collection – data for 1H2012 and the corresponding period of 2011	13
Table 5	Condensed financial position of Stalexport Autostrady Group (consolidated data) as at June 30, 2012 and December 31, 2011 ..	15
Table 6	Financial data concerning the condensed consolidated interim financial statements for the six-month period ended June 30, 2012	30
Table 7	Financial data concerning the condensed unconsolidated interim financial statements for the six-month period ended June 30, 2012	31

List of Drawings

Chart 1	Organizational scheme of the Stalexport Autostrady Group as on June 30, 2012	6
Chart 2	ADT levels in 1Q and 2Q – data for the period between 2010 and 2012	13
Chart 3	Group's net debt (consolidated data) – as at December 31, 2010 and June 30, 2012	16
Chart 4	Stalexport Autostrady's organizational scheme as on June 30, 2012	20

Definitions and abbreviations

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

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 Domestic 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	WestLB AG (London Branch), Polski Bank Przedsiębiorczości S.A., DEPFA Bank Plc, KfW IPEX-Bank GmbH and Bank Polska Kasa Opieki S.A.
Deloitte	Deloitte Audyty 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
Report	Management Board's report from the activities of Stalexport Autostrady S.A Group in 1st Semester 2012
Ksh	Commercial companies code
ADT	Average Daily Traffic of vehicles

Letter from the President of Managing Board

Dear Sirs,

Dear Shareholders,

I am proud to present the Management Board Report regarding activities of Stalexport Autostrady Group throughout the first half of 2012.

Over the six months that are subject of the report, the activities of the Management Board focused mainly on developing a programme and launching changes in the organisation structure of the Group. That process will have been implemented by the end of 2012. It includes centralisation of some of the activity areas of the Group, which shall bear fruit in future, in the form of more rational and thus more efficient use of the human resources and tangible assets of companies forming the Group.

Those activities will result in considerable effects, in the form of reduction of the cost of activity of the Group. Cost reduction, however, shall not affect the investments on the section of A4, Katowice-Kraków, aimed at providing better service to drivers and thus gaining new users for the motorway.

Within the framework of the programme of enhancing the flow capacity of Toll Plazas, which should result in reduction of service time for users, in the first half of the year the implementation of two projects started.

The first one is the extension of Toll Plazas. The plazas will be extended by adding new tolling gates for drivers. At the Toll Plaza in Mysłowice, four new tolling gates will be added, and in Balice - 3. That development exceeds the scope of investments stipulated in the Concession Agreement, and is executed using the own funds of the concessionaire – Stalexport Autostrada Małopolska S.A.

The second project is Replacement of Tolling Equipment (WUPO). On June 30, 2012 the tender procedure was already in progress, and commencement of work was scheduled for September 2012. The WUPO project assumes introduction of new, faster ways of paying the toll.

In the first phase – until September 2013 – we plan to replace the equipment that is presently used in the manual toll collection system in Mysłowice and Balice, as well as part of the booths. New possibilities of making payment will be introduced, by means of proximity cards, fleet cards, and fuel cards.

The scope of further investments depends upon the positive standpoint of the General Directorate of National Roads and Motorways (GDDKiA) concerning interoperability of the system, which has not been stated yet.

I would like to assure all the customers using the motorway that despite the quite precisely defined new ways of paying the toll for A4 section Katowice-Kraków, we are ready to take activities aimed at reaching interoperability between the solutions we have planned concerning toll collection and the national electronic toll collection system, introduced on July 1, 2011 on selected sections of motorways, express roads, and national roads managed by GDDKiA.

The first six months of this year comprised not only the new investments on the A4 motorway section between Katowice-Kraków, but also – among other things – the continuation of previously contracted overhauls of 22 bridges, contained in the contract signed in 2010. Overhauls of 14 bridges were completed by the end of the first half of 2012. In connection with the UEFA EURO 2012 the repair works were organised in such a way as not to cause any inconveniences for motorway users during the tournament. By the end of May 2012, almost all works on bridges along that motorway section, which had caused inconveniences, were completed., (except for the bridge near Balice). Such a status quo was maintained until the end of June 2012, and it did not result in any delays in work execution, despite a substantial scope of additional work and re-organisation on the side of contractors, due to the necessity of finishing some work before EURO 2012.

The motorway concessionaire has been engaged for years in projects connected with environmental protection. In January 2012 the modernisation of motorway drainage system in Balice was completed. Later on, modernisation of motorway drainage in the provinces of Silesia and Małopolska will follow. Besides that, construction of 800 metres of noise screens started, they are to protect the inhabitants of one of Jaworzno district from noise.

The Stalexport Autostrady Group consists also of other companies established to participate in new motorway projects in Poland.

Such a potential project is the construction and operation of the A1 motorway, section Tuszyn-Pyrzowice. At present we are awaiting the ultimate decisions concerning the possibility of execution of that investment project in the public-private partnership formula.

We do not exclude the possibility of involvement in other projects in future, e.g. construction and operation of the A2 motorway east of Warsaw.

I encourage you to study the financial report of Stalexport Autostrady Group, as well as the Management Board report from the activities of the Group in the first half of 2012.

I would like to express thanks to the shareholders and partners for their interest, trust, and co-operation. I thank the members of Supervisory Board for their support concerning our activities in many different areas. I also wish to thank the management and employees of the entire Group for their creativity, involvement and input, which allow us to achieve measurable economic results.

The last six months have demonstrated that we continue the development policy of the Group and improvement of road infrastructure in Poland, at the same time trying to meet the requirements and needs of our customers. I hope that the activities undertaken by the Stalexport-Autostrady Group will enjoy your support and warm welcome. I wish you successful, a first of all safe travelling on Polish roads.

Yours faithfully,

President

Chief Executive Officer

Signed on Polish original

.....

/Emil Wąsacz/

1. Basic information on Stalexport Autostrady Group

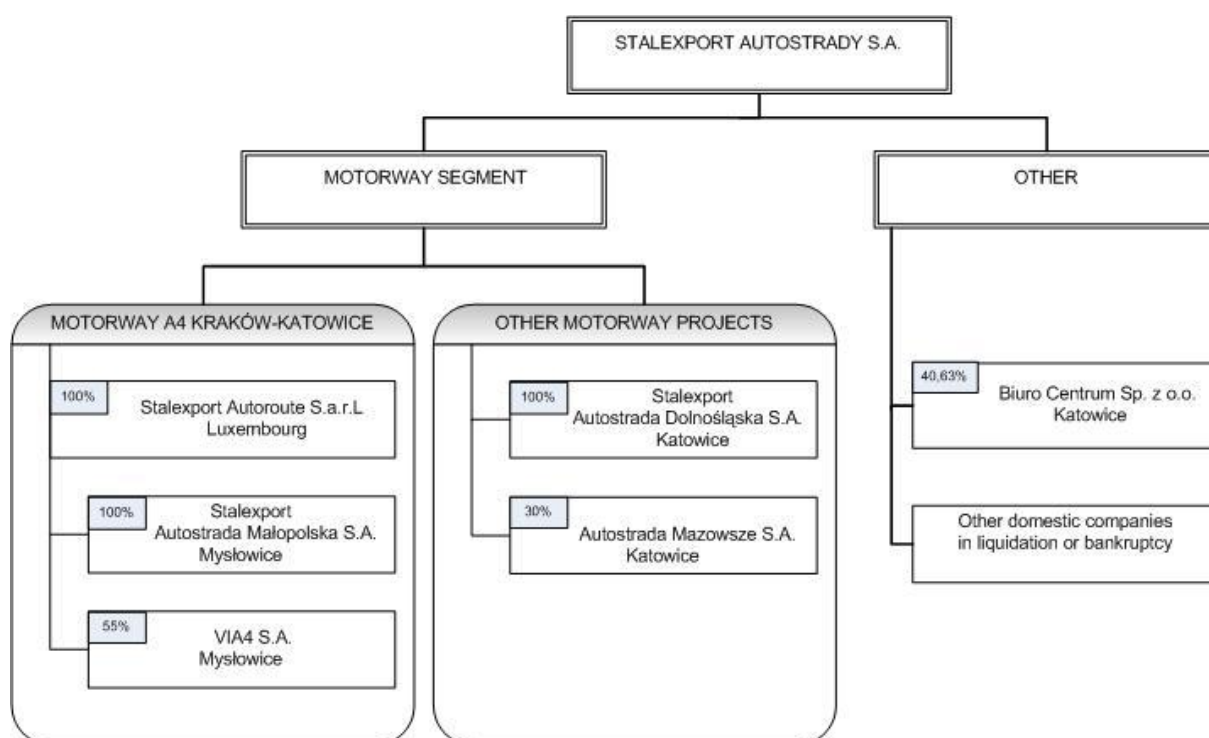
The activities of the Company and the entities comprising its Group focus only on motorway business which includes:

- (i) operation and maintenance of the A4 motorway section Katowice-Kraków. The activities are conducted by SAM and VIA4 as well as by holding special purpose vehicle Stalexport Autoroute;
- (ii) participation in selected tenders for the construction and / or operations of other motorway sections. Except for the Company, those tasks are also implemented by SAD and AMSA.

Additionally, owing to the fact that the Stalexport Autostrady Group co-owns an 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 Biuro Centrum, as the property manager.

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

Chart 1 Organizational scheme of the Stalexport Autostrady Group as on June 30, 2012



Source: own materials

The table below presents the basic consolidated financial data of Stalexport Autostrady Group as well as the separate data of three biggest entities from the Group: Stalexport Autostrady, SAM and VIA4. For comparative purposes, the results recorded by the companies in 1st semester 2012 are presented alongside their results from the comparable period of previous year, and the results as of December 31, 2011 were used for the balance sheet data.

STALEXPORT AUTOSTRADY S.A.
MANAGEMENT BOARD'S REPORT ON THE ACTIVITIES OF CAPITAL GROUP IN 1ST SEMESTER 2012

Table 1 Basic financial data of Stalexport Autostrady Group and the most important entities from the Group

Balance sheet data	Group		Stalexport Autostrady		SAM		VIA4	
	30.06.12	31.12.11	30.06.12	31.12.11	30.06.12	31.12.11	30.06.12	31.12.11
Non-current assets	1 096 256	1 146 046	84 835	85 181	1 082 630	1 132 669	6 721	7 058
Current assets	194 783	221 956	136 868	141 621	44 103	62 416	12 018	12 744
Equity	175 916	179 590	189 909	188 034	43 950	47 978	5 813	9 810
Non-current liabilities	925 129	986 777	14 367	21 094	910 524	965 363	3 851	4 220
Current liabilities	189 994	201 635	17 427	17 674	172 259	181 744	9 075	5 772
Net debt	49 291	54 595	-181 480	-179 965	164 091	168 797	192	-1 662
Performance data	1H2012	1H2011	1H2012	1H2011	1H2012	1H2011	1H2012	1H2011
Sales revenues	86 657	83 288	1 933	1 966	82 003	78 408	16 550	17 434
Gross result on sale	35 827	43 928	289	355	26 868	32 773	7 500	9 674
EBITDA	63 339	54 857	-3 195	-10 220	60 720	56 823	5 825	8 077
Result on operating activity	22 787	24 887	-3 563	-10 576	20 999	27 523	5 369	7 781
Result on financial activity	-20 763	-22 107	5 529	4 650	-24 184	-24 909	-111	-38
Net result	502	1 003	1 965	-5 926	-3 450	308	4 254	6 260
EBIT margin	26%	30%	-184%	-538%	26%	35%	32%	45%
ROE	0%	1%	1%	-3%	-8%	1%	73%	64%

EBITDA = EBIT + amortization + provision for resurfacing

EBIT margin = profit from operating activities / revenue on sales x 100%

ROE (return on equity) = net profit / equity x 100%

Source: own materials

1.1. Stalexport Autostrady S.A.

ul. Mickiewicza 29
 40-085 Katowice
 tel. +(48) 32 251 21 81
 faks +(48) 32 207 23 83

Management Board:

Emil Wąsacz – President of the Management Board, General Director

Mieczysław Skołyżyński – Vice-President of the Management Board, Financial Director

KRS: 0000016854

District Court in Katowice 8th 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)

Stalexport Autostrady (formerly Stalexport S.A.) commenced its operations on January 1, 1963 as Przedsiębiorstwo Handlu Zagranicznego „Stalexport”. It specialised 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 October 26, 1994 the shares of the Company are listed at the Warsaw Stock Exchange.

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 created solely for this purpose, namely SAM). Since then 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 Group Atlantia S.p.A with its registered office located in Rome. The group manages a network of more than 5,117km of toll motorways in Italy, Brazil, Chile, India and Poland and 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 6,65 bln as of June 30, 2012.

The strategic investor allowed the 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 financial restructuring, while the remaining funds will be used to cover the own contribution of the Company into the planned motorway projects. One of the elements of the restructuring process included the separation and sale of

www.stalexport-autostrady.pl

the steel part. Since October 1, 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 is a seat of its registered office.

Selected financial data of the Company are presented in a table at the beginning of this chapter.

1.2. Entities covered by the consolidation and the methods of their consolidation

Stalexport Autostrady is the dominant company and it draws up the consolidated financial statement. The entities covered by the consolidation as on June 30, 2012, except for the dominant entity are described in the below table.

Table 2 Companies covered by the consolidation, consolidation methods description

Entity	Seat	Consolidation method	Share in capital	Number of votes	Date of control
Stalexport Autoroute	Luxemburg	full	100%	100%	2005
SAM	Mysłowice	full	100%*	100%*	1998
VIA4 **	Mysłowice	full	55%*	55%*	1998
SAD	Katowice	full	100%	100%	1997
Biuro Centrum	Katowice	Ownership right	40,63%***	40,63%***	2007
AMSA	Katowice	Ownership right	30%	30%	2007

* via Stalexport Autoroute

** before February 2, 2012 company was called Stalexport Transroute Autostrada S.A.

*** before June 5, 2012 Biuro Centrum had a status of the subsidiary

Source: own materials

1.3. Description of other companies of Stalexport Autostrady Group

1.3.1. Stalexport Autoroute S.a.r.l.

412F, route d'Esch
L-1471 Luxembourg

registered under B 113660 in
Registre de Commerce et des
Sociétés de Luxembourg

Share capital: EUR 56,149,500

Ownership structure:
100% - Stalexport Autostrady

Stalexport Autoroute with its registered office in Luxemburg was set up on December 30, 2005. Establishing this entity was one of the basic requirements for SAM to reach financial close, namely conclude a long-term loan agreement with a consortium of banks. On the basis of the aforementioned loan agreement, Group acquired PLN 360m which was necessary to finance the modernization of road surface and bridge structures of the A4 motorway section Katowice-Kraków.

Apart from holding shares in SAM as well as in VIA4, the entity does not conduct any operational activities in order to efficiently implement securities package (pledge on shares) for Project Loan Agreement.

1.3.2. Stalexport Autostrada Małopolska S.A.

ul. Piaskowa 20
41-404 Mysłowice
tel. +(48) 32 76 27 555
fax +(48) 32 76 27 556

Management Board:
Emil Wąsacz – President of the
Management Board
Mariusz Serwa – Vice -
President of the Management

SAM was established on the basis of a notarial deed on December 19, 1997 as a company, which at that time was intended as a special purpose vehicle in the project of managing A4 motorway section Katowice-Kraków. Statutory activities of this entity comprise managing motorway projects as well as all tasks resulting from the applicable Concession Agreement, which includes managing the construction, adaptation to the requirements of a toll motorway and operation of the A4 motorway section Katowice-Kraków (the afore-mentioned concession was initially granted to Stalexport Autostrady, later to be transferred to SAM pursuant to the decision of the

Board, Financial Director
Paweł Kocot –Member of the
Management Board

KRS: 0000026895
District Court in Katowice 8th
Business Department of the
National Court Register
NIP: 634-22-62-054
REGON: 273796214
Share capital: PLN 66,753,000

Ownership structure:
100% - Stalexport Autostrady
(through Stalexport
Autoroute)
www.autostrada-a4.pl

Minister of Infrastructure of July 28, 2004).

Pursuant to Concession Agreement, SAM was authorized to collect lease fee and toll for driving the motorway. In line with the provisions of Concession Agreement, the entity is, on the other hand, obliged to provide continuous maintenance of the motorway and continue other necessary investment activities.

On March 21, 2005, annex no. 5 to Concession Agreement was signed, and upon signing all appendices – on October 17, 2005 – the agreement has entered into force. It allowed for financial close in the form of a long-term loan allocated to refinancing of stage 1, implemented by Stalexport Autostrady as well as for further financing of investment works as prescribed in the Concession Agreement.

Investment processes which are currently delivered by the entity at the A4 section Katowice-Kraków result from the obligation stipulated by the provisions of the Concession Agreement. The works are mainly connected with the renovation of road surface and bridge structures, construction of some motorway junctions as well as with environment protection: motorway drainage system, animal crossings and noise screens.

SAM finances its operations with revenues generated from toll collection, lease fees as well as with inflows from the concluded Project Loan Agreement. The Project Loan Agreement concluded in December 2005 with Financing Banks, allowed SAM to obtain external financing up to PLN 380m of the assumed investment programme. At the end of 1st half 2012 the nominal value of the loan funds which were utilized stood at PLN 295,143k.

Selected financial data of SAM are presented in a table at the beginning of this chapter.

1.3.3. VIA4

ul. Piaskowa 20
41-404 Mysłowice
tel. +(48) 32 76 27 350
faks +(48) 32 76 27 355

Management Board:

Henryk Skiba – President of
the Management Board

Mieczysław Skołożyński – Vice-
President of the Management
Board

KRS: 0000162861
District Court in Katowice 8th
Business Department of the
National Court Register

NIP: 634-22-98-951
REGON: 276194390
Share capital PLN 500,000
(paid in full)

Ownership structure:
55% - Stalexport Autostrady
(through Stalexport Autoroute)
45% - Egis Road Operation
(France)
www.sta.pl

VIA4 (formerly Stalexport Transroute Autostrada S.A.) was established on the basis of a notarial deed on May 14, 1998. The activities of VIA4 are related to the operation of the A-4 toll motorway section Katowice-Kraków. The entity renders its services to its only customer, namely SAM, which is the managing entity with respect to this motorway section pursuant to the Concession Agreement. For its services, the entity receives lump-sum remuneration, the value of which mainly depends on the level of traffic on the motorway and the rate of inflation.

The main tasks realised by VIA4 comprise the services of continuous operation and maintenance of the A-4 toll motorway section (Katowice-Kraków), including: (i) the toll collection; (ii) management of motorway traffic; (iii) maintenance of the facilities of the motorway in proper technical condition; (iv) comprehensive maintenance of the entire motorway lane; (v) winter maintenance of the motorway; (vi) management and consulting, in particular with respect to future renovations and renewal of the surface and projects related to improving the standard of the road.

Moreover, VIA4 executes the following tasks related to safety and road traffic which are equally important: (i) 24h/day motorway patrols, which in cooperation with the Motorway Management Centre ensure very quick incidents detection; (ii) operation of the SOS telephone system alongside motorway lane; (iii) cooperation with the police and other services in maintaining motorway throughput in the case of collisions, accidents or other incidents.

Selected financial data of VIA4 are presented in a table at the beginning of this chapter

1.3.4. Stalexport Autostrada Dolnośląska S.A.

ul. Mickiewicza 29
40-085 Katowice
tel. +(48) 32 207 21 64
faks +(48) 32 207 26 17

Management Board

Marek Długajczyk – Vice-
President of the Management
Board

KRS: 0000066811

District Court in Katowice 8th
Business Department of the
National Court Register

NIP: 634-22-45-392

REGON: 273710840

Share capital: PLN 10,000,000
(paid in full)

Ownership structure:

100% - Stalexport Autostrady

SAD was established on the basis of a notarial deed on July 2, 1997. The main area of operations of SAD included winning and managing motorway projects as well as the participation in selected tenders for the construction and / or operation of the subsequent motorway sections. In 2008–2009 the entity participated in two tender processes related to: (i) adapting the A4 motorway section Wrocław-Sośnica (162km) to the toll motorway standards and the toll collection; (ii) adapting the A2 motorway section Konin-Stryków (103km) to the toll motorway standards and the toll collection.

At the end of 1st half 2009 the Management Board of Stalexport Autostrady S.A. decided to limit the operating activities of SAD. In future that entity as special purpose vehicle may participate in successive tenders in which the Stalexport Autostrady Group will take part individually.

At present the entity is financing as a lessor the capital expenditures realized by VIA4. There are no employees in the company.

1.3.5. Autostrada Mazowsze S.A.

ul. Mickiewicza 29
40-085 Katowice
tel. +(48) 32 207 21 64
faks +(48) 32 207 26 17

Management Board:

Andrzej Kluba – President of
the Management Board

KRS: 0000293547

District Court in Katowice 8th
Business Department of the
National Court Register

NIP: 634-26-58-065

REGON: 240781106

Share capital: PLN 20,000,000
PLN 12,000,000 (paid in cash)

Ownership structure:

70% - Atlantia S.p.A.
30% - Stalexport Autostrady

AMSA was established on the basis of a notarial deed of November 6, 2007, as a special purpose vehicle set up by the consortium of SAD and Atlantia for the purposes of a tender process carried out by GDDKiA. The tender aimed at selecting the entity which will sign an agreement for the construction and operation of the A-2 motorway section Stryków-Konotopa. The negotiations with GDDKiA on agreeing the detailed stipulations of the draft contract ended with reaching no agreement.

The basic activity of AMSA is to be the management of motorway projects at the level of the Atlantia Group. After the public party gave up the execution of the A2 motorway, section Stryków - Konotopa within the framework of public-private partnership, AMSA took part in the tender for the execution of Electronic Toll Collection System.

AMSA does not employ any employees.

1.3.6. Biuro Centrum Sp. z o.o.

ul. Mickiewicza 29
40-085 Katowice
tel. +(48) 32 207 22 08
fax +(48) 32 207 22 00

Management Board:

Józef Brol – President of the
Management Board
Andrzej Kluba – Vice-President
of the Management Board

KRS: 0000087037
District Court in Katowice 8th
Business Department of the
National Court Register

NIP: 634-10-03422

REGON: 272254793

Share capital: PLN 80,000
(paid in full)

Ownership structure:

59.37% - WĘGLOKOKS S.A.
40.63% - Stalexport Autostrady

www.biurocentrum.com.pl

Biuro Centrum was established on the basis of a notarial deed on June 9, 1994.

The main area of operations of Biuro Centrum is related to managing and technical operation of the office and conference building in Katowice at ul. Mickiewicza 29, which is the co-ownership of Stalexport Autostrady (40.46%) and Węglkokoks S.A.(59.54%).

Biuro Centrum guarantees high standards and professionalism in all services concerning property management and its technical operations. It has modern organisational, technical and office facilities.

The supplementary range of activities of Biuro Centrum includes catering services in "Restauracja pod wieżami" restaurant it runs as well as comprehensive services provided for the conference centre.

In 2011 Węglkokoks S.A. offered Stalexport Autostrady to reflect the structure of ownership in the office building at Mickiewicza 29 also in the ownership of Biuro Centrum through the purchase of 54 shares in Biuro Centrum.

On March 23, 2012 the conditional share sale agreement was signed. On June 5, 2012 the second and last of the conditions specified in the above sale agreement was met and the shareholder structure in Biuro Centrum is as follows: Stalexport Autostrady – 40.63%, Węglkokoks S.A. – 59.37% (before June 5, 2012 the Company held 74.4% and Węglkokoks S.A. 25.6%).

2. Essential information for the evaluation of the financial situation, assets situation and financial result of the Stalexport Autostrady Group and their changes and essential information for the evaluation of the possibilities to execute liabilities by the Company and its Group

2.1. Presentation of the financial results

The table below presents the basic consolidated financial results of the Stalexport Autostrady Group achieved in 1H2012. The results generated by the Group in the corresponding period of the previous year have been provided next to the results for 1H2012.

Table 3 Selected positions of statement of comprehensive income of Stalexport Autostrady Group in 1st semester of 2012 as well as the corresponding period of 2011 (consolidated data)

	1H2012	1H2011	Variation
Revenue	86 657	83 288	4%
Cost of sales	-50 830	-39 360	29%
Gross profit	35 827	43 928	-18%
Other income	1 422	1 853	-23%
Administrative expenses	-14 301	-13 701	4%
Other expenses	-161	-7 193	-98%
Results from operating activities	22 787	24 887	-8%
Finance income	11 710	10 134	16%
Finance expenses	-32 473	-32 241	1%
Net finance expense	-20 763	-22 107	-6%
Share of loss of equity accounted investees	-179	-	-
Profit before income tax	1 845	2 780	-34%
Income tax expense	-1 343	-1 777	-24%
Profit for the period	502	1 003	-50%

Source: own materials

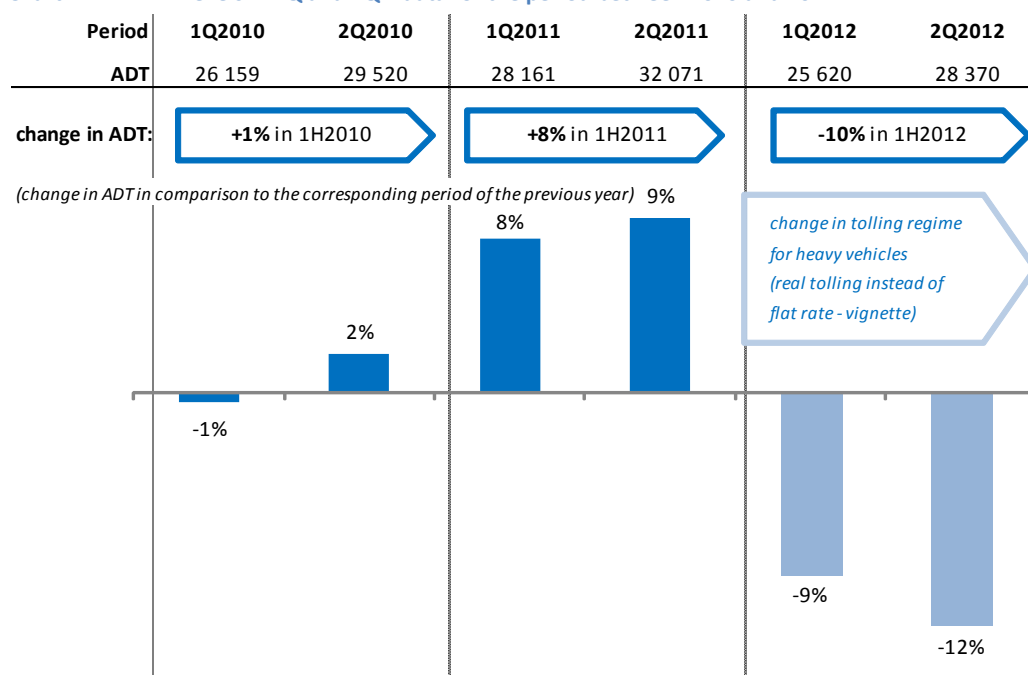
In 1H2012 the Group generated revenues from sales that were 4% higher than in the analogous period of the previous year, mainly due to increase of the average toll rates obtained for driving the toll Katowice-Kraków section of the A4 motorway, applying to light and heavy vehicles. On the other hand, because of the concluded transaction of sale of Biuro Centrum company shares, since June 1, 2012 the financial reports of the Group did not include the revenues and costs generated by that entity.

Despite higher revenues, the gross result on sales decreased. The main reason for that situation was the change in the schedule of planned works, namely speeding up the execution of the second pavement replacement, and the resulting revaluation of the provision made for that purpose, the amount in question was PLN 9,162k. That amount increased the cost of sales in the period reported.

2.1.1. The amount and structure of operating revenues

The financial results of Stalexport Autostrady Group are mainly affected by its motorway activities based on the management and operation of the toll A4 Katowice-Kraków motorway section, for which SAM subsidiary is responsible for under the Concession Agreement executed by the same and in force until 2027.

Chart 2 ADT levels in 1Q and 2Q – data for the period between 2010 and 2012



Source: own materials

In 1H2012 the Stalexport Autostrady Group generated revenue from tolls in the amount of PLN 82,003k, whereas in the analogous period of the previous year the revenue amounted to PLN 78,405k. The increase has been due to a cumulated effect of starting the real toll collection from heavy vehicles, which in 1H2011 were still under the vignette system, and the decrease of heavy vehicle flow by 38%, due to the new tolling regime (with simultaneous reduction of light vehicle traffic flow by 1.8% in 1H2012, the total ADT got thus reduced by 10% in comparison with the first half of the previous year), as well as increased toll rate for heavy vehicles category 2 and 3 (by 11.1%, since July 1, 2011) and light vehicles (by 12.5%, since March 1, 2012).

Table 4 Structure of the revenues on the motorway toll collection – data for 1H2012 and the corresponding period of 2011

	1H2012	1H 2011	Variation
Toll revenues from light vehicles	54 171	53 270	2%
Toll revenues from heavy vehicles	27 832	4 547	512%
Revenues from vignette vehicles	-	20 588	-100%
Total	82 003	78 405	5%

Source: own materials

The Group also generated additional revenue from operating the motorway, in the amount of PLN 308k, which comprised mainly compensation for destruction caused by motorway users (safety barriers, among others), and revenues from providing services along the A-4 section Katowice-Wrocław.

Besides the motorway-related activity the revenues on sales generated by Stalexport Autostrady Group, in the amount of PLN 4,346k concerned management of real property and renting floor space in the office building located in Katowice, 29 Mickiewicza street. In comparison with the analogous period of the previous year, in 1H2012 the revenues generated that way got reduced by 8%, which was a consequence of selling a control package of shares in Biuro Centrum company (which managed that property), whose revenues on June 1, 2012 ceased to be consolidated by full method in the financial statements of the Group.

In 1H2012 other revenues amounted to PLN 1,422k, of which the main item was rent for the use of real property located in the road strip of the A4 motorway section Katowice-Kraków, amounting to PLN 1,208k.

2.1.2. The amount and structure of operating expenses

In 1H2012, total operating expenses of Stalexport Autostrady Group amounted to PLN 65,292k, including the following:

- cost of sales of PLN 50,830k, which in comparison with the analogous period a year before increased by 29% (that is by PLN 11,470k). A decisive influence upon the situation came from a change in the schedule of planned works: due to substantial deterioration of the wearing course condition in some sections of motorway a decision was made to speed up by 2 years the execution of second pavement replacement, which was originally scheduled for 2016. In connection with that decision, a revaluation was made of the provision established for that purpose, and the one-off effect of that revaluation increased the cost for the period by PLN 9,162k. In the period analyzed, also the value of amortization and depreciation increased by PLN 1,391k, which resulted from: (i) revaluation of intangible assets; and (ii) starting the amortization of a one-off expenditure related to Annex No. 6 to the Concession Agreement, signed in the beginning of the year, which changed the scope of responsibilities of SAM regarding the section comprising the "Murckowska" junction;
- administrative expenses of PLN 14,301k, the value of which increased by PLN 600k (4%) in comparison with the analogous period of the previous year. The situation was due mainly to the cumulative effect of paying exit incentives to employees made redundant because of the organization restructuring (PLN 386k) and salary indexation for other employees;
- other costs of operation, in the amount of PLN 161k.

The total amount of costs of operation in 1H2012 was PLN 65,292k, and was by 8% higher than in the analogous period of the previous year.

2.1.3. Financial activities

In 1H2012 the Stalexport Autostrady Group generated a negative balance on financial activities: the financial revenues of PLN 11,710k were lower than the financial costs (PLN 32,473k). The financial revenues consisted mainly of interest from bank deposits, amounting to PLN 9,325k, and profits made from investment in investment funds, amounting to PLN 1,907k.

On the other hand, the financial costs were made up mainly of the discount of liabilities and provisions, in the total amount of PLN 18,984k, of which: (i) PLN 13,726k concerned provisions for phase II construction works on the motorway; (ii) PLN 4,369k concerned the reversed discounting of liabilities towards the State Treasury, due to concession-related payment; whereas (iii) PLN 888k comprised reversed discounting of provision for pavement replacement. It is worth noting here that, in accordance with the International Accounting Standards and International Financial Reporting Standards, both the liabilities towards the National Road Fund related to the loan of the European Bank for Reconstruction and Development, and the provisions made for pavement replacement and construction works are presented by the Group in its financial reports at current value. Thus, the amounts disclosed are the nominal values of given liabilities or expected expenditures, discounted on the day of preparation of financial reports, using the market interest rate.

Among other financial costs, the main items were: interest on the loan (PLN 11,616k) and interest on liabilities due to guarantees towards the State Treasury (PLN 961k), as well as loss on from transaction on derivatives (PLN 871k).

It is worth stressing that negative balance on financial activities, recorded in 1H2012 (PLN 20,763k), was lower than in the analogous period a year earlier (PLN 22,107k). Decisive for the change was mainly the improved profitability of deposits, where the Group holds its surplus cash.

2.2. Assets and financial position

The following table includes a synthetic balance sheet of Stalexport Autostrady Group as well as its structure as at June 30, 2012.

Table 5 Condensed financial position of Stalexport Autostrady Group (consolidated data) as at June 30, 2012 and December 31, 2011

	Variance			Structure	
	30.06.2012	31.12.2011	2012/2011	30.06.2012	31.12.2011
Non-current assets	1 096 256	1 146 046	-4%	85%	84%
Current assets	194 783	221 956	-12%	15%	16%
Equity	175 916	179 590	-2%	13%	13%
Non-current liabilities (incl. provisions)	925 129	986 777	-6%	72%	72%
Current liabilities (incl. provisions)	189 994	201 635	-6%	15%	15%
Total equity and liabilities	1 291 039	1 368 002	-6%	100%	100%

Source: own materials

At the end of 1H2012 the value of non-current assets amounted to PLN 1,096,256k and was 4% less in comparison with the figure at the end of 2011. The difference is due mainly to the revaluation of the concession intangible assets by PLN 69,137k, connected with the updating of cost estimates for construction works planned on the A4 motorway section Katowice-Kraków.

In the analyzed period, the value of current assets got reduced to the amount of PLN 194,783k, that is by 12%, mainly due to reduced value of cash and cash equivalents, by PLN 22,624k. Those cash and cash equivalents partly increased the funds held on long-term deposit/reserve accounts. In addition, in 1H2012 the value of trade receivables got reduced by PLN 3,543k.

As of June 30, 2012 the total liabilities of the Group amounted to PLN 1,115,123k, of which as much as 72% were long term liabilities (and provisions). The main items in liabilities comprised:

- provision for phase II construction works (PLN 502,130k);
- bank loan (including the accrued interest and pre-paid costs of financing) for the purpose of financing investments on the A4 motorway section Katowice-Kraków (PLN 285,794k);
- current (discounted) value of the liability towards National Road Fund, because of the Concession Agreement (PLN 161,477k);
- liability towards State Treasury, because of the guarantees provided by Stalexport Autostrady for Huta Ostrowiec S.A. (PLN 27,068k);
- provisions established for motorway pavement replacement (PLN 72,093k);
- prepayments related to renting out the service areas as well as land for installation of fibreoptics – concerns the A4 motorway section Katowice-Kraków (PLN 12,985k);
- value of coupons for the use of the A4 motorway section Katowice-Kraków, sold but not used (PLN 4,991k).

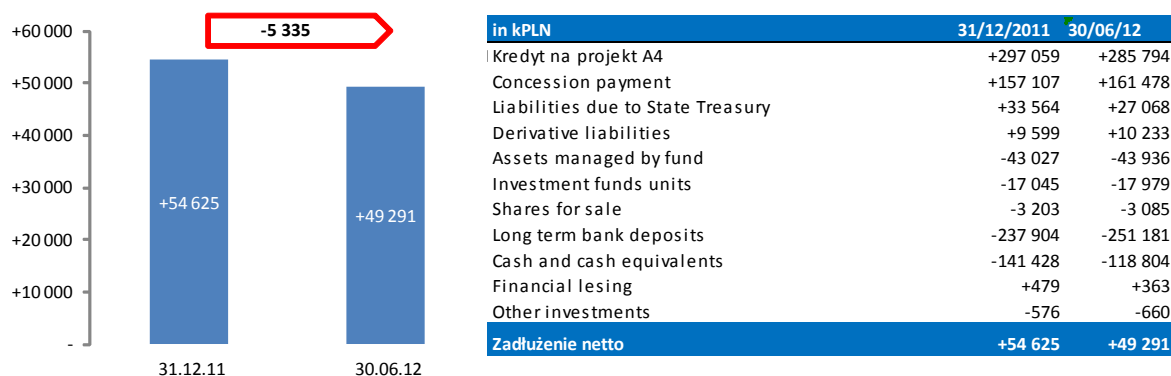
The reduction of total liabilities (including provisions) noted in 1H2012 was caused mainly by revaluation of the provisions established by the Group for phase II construction works, in the amount of PLN 69,137k. Additionally, also in liabilities, provisions were moved from long to short-term category, in the amount of PLN 20,038k, which refers to phase II construction works to be executed within the next 12 months.

The diagram below illustrates change in net debt of the Group, which went down from PLN 54,625k, at the end of 2011 to PLN 49,291k as of June 30, 2012. The net debt of the Group is mainly related to, on the one hand, the bank loan provided by the Financing Banks for the execution of the A4 Katowice-Kraków project, and the

concession payment (liability towards National Road Fund), and, on the other hand the financial means held on long-term and short-term deposits, as well as assets managed by investment funds. One of those funds is Idea Premium SFIO, for which the Management of TFI Idea informed on July 16, 2012 about suspending the buy-back of participation units in Idea Premium SFIO, for the period of two weeks. The reasons for that decision included the relatively low level of liquidity in corporate bond market, coupled with redemption by far exceeding purchase transactions in case of the Idea Premium SFIO fund.

The Management Board of the Company, having access only to limited information concerning the assets of the said fund and their valuation in the fund's financial report, carried out a basic analysis of potential negative consequences of the event described above, for the participation units of that fund, held by companies forming the Group as at the end of the reporting period. The analysis demonstrated a potential loss of value of investments in that fund, amounting to PLN 900k – 1,400k, however, due to uncertainty of the information being basis for the above estimates, the Management Board did not decide about finding out the updating allowance of the value in the mid-year consolidated financial report.

Chart 3 Group's net debt (consolidated data) – as at December 31, 2010 and June 30, 2012



Source: own materials

The value of capital expenditures made by Stalexport Autostrady Group in 1H 2012 amounted to PLN 33,826 thousand, and comprised mainly the construction works carried out on the A4 motorway section Katowice-Kraków. Those expenditures were related to modernization of 22 bridge, as well as modernization of motorway drainage system in Balice (expenditures accounted for in the provisions for construction works), as well as the future exploitation of Murckowska junction. The remaining capital expenditures of the Group mainly concerned purchase of equipment indispensable for current maintenance of the motorway, as well as replacement of office equipment and means of transport. All the activities referred to above have been accounted for in the planned capital expenditures of the Group for 2012 and had been previously approved by Supervisory Boards of specific entities making up the Group. It is worth stressing here that financing of capital expenditure tasks resulting from the Concession Agreement concluded by SAM is covered by own funds generated in the course of operation of the A4 motorway (tolls) and additionally by a Loan Agreement concluded in December 2005 with Financing Banks. The above agreement provided external financing for the execution of the investment programme planned by SAM, to the amount of PLN 380,000k. At the end of 1H2012 the face value of bank loans related to that was PLN 295,143k (after inclusion of the accrued interest and re-paid cost of financing the loan value amounted to PLN 285,794k). As the availability period is finished, the value of bank loan of the Group for that reason shall not increase in future periods.

3. Other information on Stalexport Autostrady Group

3.1. Information on concluded agreements significant for the Group's operations, including the agreements, the Company is knowledgeable about, concluded between the shareholders, insurance agreements or cooperation agreements

On **January 3, 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.

3.2. Information on the changes in organizational or capital relations of the 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:
- a) 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;
 - b) 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;
 - c) when Krajowy Depozyt Papierów Wartościowych S.A. (The National Depository for Securities) settled the transactions referred above, ASPI would 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;
 - d) the subsidiaries of ASPI and related parties of ASPI did not hold any shares of Stalexport Autostrady;
 - e) 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.
 - f) 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 **March 23, 2012** Stalexport Autostrady and Węglkokoks S.A. signed a conditional share sale agreement of 54 shares in Biuro Centrum. The sale price amounted to PLN 9,162.50 per one share and the total transaction value amounted to PLN 494,775.00. The transfer of shares took place after fulfilment (jointly) of two conditions:
- Węglkokoks S.A. obtains an approval of the general 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 Węglkokoks S.A.;
 - the Extraordinary General Meeting of Biuro Centrum was held with participation of both parties (i.e. Stalexport Autostrady and Węglkokoks S.A.) and they agreeably made changes to the Articles of the Association of Biuro Centrum.

Before the transaction Stalexport Autostrady held 119 shares in Biuro Centrum Sp. z o.o. which constituted 74.38% stake in Biuro Centrum Sp. z o.o. After transfer of the shares Stalexport Autostrady holds 65 shares in Biuro Centrum which constitute 40.63% stake in Biuro Centrum.

3.3. Information regarding transactions concluded by the Company or by its subsidiary with related entities on non-market terms

All transactions concluded by Stalexport Autostrady or by its subordinate unit with related entities were made on market terms. However, the Management Board of Stalexport Autostrady would like to point out four important contracts concluded between the Company's subordinate units and related entities.

- The first of them is the **Maintenance and Operation Contract**, concluded originally in 1998 between Stalexport Autostrady and VIA4. Current contract was signed between SAM and VIA4 on March 21, 2006. The Maintenance and Operation Contract was concluded for the validity period of the Concession Agreement (until 2027), and it strictly concerns the work related to the A-4 license project, including the toll collection services and running maintenance and operation of the motorway (with winter season maintenance). The contractual level of operator remuneration is a long-term risk separator with regard to volatile market prices of maintenance and operation, and ensures a continuity of services and operation during the long period of investment project implementation. The value of transactions concluded between SAM and VIA4 pursuant to the said contract amounted to PLN 16,160k in 1H2012.

Due to the specific nature and scope of the above-mentioned contract, as well as the limited market for such services, it is difficult to refer the Contract's provisions to actual conditions obtainable on the so-called free market. Nonetheless, in the opinion of the Company's Management Board the said Contract was concluded on market terms, and its provisions do not diverge from the conditions obtainable by Group-external entities, were they a party to this Contract.

- Second contract to be mentioned here is **contract No. F2b-1-2009** signed by SAM and Pavimental S.p.A. and Pavimental Polska Sp. z o.o. (both entities belong to Atlantia Group - Atlantia owns 99.6% of Pavimental S.p.A. stock, i.e. the sole shareholder of Pavimental Polska Sp. z o.o.), **concerning the restoration of 22 bridges in A-4 motorway**. Contractor of this project was selected on the basis of a two-stage procurement procedure whose conditions were agreed upon with GDDKiA (in accordance with the provisions of the Concession Agreement, the Concessioner shall choose each contractor in a procurement procedure, and GDDKiA reserves the right to verify the criteria and procurement conditions before each procurement is announced) and Financing Banks.

The announcement on tender was published in the Official Journal of the European Union – a Supplement to the Official Journal of the European Union No. TED-publication 2009/S123-179334-PL dated July 1, 2009. In response to the announcement, a pre-qualification application has been filed by: (i) Budimex Dromex S.A.; (ii) WARBUD S.A. (iii) consortium Pavimental S.p.A. and Pavimental Polska Sp. z o.o., as well as (iv) Sinohydro Corporation Ltd. from China. The pre-qualification stage has been overcome positively by the first three companies, and ultimately the offers have been made by: (i) Budimex Dromex S.A.; (ii) WARBUD S.A. as well as (iii) consortium Pavimental S.p.A. and Pavimental Polska Sp. z o.o. As a result of the tender procedure, comprising assessment of quality criteria as well as price criterion, the offer made by the consortium Pavimental S.p.A. and Pavimental Polska Sp. z o.o. has been considered the most advantageous, and this entity has been selected the contract Provider. The total value of contracted works amounts to PLN 103,194,265.00 net. The instructions to start work were given on December 22, 2009, and the contract is expected to be completed in the year 2012. In that case, having in mind the procedure of selecting the entity to execute the contract, in the opinion of the Company's Management Board its conditions should be considered market-oriented.

In 1H2012 the turnover between SAM and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. related to the contract no. F2b-1-2009 amounted to PLN 10.423k.

- The third contract of that kind is the **contract** no F2b-2-2009, signed between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. (both entities belong to Atlantia Group - Atlantia owns 99.6% of Pavimental S.p.A. stock, i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) **for the execution of modernization of the water drainage system of the motorway in Balice**. The contractor for this project was selected on the basis of tender procedure, whose conditions had been agreed with GDDKiA (in accordance with the provisions of the Concession Contract, SAM shall choose each contractor in a tender, and GDDKiA reserves the right to verify the criteria and tenders' terms before it is announced) as well as Financing Banks.

In March 2010 SAM made a decision to cancel the first tender, due to poor competition and contract price not being adequate to the assumed one. SAM obtained approval of Financing Banks to modify the tender documentation. A repeated tender was announced in 3Q2010. On September 7, 2010 an offer for the execution of works was received from the consortium of companies Pavimental S.p.A. and Pavimental Polska Sp. z o.o. As a result of bid assessment, comprising quality criterion and price criterion, the offer submitted by the Pavimental consortium has been considered the most advisable, and the bidder has been selected the contractor for the project. The total value of contract works is PLN 17,316,115 net. The order to start work was issued on December 20, 2010 and taking over certificate was issued on February 15, 2012. Taking into consideration the applied procedure for the selection of the contractor, in the Company's Management opinion the contract F2b-2-2009 was concluded on market conditions.

In 1H 2012 the turnover between SAM and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. related to this contract amounted to PLN 903k.

- The fourth agreement mentioned is a **contract** between SAM and Pavimental Polska Sp. z o.o. (that entity belongs to Atlantia Group, which holds 99.6% of the shares of Pavimental S.p.A., the sole shareholder in Pavimental Polska Sp. z o.o.) **concerning extension of the Toll Collection Plaza in Brzęczkowice** (km 351+660). The subject matter of the agreement is execution of 4 additional toll collection points, which consist of toll collection booth on concrete safety island as well as access and exit lanes to and from the Toll Collection Plaza.

The contractor for that contract was selected through invitation for providing quotations, and price negotiations based on the quotations received. In the end, the execution of works mentioned will be for a lump sum of PLN 12,140,558.31. The scope of works as well as the procedure applied have been accepted by an Independent Engineer. In the opinion of the Management Board of the Company, the above agreement has been concluded in accordance with market conditions, while the conditions it stipulates are not different from conditions that may be agreed in case of signing such a contract with an entity from outside the Group.

Works connected with the extension of the Toll Collection Plaza in Brzęczkowice started towards the end of second quarter of this year, while completion of the contracted works should be in 2012. In 1H2012 no financial settlements were made between SAM and Pavimental Polska Sp. z o.o., in connection with the above contract.

3.4. Information on suretyships and guarantees granted and obtained in the turnover year, in particular suretyships and guarantees granted to affiliated entities

In the reporting period no suretyships or guarantees were granted.

3.5. Information on the issuance of securities along with the description of the utilization of inflows from the issuance by the Company

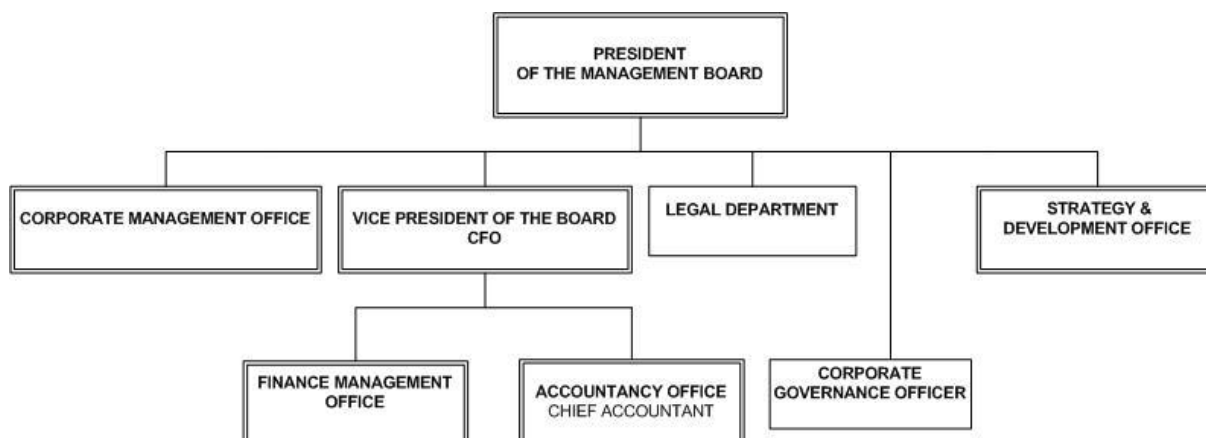
In the reporting period the Company did not issue any securities.

3.6. Information significant for the evaluation of the HR matters of the Stalexport Autostrady Group

(i) Organizational scheme of Stalexport Autostrady

In 1st semester 2012 organizational scheme of the Company was not modified. The scheme as on June 30, 2012 is presented in below Chart.

Chart 4 Stalexport Autostrady's organizational scheme as on June 30, 2012



Source: own materials

As on June 30, 2012 the employment amounted to 26 persons (23.75 full time equivalents), thus it was slightly reduced compared to December 31, 2011 when it stood at 28 persons (25.5 full time equivalents) respectively.

The structure of the Group along with the description of its companies is presented in points 1 of the Report.

(ii) Employment in the Group

As on June 30, 2012 there were 253 employees in the Stalexport Autostrady Group including 5 managing persons (top management) and 20 middle managers (directors and managers). For comparison the number of employees in Stalexport Autostrady Group (headcount) as at:

- December 31, 2011 – amounted to 283 employees, including 6 managing persons (top management members) and 21 middle managers (directors and managers);
- June 30, 2011 - amounted to 290 employees, including 6 managing persons (top management) and 21 middle managers (director and managers).

The drop in employment (headcounts) recorded in 1H2012 by more than 10% resulted from the activities aimed at optimization of employment in the Stalexport Autostrady Group and loss of the status of subsidiary Biuro Centrum since June 5, 2012. This resulted in excluding the employment of Biuro Centrum in the overall Group's employment calculation.

(iii) The changes in the composition of the persons managing and supervising the Company and its Group in the reporting period

Stalexport Autostrady

a) Management Board

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

In the reporting period (and up to the date of drawing up that Report) the composition of the Management Board did not change and it was as follows:

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

b) 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.

General Meeting on December 22, 2010, in the resolution no 3 decided that the Supervisory Board of VII term (2010-2012) will consist of seven members.

Between January 1, 2012 and February 14, 2012 the Supervisory Board has been acting in the following, a seven – member composition:

- Roberto Mengucci - Chairman
- Aleksander Galos - Vice-Chairman
- Michelangelo Damasco - Secretary
- Costantino Ivoi
- Christopher Melnyk
- Massimo Lapucci
- Tadeusz Włudyka.

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

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

At present the Supervisory Board has the following composition:

- Roberto Mengucci - Chairman
- Aleksander Galos - Vice-Chairman
- Michelangelo Damasco - Secretary
- Nicolò Caffo
- Stefano Cusmai
- Costantino Ivoi
- Tadeusz Włudyka.

Aleksander Galos and Tadeusz Włudyka 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.

On January 1, 2012 the Supervisory Board committees had the following composition:

1) Remuneration Committee:

- Roberto Mengucci - Chairman
- Aleksander Galos
- Costantino Ivoi
- Tadeusz Władyka

2) Audit Committee:

- Costantino Ivoi - chairman
- Aleksander Galos
- Massimo Lapucci.

In connection with the fact that 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 Michelangelo Damasco as its member.

SAM

In the period reported here, no changes occurred in the composition of the Management Board and the Supervisory Board of SAM.

VIA4

In the reporting period the Management Board and the Supervisory Board of VIA4 acted in the unchanged composition.

SAD

In the reporting period the Supervisory Board of SAD acted in the unchanged composition. However, on June 30, 2012 Zbigniew Czapla-Nowicki resigned from the position of President of Management Board of SAD.

AMSA

In the reporting period the Supervisory Board of AMSA functioned without changes in its composition. However, on June 30, 2012 Zbigniew Czapla-Nowicki resigned from the position of Vice-President of the Management Board of AMSA. Then, on July 25, 2012 Andrzej Kluba submitted his resignation from the position of President of Management Board starting from July 31, 2012.

BIURO CENTRUM

In the reporting period, changes have affected both the Management Board and the Supervisory Board of Biuro Centrum, those changes resulted from changes in the ownership structure of the company, among other things.

On June 1, 2012 the previous President of the Management Board, Ireneusz Sakowski, was dismissed. On the same day, a new management board was established, having the following composition: Józef Brol (President of Management Board) and Andrzej Kluba (Vice-President of Management Board).

The composition of the Supervisory Board of Biuro Centrum has also been subject to changes. In the period between January 1 and March 21, 2012 the Supervisory Board of Biuro Centrum had the following composition:

- Katarzyna Bijak – President of Supervisory Board
- Iwona Jamrozik – Member of Supervisory Board
- Bogusław Oleksy – Member of Supervisory Board

On March 21, 2012 Stalexport Autostrady removed Iwona Jamrozik from the Supervisory Board and appointed Andrzej Kluba to take her position, Andrzej Kluba resigned from performing that duty on June 1, 2012 due to having been appointed a member of the Management Board of Biuro Centrum. In connection with the resignation of Andrzej Kluba Stalexport Autostrady appointed Marek Długajczyk as a Member of the Supervisory Board of Biuro Centrum.

In turn, on June 14, 2012 Bogusław Oleksy resigned from the membership in the Supervisory Board. To replace him, on June 19, 2012 Węglokoks S.A. appointed Piotr Pczycki.

After registering the amendments in the company statutes of Biuro Centrum, including those concerning nomination by partners of Supervisory Board members, on July 11, 2012 Marek Długajczyk, hitherto a representative of Stalexport Autostrady, resigned from being a member of Supervisory Board. To replace him, Węglokoks S.A. appointed on July 12, 2012 its second representative, Robert Mróz.

3.7. Company's shares as well as stocks in the entities connected with the Company held by the Stalexport Autostrady Group managing and supervising persons

The number along with the nominal value of Stalexport Autostrady shares held by the persons managing and supervising the Company and the Group, are specified on the base of the statements submitted by particular persons. The table below presents the data as at June 30, 2012 (and as on the day of publication of the Report).

Table 6 Number and nominal value of Stalexport Autostrady shares held by the Group's managing and supervising persons

Item	Name and surname	No of shares [units]	Nominal value [in PLN]
1.	Emil Wąsacz	59,000	44,250.00
2.	Katarzyna Bijak	2,000	1,500.00
3.	Marek Długajczyk	2,067	1,550.25

Source: own study based on the statements submitted by the Group's managing and supervising persons

The persons managing and supervising the companies of the Stalexport Autostrady Group do not hold any stocks or shares in entities affiliated with Stalexport Autostrady.

3.8. 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 7 List of Stalexport Autostrady's shareholders holding significant block of shares of the Company

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 %
Kairos Investment Management SpA	12,391,265	5.01 %	12,391,265	5.01 %

Source: own materials

3.9. Information on judicial proceedings pending in court, proper authority for the arbitration proceedings or the authority of the public administration

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

Also the Companies of the Group are not the parties of any proceedings in common, arbitration court of law, and also the bodies of the public administration in cases, in which the value of the subject of the dispute exceeds the amount constituting at least 10 % of their equity.

In case of SAM there are two cases significant for the activity of the company:

- on sentence dated December 18, 2009 of the District Court in Katowice I Civil department upon the action of CTL Maczki Bór Sp. z o.o. against SAM, State Treasury and Stalexport Autostrady for usage of land located in the roadstrip of motorway – the Court adjudged from SAM for CTL Maczki Bór Sp. z o.o. an amount of PLN 995,593.28 along with the statutory interest as from April 3, 2007. The sentence is not legally valid. On January 25, 2010 SAM lodged an appeal against the sentence;
- the decision of Antimonopoly Office dated April 28, 2008 imposing:
 - ♦ payment by SAM a penalty of PLN 1,3 million for exercise of monopolistic position on A4 motorway Katowice-Kraków;
 - ♦ abandoning monopolistic position, understood as charging of full toll rates during the repairs of the motorway.

On May 10, 2010 Court for Consumer and Competition Protection issued a sentence upholding the decision of Antimonopoly Office dated April 28, 2008. On June 28, 2010 SAM made an appeal to the Appeals Court in Warsaw. On May 31, 2011 the Court issued a sentence dismissing the SAM's appeal and upholding the UOKiK decision. On July 6, 2011, SAM paid the financial penalty of PLN 1.3 million but SAM's Management Board lodged a cassation appeal to the Supreme Court. The consideration of the cassation appeal by the Supreme Court took place on July 13, 2012. The sentence of the Appeals Court was remained in force, i.e. the decision on imposing penalty on SAM for abuse of monopolistic position on the motorway A4 Katowice – Kraków.

4. Description of the main risks and hazards as well as the characterization of the external and internal factors crucial for the development of the Company and the Stalexport Autostrady Group

The major risks and threats related to activities of Stalexport Autostrady can be divided into two main groups related to:

- A4 Katowice-Kraków project.

This area includes mainly economic and financial risks related to general economic conditions and current situation on the construction work market, as well as risks that are political and legal in nature.

The **economic conditions** mainly affect the number of vehicles using A4 motorway (this factor affects mainly heavy vehicle traffic) and by the same token toll collection revenues generated by the Concessionaire. The Group reduces this risk by adopting an appropriate (optimum) price policy and by making efforts to improve the customer service quality by upgrading toll collection plazas on the managed motorway section and by replacing the toll collection equipment, thus making it possible for the customers to choose from various toll payment methods.

As far as the **construction work market** is concerned, an economic boom increases prices of construction services and reduces efficiency of the A4 Katowice-Kraków project. In the period of economic crisis, the Group can negotiate better terms and conditions related to performance of necessary works and by the same token more funds are left for shareholders. The Company tries to reduce the risk related to this area by actively managing (within powers granted to the Company under the Concession Agreement) the schedule of planned and performed construction works.

Institutional and legal instability of the environment governing the sector of infrastructure in Poland is the main factor from the group of **legal and political risks**. The Company seeks to counteract these risks by, inter alia, promoting good practices and solutions aimed at creating an appropriate legal framework for the implementation of infrastructure projects, and active participation in the public discussion on new legislative solutions. This group of risks includes also potential efforts to be made in order to change the law in force, which can affect revenues and expenditures related to the A4 Katowice-Kraków project. It is worth emphasising at this point that in the Concession Agreement there are provisions pursuant to which it is possible to claim for the compensation from the State Treasury in the case when the public side makes efforts that adversely affect profitability of the A4 Katowice-Kraków project.

Another group includes risks that are directly related to the provisions of the Concession Agreement, including those concerning the passenger service levels and other obligations on the part of the Concessionaire. Additional risks are also related to the antimonopoly proceedings initiated against SAM by Office of Competition and Consumer Protection and the decision of the competent court regarding the suit filed by CTL Maczki Bór Sp. z o.o.

- rental of office space and investment of free cash.

This area includes risks related to economic situation and the investment climate, as well as the market interest rate risk.

The **economic situation** in Poland translates directly into the office space rental market and by the same token affects the amount of vacant (not rented) space and rent rates. The Company reduces this risk by adopting a flexible price policy and making investments in order to make the office space more attractive and to improve safety of those who use this office space. Furthermore, the Company makes efforts to win new lessees.

As far as making decisions about participation in the motorway infrastructure development tenders is concerned, deterioration of the **investment climate**, which can lead to difficulties in obtaining long-term investment capital, is a significant risk factor. The Company seeks to mitigate such risks by, inter alia, continuous cooperation with financial institutions having extensive knowledge and experience in the sector of infrastructure projects, such as entities of the Atlantia Group, and participation in public

consultations aimed at developing and implementing innovative solutions in this regard, involving, inter alia, the allocation of risks in the area of infrastructure projects and placing them on the side of entities which can manage them as efficiently as possible.

Due to the structure of revenues and nature of the Company's business, financial results of the Company are burdened with a relatively high **interest rate risk**. This risk is the result of changeability of financial markets and manifests itself in changes in the money price. Stalexport Autostrady has been limiting that risk by diversification of maturity dates in case of depositing the means for future motorway projects.

Another group consists of risks directly connected with the investment policy followed by investment funds, through which the Company has been investing part of its financial means. Stalexport Autostrady has been limiting that risk on the one hand by spreading the means among various investment funds, on the other hand – where it is possible – by defining precisely the scope of feasible investments.

It will be important for the profitability of the investment activity, to explain the situation in which the fund Idea Premium SFIO, managed by Idea TFI investment fund – which due to the fact that redemption by far exceeded purchase transactions, temporarily suspended the possibility of requesting buy-back of units, while due to the (at least as noted at the end of last year) bonds issued by entities going through conciliatory or arrangement proceedings, the value of the fund unit may be subject to change.

5. Summary

Summing up the Report we want to highlight that Stalexport Autostrady Group acting on motorway business is the entity with solid financial bases giving possibilities for future usually capital intensive projects related to the construction and management of the motorway network.

Vice-President
Chief Financial Officer

Signed on Polish original

.....
/Mieczysław Skołożyński/

President
Chief Executive Officer

Signed on Polish original

.....
/Emil Wąsacz/

Katowice. July 30, 2012

6. Statements

- 6.1. Statement of the Management Board setting forth that according to their best knowledge, the semi-annual condensed consolidated financial statement 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 Group's state of affairs and its financial result, as well as the Management Board's semi-report on the activities of the Company's Group comprises a true picture of the Company's Group development and achievements and situation, including the description of basic risks

Statement

We hereby state that according to our best knowledge, the semi-annual abridged consolidated financial statement 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 Group's state of affairs as well as its the financial result.

We also declare that the semi-annual report of the Management Board from the activities of the Stalexport Autostrady Group reflects a true picture of the Group's development, achievements and situation, including the description of basic risks and threats.

Vice-President
Chief Financial Officer

Signed on Polish original

.....

/Mieczysław Skołączyński/

President
Chief Executive Officer

Signed on Polish original

.....

/Emil Wąsacz/

Katowice. July 30, 2012

- 6.2. Statement of the Management Board stating that the entity entitled to audit financial statements, reviewing the semi-annual condensed consolidated financial statement, has been selected in accordance with the provisions of law and that this entity as well as chartered auditors reviewing the statement have met the conditions regarding issuing impartial and independent report on reviewing the semi-annual abridged consolidated financial statement, in line with the appropriate provisions of the national law and the professional

Statement

We hereby state that Deloitte, entitled to audit the financial statements, reviewing the semi-annual condensed consolidated financial statement for 2012, has been selected in accordance with the provisions of law, i.e. pursuant to §18 section 3 item 8 of the Statutes of Stalexport Autostrady.

At the same time we also declare that the above-mentioned entity and the chartered auditors reviewing the semi-annual condensed consolidated financial statement have met the conditions regarding issuing impartial and independent report on reviewing the semi-annual abridged consolidated financial statement, in line with the appropriate provisions of law and the professional standards.

Vice-President
Chief Financial Officer

Signed on Polish original

.....

/Mieczysław Skołyżyński/

President
Chief Executive Officer

Signed on Polish original

.....

/Emil Wąsacz/

Katowice. July 30, 2012

Enclosure 1 - Financial highlights of Stalexport Autostrady Group

Table 6 Financial data concerning the condensed consolidated interim financial statements for the six-month period ended June 30, 2012

	in kPLN		in kEUR	
	1H2012	1H2011	1H2012	1H2011
Revenue on sales	86 657	83 288	20 513	20 994
Profit/(loss) from operating activities	22 787	24 887	5 394	6 273
Profit/(loss) before tax	1 845	2 780	437	701
Profit/(loss) for the period	502	1 003	119	253
Profit/(loss) for the period attributable to owners of the Parent	(1 446)	(1 894)	(342)	(477)
Weighted average number of 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)	(0,01)	(0,01)	(0,00)	(0,00)
Diluted earnings per share (PLN/EUR)	(0,01)	(0,01)	(0,00)	(0,00)
Net cash from operating activities	54 717	47 296	12 952	11 921
Net cash from investing activities	(52 107)	(69 117)	(12 334)	(17 422)
Net cash from financing activities	(25 495)	(13 969)	(6 035)	(3 521)
Total net cash	(22 885)	(35 790)	(5 417)	(9 021)
	30.06.2012	31.12.2011	30.06.2012	31.12.2011
Total assets	1 291 039	1 368 002	302 968	309 727
Non-current assets	1 096 256	1 146 046	257 259	259 474
Current assets	194 783	221 956	45 710	50 253
Total liabilities	1 115 123	1 188 412	261 686	269 066
Non-current liabilities	925 129	986 777	217 100	223 414
Current liabilities	189 994	201 635	44 586	45 652
Total equity	175 916	179 590	41 282	40 661
Equity attributable to equity holders of the Parent	173 300	175 051	40 668	39 633
Non-controlling interest	2 616	4 539	614	1 028
Issued share capital	185 447	185 447	43 519	41 987

Source: own materials

Table 7 Financial data concerning the condensed unconsolidated interim financial statements for the six-month period ended June 30, 2012

	in kPLN		in kEUR	
	1H2012	1H2011	1H2012	1H2011
Revenue on sales	1 933	1 966	458	496
Profit/h(loss) from operating activities	(3 563)	(10 576)	(843)	(2 666)
Profit/(loss) before tax	1 966	(5 926)	465	(1 494)
Profit/(loss) for the period	1 965	(5 926)	465	(1 494)
Weighted average number of 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)	0,01	(0,02)	0,00	(0,01)
Diluted earnings per share (PLN/EUR)	0,01	(0,02)	0,00	(0,01)
Net cash from operating activities	(10 941)	(12 263)	(2 590)	(3 091)
Net cash from investing activities	4 927	17 953	1 166	4 525
Net cash from financing activities	-	(6 516)	-	(1 642)
Total net cash	(6 014)	(826)	(1 424)	(208)
	30.06.2012	31.12.2011	30.06.2012	31.12.2011
Total assets	221 703	226 802	52 027	51 350
Non-current assets	84 835	85 181	19 908	19 286
Current assets	136 868	141 621	32 119	32 064
Total liabilities	31 794	38 768	7 461	8 777
Non-current liabilities	14 367	21 094	3 372	4 776
Current liabilities	17 427	17 674	4 090	4 002
Total equity	189 909	188 034	44 566	42 572
Issued share capital	185 447	185 447	43 519	41 987

Source: own materials

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

- a) *items of the statement of comprehensive income and the statement of cash flows for the 1st semester 2012 and 1st semester 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. 4.2246 PLN/EUR and 3.9673 PLN/EUR respectively;*
- b) *items of the statement of financial position according to average NBP exchange rate at the reporting date i.e. 4,2613 PLN/EUR at June 30, 2012 and 4,4168 PLN/EUR at December 31, 2011 respectively.*