# STALEXPORT AUTOSTRADY S.A.

## SEPARATE FINANCIAL STATEMENTS

as at the day and for the year ended
31 December 2013

Mysłowice, 5 March 2014

# Contents

## Separate statement of comprehensive income
### for the year ended 31 December

| *In thousands of PLN, unless stated otherwise* | *Note* | *2013* | *2012* |
|---|---|---|---|
| Revenue | 5,14 | 3 762 | 3 826 |
| Cost of sales | 5,7 | (3 436) | (3 203) |
| **Gross profit** | | **326** | **623** |
| Other income | 8 | 504 | 12 |
| Administrative expenses | 7 | (3 851) | (6 365) |
| Other expenses | 9 | (53) | (66) |
| **Results from operating activities** | | **(3 074)** | **(5 796)** |
| Finance income | | 9 016 | 12 994 |
| Finance expenses | | (2 830) | (8 114) |
| **Net finance income** | 10 | **6 186** | **4 880** |
| **Profit/(Loss) before income tax** | | **3 112** | **(916)** |
| Income tax expense | 11 | - | (49) |
| **Profit/(Loss) for the period** | | **3 112** | **(965)** |
| **Other comprehensive income** | | | |
| ***Items that will never be reclassified to profit or loss for the period*** | | | |
| Remeasurement of emloyee benefits | 24 | (103) | - |
| | | **(103)** | **-** |
| ***Items that are or may be reclassified subsequently to profit or loss for the period*** | | | |
| Net change in fair value of available-for-sale financial assets reclassified to profit or loss for the period | 10 | - | 5 788 |
| | | **-** | **5 788** |
| **Other comprehensive income for the period, net of income tax** | | **(103)** | **5 788** |
| **Total comprehensive income for the period** | | **3 009** | **4 823** |
| **Earnings per share** | 22 | | |
| Basic earnings per share (PLN) | | 0.01 | (0.00) |
| Diluted earnings per share (PLN) | | 0.01 | (0.00) |

The separate statement of comprehensive income should be analyzed together with notes, which constitute integral part of the separate financial statements

## Separate statement of financial position
### as at

| *In thousands of PLN* | *Note* | *31 December 2013* | *31 December 2012* |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 12 | 330 | 968 |
| Intangible assets | 13 | 33 | 118 |
| Investment property | 14 | 4 406 | 4 461 |
| Investments in subsidiaries and associates | 15 | 78 297 | 78 294 |
| **Total non-current assets** | | **83 066** | **83 841** |
| | | | |
| **Current assets** | | | |
| Current investments | 16 | 1 789 | 23 650 |
| Trade and other receivables | 19 | 7 523 | 7 272 |
| Cash and cash equivalents | 20 | 114 274 | 100 512 |
| **Total current assets** | | **123 586** | **131 434** |
| | | | |
| **Total assets** | | **206 652** | **215 275** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | 21 | | |
| Share capital | | 185 447 | 185 447 |
| Treasury shares | | (20) | (20) |
| Share premium reserve | | 7 430 | 8 395 |
| Retained earnings and uncovered losses | | 3 009 | (965) |
| **Total equity** | | **195 866** | **192 857** |
| | | | |
| **Liabilities** | | | |
| | | | |
| **Non-current liabilities** | | | |
| Employee benefits | 24 | 1 025 | 370 |
| Other non-current liabilities | | - | 7 579 |
| **Total non-current liabilities** | | **1 025** | **7 949** |
| | | | |
| **Current liabilities** | | | |
| Trade and other payables | 26 | 9 647 | 14 148 |
| Employee benefits | 24 | 102 | 216 |
| Deferred income | | 1 | - |
| Provisions | 25 | 11 | 105 |
| **Total current liabilities** | | **9 761** | **14 469** |
| **Total liabilities** | | **10 786** | **22 418** |
| | | | |
| **Total equity and liabilities** | | **206 652** | **215 275** |

## Separate statement of cash flows
### for the year ended 31 December

| *In thousands of PLN* | ***Note*** | ***2013*** | ***2012*** |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Profit/(Loss) before income tax** | | **3 112** | **(916)** |
| **Adjustments for** | | | |
| Depreciation and amortisation | 7 | 663 | 734 |
| Reversal of impairment on property, plant and equipment and intangible assets | 8, 9 | (2) | (2) |
| Loss on investment activity | | 2 186 | 3 495 |
| Gain on sale of intangible assets and property, plant and equipment | 8 | (30) | (2) |
| Interest and dividends | | (8 811) | (10 428) |
| Change in receivables | | (251) | 236 |
| Change in trade and other payables | | (11 555) | (16 173) |
| Change in provisions | | (94) | 41 |
| Chnage in deferred income | | 1 | - |
| Proceeds related to collateral requested by creditors | | - | 400 |
| **Cash used in operating activities** | | **(14 781)** | **(22 615)** |
| Income tax paid | | - | (49) |
| **Net cash used in operating activities** | | **(14 781)** | **(22 664)** |
| **Cash flows from investing activities** | | | |
| **Investment proceeds** | | **35 654** | **49 944** |
| Proceeds from sale of intangible assets and property, plant and equipment | | 150 | 11 |
| Dividends received | | 5 151 | 6 209 |
| Interest received | | 3 660 | 4 281 |
| Repayment of loans granted | | - | 600 |
| Proceeds from sale of financial assets | 16 | 26 693 | 38 843 |
| **Investment expenditures** | | **(7 111)** | **(944)** |
| Acquisition of intangible assets and property, plant and equipment | | (90) | (770) |
| Acquisition of financial assets | 15 | (7 021) | (174) |
| **Net cash from investing activities** | | **28 543** | **49 000** |
| **Cash flows from financing activities** | | | |
| **Net cash from/(used) in financing activities** | | **-** | **-** |
| **Net change in cash and cash equivalents** | | **13 762** | **26 336** |
| **Change in cash as in statement of financial position** | 20 | **13 762** | **26 336** |
| **Cash and cash equivalents at 1 January** | | **100 512** | **74 176** |
| **Cash and cash equivalents at 31 December, including:** | | **114 274** | **100 512** |
| Restricted cash and cash equivalents | | 18 | 29 |

## Separate statement of changes in equity

*In thousands of PLN*

| | Share capital | Treasury shares | Share premium reserve | Fair value reserve | Retained earnings and uncovered losses | Total equity |
|---|---|---|---|---|---|---|
| **As at 1 January 2012** | **185 447** | **(20)** | **13 514** | **(5 788)** | **(5 119)** | **188 034** |
| ***Loss for the period*** | - | - | - | - | *(965)* | *(965)* |
| ***Other comprehensive income for the period, net of income tax*** | - | - | - | *5 788* | - | *5 788* |
| Net change in fair value of available-for-sale financial assets reclassified to profit or loss for the period | - | - | - | 5 788 | - | **5 788** |
| ***Total comprehensive income for the period*** | - | - | - | *5 788* | *(965)* | *4 823* |
| Coverage of losses from previous years | - | - | (5 119) | - | 5 119 | - |
| **As at 31 December 2012** | **185 447** | **(20)** | **8 395** | **-** | **(965)** | **192 857** |

| | Share capital | Treasury shares | Share premium reserve | Fair value reserve | Retained earnings and uncovered losses | Total equity |
|---|---|---|---|---|---|---|
| **As at 1 January 2013** | **185 447** | **(20)** | **8 395** | **-** | **(965)** | **192 857** |
| ***Profit for the period*** | - | - | - | - | 3 112 | **3 112** |
| ***Other comprehensive income for the period, net of income tax*** | - | - | - | - | *(103)* | *(103)* |
| Remeasurement of emloyee benefits | - | - | - | - | (103) | **(103)** |
| ***Total comprehensive income for the period*** | - | - | - | - | *3 009* | *3 009* |
| Coverage of losses from previous years | - | - | (965) | - | 965 | - |
| **As at 31 December 2013** | **185 447** | **(20)** | **7 430** | **-** | **3 009** | **195 866** |

The separate statement of changes in equity should be analyzed together with notes, which constitute integral part of the separate financial statements

# 1. Company overview

Stalexport Autostrady S.A. („the Company”) with its seat in Mysłowice, Piaskowa 20 Street, is a public listed company registered in the National Court Register under registration number KRS 16854.

As at 31 December 2013 the Company's business activity includes management and business advisory and also rental of office space.

The Company is a parent entity of Stalexport Autostrady S.A. Capital Group and prepares consolidated financial statements.

The Company is a part of the Capital Group Atlantia S.p.A. (Italy) and it is included within the consolidated financial statements drawn up by the parent company of the highest level Atlantia S.p.A., which among other entities controls Company's main shareholder i.e. Autostrade per l'Italia S.p.A.

# 2. Basis of preparation of the separate financial statements

## 2.1. Statement of compliance

The separate financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (“IFRS EU”) and other regulations in force.

The Company prepares also the consolidated financial statements drawn up in accordance with IFRS EU.

The separate financial statements were approved by the Management Board of the Company on 5 March 2014.

IFRS EU contain all International Accounting Standards (“IAS”), International Financial Reporting Standards (“IFRS”) as well as related Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) except for Standards and Interpretations which are awaiting approval of the European Union as well as those Standards and Interpretations which have been approved by the European Union but are not yet effective.

## 2.2. Basis of measurement

The separate financial statements have been prepared on the historical cost basis, except for the following:

- available-for-sale financial assets measured at fair value;
- financial assets measured at fair value through profit or loss.

## 2.3. Functional and presentation currency

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

## 2.4. New standards and interpretations not adopted

New standards, amendments to standards and interpretations, which are effective for annual periods beginning after 1 January 2013, have not been applied in preparation of these separate financial statements. Apart from IFRS 9 *Financial instruments*, which awaits EU endorsement and already endorsed IFRS 12 *Disclosure of Interests in Other Entities* (effective for annual periods commencing on 1 January 2014 or later), neither of the new standards nor amendments to the already existing standards, is expected to have a significant impact on the separate financial statements of the Company for the period for which they will become effective, however it needs to be underlined that aforementioned impact couldn't have been reasonably estimated at the end of reporting period.

### 2.5. Use of estimates and judgements

The preparation of the separate financial statements in conformity with IFRS EU requires that the Management Board makes judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, equity and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances and the results of which form a basis for professional judgment on carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgments and estimates made by the Management Board while applying IFRS EU, which had significant impact on the separate financial statements, have been discussed in notes 14, 15, 16, 17, 18, 19, 24, 25, 29.

## 3. Going concern

The separate financial statements have been prepared under the assumption that the Company will continue to operate as a going concern for the foreseeable future.

## 4. Description of significant accounting principles applied

Apart from changes described in note 4.21, the accounting principles set out below have been applied consistently in all accounting periods presented within the separate financial statements.

### 4.1. Foreign currency transactions

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

### 4.2. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses (see note 4.11).

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

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (an asset that necessarily takes a substantial period of time to get ready for its intended use or sale) shall be capitalised as part of the cost of that asset. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are costs which could have been avoided, if the capital expenditure on qualified asset had not been incurred. The capitalisation of borrowing costs as part of the cost of a qualifying asset shall commence when expenditures for the asset are being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs shall cease when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

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

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised net within other income/other expenses in profit or loss.

### Reclassification to investment property

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

### Subsequent expenditures

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

### Depreciation

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

The Company adopted following useful lives for particular categories of property plant and equipment:

- buildings 25-40 years
- plant and equipment 1-15 years
- vehicles 5 years
- other 1-5 years

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

## 4.3. Intangible assets

Intangible assets that are acquired by the Company are measured at cost less accumulated depreciation and impairment losses (see note 4.11).

### Subsequent expenditures

Subsequent expenditures on existing intangible assets are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in profit or loss as incurred.

### Amortisation

Amortisation is charged to profit or loss on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite.

The estimated useful lives are as follows:

| | |
|---|---|
| ▪ intellectual property rights | up to 5 years |
| ▪ computer software | up to 5 years |
| ▪ licenses | 3-5 years |

The adequacy of amortisation methods, useful lives and residual values is reviewed at each reporting date and adjusted if appropriate.

## 4.4. Investment property

Investment property is a property held either to earn rental income or for capital appreciation or for both. Investment property is measured at cost less accumulated depreciation and impairment losses (see note 4.11).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of investment property (residual values are taken into account). The Company assumed 40-year period of economic useful life for the part of the office building classified as investment property.

## 4.5. Property, plant and equipment under lease

Lease agreements in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases.

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments, and then are subject to depreciation and impairment losses (see note 4.11). Subsequent to initial recognition, the property, plant and equipment under financial lease is accounted for in accordance with the accounting policy applicable to entity-owned property, plant and equipment. If it is not certain, that at the conclusion of the lease agreement the ownership of the leased assets will be transferred to the Company, the assets are depreciated over the shorter of periods of the lease and economic useful life of the assets.

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

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

## 4.6. Perpetual usufruct of land

The Company classifies perpetual usufruct of land as operating lease. The prepayments for perpetual usufruct of land are disclosed separately on the face of the separate statement of financial position. The prepayments for perpetual usufruct are expensed to profit or loss during the period of lease.

## 4.7. Investments in subsidiaries and associates

Investments in subsidiaries and associates are measured at cost less impairment losses (see note 4.11).

## 4.8. Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories is determined based on the first in, first out principle. The cost includes expenditure incurred directly in acquiring the inventories and their adoption for use or sale.

## 4.9. Non-current assets held for sale

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

## 4.10. Financial instruments

### 4.10.1. Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

The Company recognises loans, receivables and deposits when they arise. All other financial assets (including assets designated at fair value through profit or loss) are recognised on the trade date at which the Company becomes a party to the contractual provisions of the financial instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the separate statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

*Held-to-maturity financial assets*

If the Company has the positive intent and ability to hold debt securities (State Treasury bonds etc.) to maturity, then such financial assets are classified as held-to-maturity. Held-to-maturity financial assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition held-to-maturity financial assets are measured at amortised cost using the effective interest method, less any impairment losses.

Any sale or reclassification of a more than insignificant amount of held-to-maturity investments not close to their maturity would result in the reclassification of all held-to-maturity investments as available-for-sale and would prevent the Company from classifying investment securities as held-to-maturity for the current and the following two financial years.

*Financial assets at fair value through profit or loss*

A financial asset is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

*Loans and receivables*

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

*Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified in any of the above categories of financial assets.

Available-for-sale financial assets are initially recognised at fair value plus any directly attributable transaction costs and subsequently measured at fair value (without consideration of transaction costs), based on their market value as at the reporting date. If the financial assets are not listed on a stock exchange and if there are no alternative ways to verify their fair value, available-for-sale financial assets are valued at costs less any impairment loss.

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

*Non-derivative financial liabilities*

The Company recognises debt securities issued and subordinated liabilities when they arise. All other financial liabilities (including liabilities designated at fair value through profit or loss) are recognised initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the separate statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company qualifies only trade and other payables as non-derivative financial liabilities.

Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortised cost using the effective interest method.

#### 4.10.2. Derivative financial instruments

Derivative financial instruments are recognized initially at fair value - attributable transaction costs are recognized in profit or loss when incurred. Subsequent to initial recognition, derivatives are valued at fair value and changes therein are recognized immediately in profit or loss.

### 4.11. Impairment losses

#### 4.11.1. Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired.

A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include: default or delinquency by a debtor, restructuring of an amount due to the Company on terms that it would not consider otherwise; indications that a debtor or issuer will enter bankruptcy; the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost, is objective evidence of impairment.

The Company considers evidence of impairment for loans granted, receivables and held-to-maturity investment securities at both a specific asset and collective level. All individually significant loans granted, receivables and held-to-maturity investment securities are assessed for specific impairment.

All individually significant loans granted, receivables and held-to-maturity investment securities found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans granted, receivables and held-to-maturity investment securities that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment the Company uses historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale financial assets are recognised by reclassifying the losses accumulated in the fair value reserve in equity, to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortisation, and the current fair value, less any impairment loss recognised previously in profit or loss.

If, in a subsequent periods, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognised in profit or loss, then the impairment loss is reversed, with the amount of the reversal recognised in profit or loss. However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognised in other comprehensive income.

#### 4.11.2. Non-financial assets

The carrying amounts of the Company's non-financial assets, other than biological assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss.

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

#### 4.11.3. Non-current assets held for sale

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

### 4.12. Equity

#### Ordinary shares

Incremental costs directly attributable to issue of ordinary shares are recognised as a deduction from equity.

#### Repurchase of treasury shares

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

### 4.13. Employee benefits

#### 4.13.1. Retirement and disability benefits

The Company in accordance with its remuneration rules is obliged to payment of retirement and disability benefits.

The Company's obligation resulting from retirement/disability benefits is measured by estimation of future salary of a given employee for the period in which an employee will receive the benefit and by estimation of future retirement/disability benefit. Retirement/disability benefits are discounted using market Treasury bond return rate at the end of reporting period. The retirement/disability benefits obligation is recognized proportionally to the projected length of service of a given employee. Recognising the liability due to retirement/disability benefits, the Company discloses total actuarial gains or losses in other comprehensive income, for the period in which they were identified.

#### 4.13.2. Jubilee bonuses

The Company offers its employees jubilee bonuses, which depend on the current length of service of a given employee and the current average remuneration in the industry.

The Company's obligation resulting from jubilee bonuses is measured by estimation of future salary of a given employee for the period in which an employee will become entitled to a particular jubilee bonus and by estimation of future jubilee bonus. Jubilee bonuses are discounted using market Treasury bond return rate at the end of the reporting period. Disclosing liability due to jubilee bonuses, the Company discloses total actuarial gains or losses in profit or loss, within the period in which they were identified.

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

#### 4.13.3. Current employee benefits

Current employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised in the amount expected to be paid under short-term employee benefits, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

## 4.14. Provisions

A provision is recognized in the separate statement of financial position, when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

## 4.15. Revenue

### Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

## 4.16. Lease payments

Payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease.

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

## 4.17. Finance income and expenses

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

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

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance costs depending on whether foreign currency movements are in a net gain or net loss position.

## 4.18. Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

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

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

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

### 4.19. Discontinued operations

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

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

### 4.20. Earnings per share (EPS)

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

For the periods presented within these separate financial statements, there were no factors, that would result in dilution of earnings per share.

### 4.21. Changes in accounting principles during the reporting period

*Fair value measurement*

IFRS 13 *Fair value measurement* (effective for annual periods commencing on 1 January 2013 or later) establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other IFRS. In particular, it unifies the definition of fair value as the price at which and orderly transaction to sell an assets or to transfer a liability would take place between market participants at the measurement date.

This standard replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7 *Financial instruments: Disclosures*.

As the result of the implementation of the standard, the Company included required additional disclosures within note 27 of these separate financial statements.

The implementation of IFRS 13 provisions had no impact on the measurements of the Company's assets and liabilities.

*Post-employment defined benefit plans*

As the consequence of changes to IAS 19 *Employee benefits* (effective for annual periods commencing on 1 January 2013 or later), the Company recognized the actuarial profits and losses from the measurement of post-employment defined benefit plans (retirement and disability benefits) in other comprehensive income. The comparative data has not been transformed, due to immateriality of the potential adjustment.

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

*Presentation of items of other comprehensive income*

As a result of the amendments to IAS 1 *Presentation of Financial Statements* effective since 1 January 2013, the Company updated the presentation within the separate statement of comprehensive income by separating items of other comprehensive income that would be reclassified to profit or loss for the period from those that would never be. Aforementioned changes have been applied for both current and comparative reporting periods

## 5. Segment reporting

### 5.1. Business and geographical segments

The Company's business activity includes management and business advisory and also rental of office space. The revenue is generated exclusively from Poland based customers.

### 5.2. Major customer

Revenues from one of the customers of management, advisory and rental services segment exceeded 10% of revenue and amounted to TPLN 632 for 2013 (for 2012: TPLN 630).

## 6. Non-current assets held for sale

As at 31 December 2013 and 31 December 2012 the Company had no assets classified as non-current assets held for sale.

## 7. Expenses by nature

| | *2013* | *2012* |
|---|---|---|
| Depreciation and amortisation | (663) | (734) |
| Energy and materials consumption | (1 091) | (1 221) |
| External services | (2 596) | (2 429) |
| Taxes and charges | (450) | (481) |
| Personnel expenses, including: | (2 402) | (4 586) |
| - wages and salaries | (2 232) | (4 085) |
| - compulsory social security contributions and other benefits | (170) | (501) |
| Other costs | (85) | (117) |
| **Total expenses by nature** | **(7 287)** | **(9 568)** |
| **Cost of sales and administrative expenses** | **(7 287)** | **(9 568)** |

## 8. Other income

| | *2013* | *2012* |
|---|---|---|
| Reversal of allowances for receivables | 146 | - |
| Compensations, contractual penalties and costs of court proceedings received | 33 | 6 |
| Interest from receivables | 230 | 2 |
| Reversal of other provisions and allowances | 63 | 2 |
| Net gain on sale of property, plant and equipment and intangible assets | 30 | 2 |
| Other | 2 | - |
| **Total** | **504** | **12** |

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

## 9. Other expenses

| | 2013 | 2012 |
|---|---|---|
| Allowances for receivables | - | (10) |
| Penalties, compensations, charges | (8) | (4) |
| Interest on payables | - | (5) |
| Unrecoverable input VAT | (45) | (46) |
| Other | - | (1) |
| **Total** | **(53)** | **(66)** |

## 10. Net finance income

| | 2013 | 2012 |
|---|---|---|
| ***Recognised in profit or loss for the period*** | | |
| Dividends | 5 151 | 6 209 |
| Interest income, including: | 3 864 | 3 934 |
| - on bank deposits | 3 864 | 3 924 |
| - on loans granted | - | 10 |
| - from related entities | - | 10 |
| Profit on sale of investments | - | 465 |
| Net foreign exchange profit | 1 | 5 |
| Profit on investment in asset management funds (financial assets measured at their fair value through profit or loss) | - | 2 381 |
| **Finance income** | **9 016** | **12 994** |
| Interest expense on other liabilities measured at amortised cost | (693) | (1 746) |
| Revaluation of investments, including: | (1 633) | (6 368) |
| - net change in fair value of available-for-sale financial assets reclassified from equity | - | (5 788) |
| Loss on investment in asset management funds (financial assets measured at their fair value through profit or loss) | (504) | - |
| **Finance expenses** | **(2 830)** | **(8 114)** |
| **Net finance income recognised in profit or loss for the period** | **6 186** | **4 880** |
| ***Recognised in other comprehensive income*** | | |
| Net change in fair value of available-for-sale financial assets reclassified to profit or loss for the period* | - | 5 788 |
| **Finance expenses recognised in other comprehensive income** | **-** | **5 788** |

(*) see note 21.2;

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

## 11. Income tax

### 11.1. Income tax recognised in profit or loss for the period

The income tax rate which embraced the Company's activity amounted to 19% in 2012-2013. It is assumed that the income tax rate shouldn't change in upcoming years.

In 2013 the Company generated a taxable income of TPLN 1,085 (2012: tax income of TPLN 6,071), however due to utilization of tax losses for previous years it was not subject to current income tax obligations.

Considering the uncertainty of utilization of the excess of negative temporary differences and also outstanding tax losses carried forward over positive temporary differences in the foreseeable future, as at 31 December 2013 and 31 December 2012 the Company identified deferred tax assets only to the amount of deferred tax liabilities (see also note 17).

### 11.2. Effective tax rate

| | 2013 | | 2012 | |
|---|---|---|---|---|
| | % | | % | |
| Profit/(Loss) before income tax | | 3 112 | | (916) |
| Income tax using the Company's domestic tax rate | (19.0%) | (591) | (19.0%) | 174 |
| Non-deductible expenses | (6.0%) | (187) | 162.1% | (1 484) |
| Tax exempt income | 33.1% | 1 029 | (123.8%) | 1 134 |
| Utilization of previously adjusted tax losses | 6.6% | 206 | (125.9%) | 1 153 |
| Valuation adjustment/ temporary differences previously adjusted | (14.7%) | (457) | 112.0% | (1 026) |
| | **(0.0%)** | **-** | **5.3%** | **(49)** |

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

## 12. Property, plant and equipment

| | Buildings | Plant and equipment | Vehicles | Other | Under construction | Total |
|---|---|---|---|---|---|---|
| **Cost as at 1 January 2012** | **1 764** | **1 615** | **546** | **823** | **155** | **4 903** |
| Acquisitions | - | - | - | 82 | 437 | **519** |
| Transfer from property, plant and equipment under construction | 4 | 63 | - | - | (592) | **(525)** |
| Disposals | - | - | - | (90) | - | **(90)** |
| **Cost as at 31 December 2012** | **1 768** | **1 678** | **546** | **815** | **-** | **4 807** |
| | | | | | | |
| **Cost as at 1 January 2013** | **1 768** | **1 678** | **546** | **815** | **-** | **4 807** |
| Acquisitions | - | - | - | 3 | - | **3** |
| Disposals | - | - | (176) | (53) | - | **(229)** |
| Reclassification to investment property | (1 142) | (1 126) | - | - | - | **(2 268)** |
| **Cost as at 31 December 2013** | **626** | **552** | **370** | **765** | **-** | **2 313** |

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

| | Buildings | Plant and equipment | Vehicles | Other | Under construction | Total |
|---|---|---|---|---|---|---|
| **Depreciation and impairment losses as at 1 January 2012** | **(1 229)** | **(1 499)** | **(196)** | **(766)** | **-** | **(3 690)** |
| Depreciation for the period | (44) | (12) | (109) | (63) | - | **(228)** |
| Disposals | - | - | - | 79 | - | **79** |
| **Depreciation and impairment losses as at 31 December 2012** | **(1 273)** | **(1 511)** | **(305)** | **(750)** | **-** | **(3 839)** |
| **Depreciation and impairment losses as at 1 January 2013** | **(1 273)** | **(1 511)** | **(305)** | **(750)** | **-** | **(3 839)** |
| Depreciation for the period | (30) | (9) | (54) | (34) | - | **(127)** |
| Disposals | - | - | 56 | 53 | - | **109** |
| Reclassification to investment property | 849 | 1 025 | - | - | - | **1 874** |
| **Depreciation and impairment losses as at 31 December 2013** | **(454)** | **(495)** | **(303)** | **(731)** | **-** | **(1 983)** |
| **Carrying amounts** | | | | | | |
| As at 1 January 2012 | 535 | 116 | 350 | 57 | 155 | **1 213** |
| As at 31 December 2012 | 495 | 167 | 241 | 65 | - | **968** |
| As at 1 January 2013 | 495 | 167 | 241 | 65 | - | **968** |
| As at 31 December 2013 | 172 | 57 | 67 | 34 | - | **330** |

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

## 13. Intangible assets

| | Concessions, licences, software and other | Other intangible assets | Total |
|---|---|---|---|
| **Cost as at 1 January 2012** | **420** | **970** | **1 390** |
| Acquisitions | 36 | - | **36** |
| Disposals | (19) | - | **(19)** |
| **Cost as at 31 December 2012** | **437** | **970** | **1 407** |
| **Cost as at 1 January 2013** | **437** | **970** | **1 407** |
| Acquisitions | - | - | **-** |
| **Cost as at 31 December 2013** | **437** | **970** | **1 407** |
| **Amortisation and impairment losses as at 1 January 2012** | **(253)** | **(970)** | **(1 223)** |
| Amortisation for the period | (86) | - | **(86)** |
| Disposals | 18 | - | **18** |
| Reversal of impairment loss | 2 | - | **2** |
| **Amortisation and impairment losses as at 31 December 2012** | **(319)** | **(970)** | **(1 289)** |
| **Amortisation and impairment losses as at 1 January 2013** | **(319)** | **(970)** | **(1 289)** |
| Amortisation for the period | (87) | - | **(87)** |
| Reversal of impairment loss | 2 | - | **2** |
| **Amortisation and impairment losses as at 31 December 2013** | **(404)** | **(970)** | **(1 374)** |
| **Carrying amounts** | | | |
| As at 1 January 2012 | 167 | - | **167** |
| As at 31 December 2012 | 118 | - | **118** |
| As at 1 January 2013 | 118 | - | **118** |
| As at 31 December 2013 | 33 | - | **33** |

The amortisation of intangible assets is recognized in administrative expenses.

As at 31 December 2013, the Company recognized an impairment loss in relation to intangible assets amounting to TPLN 4 (31 December 2012: TPLN 6).

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

## 14. Investment property

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| **Cost at the beginning of the period** | **25 926** | **25 401** |
| Transfer from property, plant and equipment under construction | - | 525 |
| Reclassification from property, plant and equipment | 2 268 | - |
| **Cost at the end of the period** | **28 194** | **25 926** |
| **Depreciation and impairment losses at the beginning of the period** | **(21 465)** | **(21 045)** |
| Depreciation for the period | (449) | (420) |
| Reclassification from property, plant and equipment | (1 874) | - |
| **Depreciation and impairment losses at the end of the period** | **(23 788)** | **(21 465)** |
| **Carrying amounts at the beginning of the period** | **4 461** | **4 356** |
| **Carrying amounts at the end of the period** | **4 406** | **4 461** |

Investment property is measured at cost less accumulated depreciation and impairment losses (see note 4.4).

Investment property comprises a designated for rental part of office building situated at Mickiewicza St. as well as adjacent parking lots (including parking lot at Sokolska St.).

Based on property expert’s valuation conducted in October 2013, the fair value of the Company-owned part of the building at Mickiewicza St., and the fair value of perpetual usufruct of land on which aforementioned building is situated, were estimated at PLN 15.5 million – the fair value of the investment property situated at Sokolska St. was estimated at PLN 5.1 million. The property was appraised using income-based approach, investment method, simple capitalization technique.

As at 31 December 2013 the Company classified 96.3% of the owned part of the building at Mickiewicza St. and 100% of the parking lot at Sokolska St. as the investment property (these indicators are subject to revision on semi-annual basis).

Rental income (office and parking space) in 2013 amounted to TPLN 3,301 (in 2012: TPLN 3,370) and it was presented in profit or loss under “Revenue” – costs directly attributable to rental income amounted to TPLN 3,436 (in 2012: TPLN 3,203) and were presented in profit or loss under “Cost of sales”.

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

## 15. Investments in subsidiaries and associates

Investments in subsidiaries and associates included following entities:

| | Cost | Impairment loss | Carrying amount | Ownership |
|---|---|---|---|---|
| **31 December 2013** | | | | |
| Stalexport Autostrada Dolnośląska S.A. | 27 208 | (16 039) | 11 169 | 100.00% |
| Petrostal S.A. w likwidacji | 1 727 | (1 727) | - | 100.00% |
| Stalexport Wielkopolska Sp. z o.o. w upadłości | 12 072 | (12 072) | - | 97.96% |
| Stalexport Autoroute S.a r.l | 67 086 | - | 67 086 | 100.00% |
| Biuro Centrum Sp. z o.o. | 32 | - | 32 | 40.63% |
| Autostrada Mazowsze S.A. w likwidacji | 395 | (385) | 10 | 30.00% |
| **Total** | **108 520** | **(30 223)** | **78 297** | |
| | | | | |
| **31 December 2012** | | | | |
| Stalexport Autostrada Dolnośląska S.A. | 27 208 | (16 040) | 11 168 | 100.00% |
| Petrostal S.A. w likwidacji | 1 727 | (1 727) | - | 100.00% |
| Stalexport Wielkopolska Sp. z o.o. w upadłości | 12 072 | (12 072) | - | 97.96% |
| Stalexport Autoroute S.a r.l | 67 086 | - | 67 086 | 100.00% |
| Biuro Centrum Sp. z o.o. | 32 | - | 32 | 40.63% |
| Autostrada Mazowsze S.A. | 373 | (365) | 8 | 30.00% |
| **Total** | **108 498** | **(30 204)** | **78 294** | |

In March 2013 the Company partially repaid the liability due to unpaid share capital of the associated entity Autostrada Mazowsze S.A. by injecting the amount of TPLN 22.

On 11 April 2013 the Ordinary General Meeting of Autostrada Mazowsze S.A. decided to liquidate the company.

On 28 November 2013 the plan of a business combination of the Company and its subsidiary Stalexport Autostrada Dolnośląska S.A. was adopted. The business combination will be carried out in 2014 by means of transfer of all assets of Stalexport Autostrada Dolnośląska S.A. to the Company without the increase of the Company's share capital.

Following the valuation of investments at the end of reporting period, the Company deemed necessary to recognise an additional impairment loss of TPLN 20 in relation to Autostrada Mazowsze S.A. w likwidacji shares, at the same time reversing an impairment loss of TPLN 1 recognised in previous years in relation to Stalexport Autostrada Dolnośląska S.A. shares.

Financial information on above entities, which shares were not subject to 100% impairment was as follows:

| | Ownership | Assets | Liabilities | Equity | Revenue | Profit or loss |
|---|---|---|---|---|---|---|
| **31 December 2013** | | | | | | |
| Stalexport Autostrada Dolnośląska S.A. | 100.00% | 11 177 | 8 | 11 169 | - | 1 |
| Stalexport Autoroute S.a r.l | 100.00% | 257 636 | 54 | 257 582 | - | 4 784 |
| Biuro Centrum Sp. z o.o. | 40.63% | 1 979 | 973 | 1 006 | 9 577 | 253 |
| Autostrada Mazowsze S.A. w likwidacji | 30.00% | 36 | 2 | 34 | - | (67) |
| **Total** | | **270 828** | **1 037** | **269 791** | **9 577** | **4 971** |
| | | | | | | |
| **31 December 2012** | | | | | | |
| Stalexport Autostrada Dolnośląska S.A. | 100.00% | 11 201 | 33 | 11 168 | - | (359) |
| Stalexport Autoroute S.a r.l | 100.00% | 254 274 | 55 | 254 219 | - | 5 547 |
| Biuro Centrum Sp. z o.o. | 40.63% | 1 469 | 661 | 808 | 9 179 | 144 |
| Autostrada Mazowsze S.A. | 30.00% | 33 | 7 | 26 | - | (71) |
| **Total** | | **266 977** | **756** | **266 221** | **9 179** | **5 261** |

There is a pledge established on shares of company Stalexport Autoroute S.a r.l and shares of companies Stalexport Autostrada Małopolska S.A. and VIA4 S.A. owned by Stalexport Autoroute S.a r.l, as a security of a bank loan granted to subsidiary Stalexport Autostrada Małopolska S.A.

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

## 16. Current investments

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Available-for-sale financial assets (shares in unrelated entities) | 1 789 | 3 402 |
| Investments in asset management funds | - | 20 248 |
| **Total** | **1 789** | **23 650** |

Financial instruments available-for-sale comprise shares of Ideon S.A. (former Centrozap S.A.) and Dom Maklerski BDM S.A. As at 31 December 2013 the shares of these companies were subject to an impairment amounting to TPLN 13,293 (as at 31 December 2012: TPLN 12,119) and TPLN 1,121 (as at 31 December 2012: TPLN 683) respectively.

In reference to temporary suspension of buy-back of participation units ("PU") of investment fund Idea Premium SFIO, on 11 September 2012 the Polish Financial Supervision Authority endorsed Idea Premium SFIO to perform a buy-back of its PU in installments, subject to proportional reduction, during the period from 17 September 2012 to 16 March 2013. According to the schedule introduced in light of the endorsement above, the buy-back of PU has been conducted in 20%/80% installments, with the 80% part exercised on 15 March 2013 based on the value of PU at that date. As the result of redemption of PU the Company received in 2013 the amount of TPLN 4,091.

Additionally in 2013, as the result of change in adopted investment policy, the Company withdrew the total amount of TPLN 22,602 out of other assets management funds.

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

# 17. Deferred tax

## 17.1. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following items of assets and liabilities:

| | Assets | | Liabilities | | Net | |
|---|---|---|---|---|---|---|
| | *31 December 2013* | *31 December 2012* | *31 December 2013* | *31 December 2012* | *31 December 2013* | *31 December 2012* |
| Property, plant and equipment | 28 | 76 | - | - | **28** | **76** |
| Intangible assets | - | - | (3) | (4) | **(3)** | **(4)** |
| Investment property | 362 | 388 | - | - | **362** | **388** |
| Investments in subsidiaries and associates | - | 3 117 | - | - | **-** | **3 117** |
| Other non-current investments | 6 | 6 | - | - | **6** | **6** |
| Trade and other receivables | 1 225 | 1 279 | (62) | - | **1 163** | **1 279** |
| Current investments | 1 879 | 2 432 | - | (302) | **1 879** | **2 130** |
| Cash and cash equivalents | - | - | (100) | (61) | **(100)** | **(61)** |
| Employee benefits | 214 | 111 | - | - | **214** | **111** |
| Trade and other payables | 84 | 126 | - | - | **84** | **126** |
| Current provisions | 2 | 20 | - | - | **2** | **20** |
| **Deferred tax assets/liabilities on temporary differences** | **3 800** | **7 555** | **(165)** | **(367)** | **3 635** | **7 188** |
| Tax loss carry-forwards | 2 264 | 4 344 | - | - | **2 264** | **4 344** |
| Set off of tax | (165) | (367) | 165 | 367 | **-** | **-** |
| Valuation adjustment | (5 899) | (11 532) | - | - | **(5 899)** | **(11 532)** |
| **Net deferred tax assets as in statement of financial position** | **-** | **-** | **-** | **-** | **-** | **-** |

Considering the uncertainty of utilization of the excess of negative temporary differences and also outstanding tax losses carried forward over positive temporary differences in the foreseeable future, the Company both as at 31 December 2013 and 31 December 2012 recorded a valuation adjustment as a result of which net deferred tax assets were not recognized.

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

### 17.2. Tax losses

According to the tax regulations, tax loss incurred in a given tax year can reduce taxable income over the next five consecutive tax years, however the decrease in whichever of those years cannot exceed 50% of the loss for a given year. As at 31 December 2013 the maximum amount of tax losses remaining to be utilized during next five tax years amounted to TPLN 11,919 (31 December 2012: TPLN 22,864). As at 31 December 2013 and 31 December 2012 the Company did not recognize deferred tax assets on the tax losses carry forwards due to uncertainty of utilization of corresponding benefits.

| *Amount of loss* | *Expiry date* |
|---|---|
| 8 865 | 2014 |
| 3 054 | 2015 |
| **11 919** | |

## 18. Income tax receivables

As at 31 December 2013 the income tax receivables accounted for TPLN 1,341 (31 December 2012: TPLN 1,341). These receivables will be settled with future income tax liabilities due to tax authorities. Due to uncertain recovery of these receivables as at 31 December 2013, an impairment loss of TPLN 1,341 was recognized (as at 31 December 2012: TPLN 1,341).

## 19. Trade and other receivables

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Trade receivables from related entities | 122 | 130 |
| Trade receivables from other entities | 7 340 | 7 083 |
| Receivables from taxes, duties, social and health insurances and other benefits | 24 | 27 |
| Other receivables from other entities | 37 | 32 |
| **Total** | **7 523** | **7 272** |

As a result of the decision of the Supreme Administrative Court dated 29 March 2011 the Company recognized in the comparative period an allowance in the amount of TPLN 6,894, which concerned amounts receivable due to VAT paid as the result of decision of tax authorities that determined the excess of input VAT over output VAT for the period of August 2004. On 23 July 2012 the Company, acting within its legal rights, issued a complaint regarding non-compliance with regulations in force of a legally binding sentence of the Supreme Administrative Court. On 28 February 2013 the Supreme Administrative Court dismissed the aforementioned complaint.

Trade and other receivables are presented net of allowances for doubtful debts amounting to TPLN 112,834 (31 December 2012: TPLN 113,265).

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

The table below presents overdue trade and other receivables together with the amount of the allowances for doubtful debts.

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| **Overdue receivables (gross)** | | |
| up to 1 month | 12 | 24 |
| 1-6 months | 34 | 58 |
| 6 months-1 year | 18 | 12 |
| over 1 year | 113 023 | 113 133 |
| | **113 087** | **113 227** |
| allowances for overdue and doubtful debts | (105 727) | (106 158) |
| **Overdue receivables (net)** | **7 360** | **7 069** |

Movements of allowances for doubtful debts were as follows:

| | *2013* | *2012* |
|---|---|---|
| **Allowances for bad debts as at 1 January** | **(113 265)** | **(113 392)** |
| allowances recognised | (60) | (25) |
| allowances reversed | 206 | 15 |
| allowances utilized | 294 | 142 |
| reclassifications | (9) | (5) |
| **Allowances for bad debts as at 31 December** | **(112 834)** | **(113 265)** |

The allowances for doubtful debts within trade receivables were recognized due to expected difficulties in collection of amounts due from some customers. The allowances for other receivables concern mainly receivables deriving from activities discontinued in previous periods, resulting from loan guarantees granted to entities which were not able to settle their liabilities and VAT receivables mentioned above.

According to the Company, the collection of receivables which have not been subject to allowances is not doubtful. Overdue net receivables in amount of TPLN 7,314 are secured on the customer's property, which value exceeds the value of these receivables.

In 2013, in line with received payments and based on analysis of probability of post reporting date retrieval, the Company reversed some allowances for overdue receivables concerning the activity discontinued in previous years and current activity. Allowances amounting to TPLN 206 were reversed.

## 20. Cash and cash equivalents

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Bank balances | 1 | 9 |
| Current deposits | 114 255 | 100 474 |
| Restricted bank balances | 18 | 29 |
| **Cash and cash equivalents in the statement of financial position** | **114 274** | **100 512** |
| **Cash and cash equivalents in the statement of cash flows** | **114 274** | **100 512** |

Restricted bank balances refer to resources at the disposal of Company's social contribution fund.

## 21. Equity

### 21.1. Share capital

| | 31 December 2013 | 31 December 2012 |
|---|---|---|
| Number of shares at the beginning of the period | 247 262 023 | 247 262 023 |
| Number of shares at the end of the period (fully paid) | 247 262 023 | 247 262 023 |
| Nominal value of 1 share (PLN) | 0.75 | 0.75 |
| | | |
| Nominal value of A-series issue | 6 256 | 6 256 |
| Nominal value of B-series issue | 370 | 370 |
| Nominal value of D-series issue | 3 000 | 3 000 |
| Nominal value of E-series issue | 71 196 | 71 196 |
| Nominal value of F-series issue | 37 500 | 37 500 |
| Nominal value of G-series issue | 67 125 | 67 125 |
| **Total** | **185 447** | **185 447** |

The holders of ordinary shares are entitled to dividends as declared and are entitled to one vote per share at General Meeting of the Company. All shares entitle the shareholders to Company's assets in the same extent in case of its division.

### 21.2. Fair value reserve

All profits and losses from valuation of available-for-sale financial assets (apart from impairment losses and exchange rate changes), for which it is possible to declare their fair value based on regulatory market, or in any other reliable way, are attributed to this item of the equity.

Due to objective evidence of impairment of Ideon S.A. shares i.e. significant and prolonged decline in fair value (market value) of these assets below its cost, the Company recognised in 2012 an additional impairment loss by means of reclassification of cumulative fair value loss in amount of TPLN 5,788, which was attributed in previous reporting periods to fair value reserve, to profit or loss for the period.

### 21.3. Other reserve capitals and supplementary capital

Other reserve capitals may be created by the General Meeting from a part or total of approved profits of the Company. The General Meeting may also define a particular aim to which such resources should be assigned.

## 22. Earnings per share

The calculation of basic earnings per share was performed based on the net profit attributable to the ordinary shareholders of the Company of TPLN 3,112 (2012: net loss of TPLN 965) and a weighted average number of ordinary shares at the reporting date of 247,262 thousand (31 December 2012: 247,262 thousand).

### Net profit/(loss) attributable to shareholders per ordinary share

| | 2013 | 2012 |
|---|---|---|
| Profit/(Loss) for the period attributable to Company's shareholders (in TPLN) | 3 112 | (965) |
| Weighted average number of ordinary shares at the end of the period (thousands of shares) | 247 262 | 247 262 |
| **Profit/(Loss) for the period per ordinary share attributable to Company's shareholders (in PLN)** | **0.01** | **(0.00)** |

As at 31 December 2013 and 31 December 2012 no factors were determined that would result in dilution of loss per one share.

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

## 23. Loans and borrowings

As at 31 December 2013 and 31 December 2012 the Company was not subject to any loans and borrowings.

## 24. Employee benefits

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| **Non-current** | | |
| Retirement benefits | 18 | 16 |
| Disability benefits | 3 | 3 |
| Jubilee bonuses liabilities | - | 351 |
| Other employee benefits | 1 004 | - |
| **Total** | **1 025** | **370** |
| | | |
| **Current** | | |
| Retirement benefits | 102 | - |
| Jubilee bonuses liabilities | - | 63 |
| Other employee benefits | - | 153 |
| **Total** | **102** | **216** |

Amounts of future liabilities due to retirement benefits, disability benefits and jubilee bonuses were calculated on the basis of actuarial appraisal model.

As the result of changes implemented in Company's internal regulations, the system of jubilee bonuses was dissolved. Due to above, the employee benefits as at the end of the reporting period were decreased by the amount of TPLN 409.

Other employee benefits as at 31 December 2013 constituted a forecasted bonus payment for which Company's Management Board is eligible based on 3-year incentive scheme endorsed by the Supervisory Board in 2013.

**Change in employee benefits**

| | **Post-employment benefits** | | **Jubilee bonuses liabilities** | | **Other employee benefits** | | **Total** | |
|---|---|---|---|---|---|---|---|---|
| | ***2013*** | ***2012*** | ***2013*** | ***2012*** | ***2013*** | ***2012*** | ***2013*** | ***2012*** |
| **As at 1 January** | **19** | **162** | **414** | **446** | **153** | **2 332** | **586** | **2 940** |
| Changes included in profit or loss | 1 | (143) | (332) | (32) | 1 004 | 714 | **673** | **539** |
| Changes included in other comprehensive income | 103 | - | - | - | - | - | **103** | **-** |
| Benefits paid | - | - | (82) | - | (153) | (2 893) | **(235)** | **(2 893)** |
| **As at 31 December** | **123** | **19** | **-** | **414** | **1 004** | **153** | **1 127** | **586** |

Liabilities due to retirement benefits, disability benefits and jubilee bonuses were calculated according to following assumptions:

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Discount rate | 4.5% | 4.5% |
| Future remuneration increase | 0%-2.5% | 2.5%-5% |

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

## 25. Provisions

| Other provisions | *2013* | *2012* |
|---|---|---|
| **As at 1 January** | **105** | **64** |
| Recognition | 1 | 41 |
| Utilization | (33) | - |
| Reversal | (62) | - |
| **As at 31 December** | **11** | **105** |
| | | |
| Non-current | - | - |
| Current | 11 | 105 |
| **Total** | **11** | **105** |

Other provisions as at 31 December 2013 comprised a provision in amount of TPLN 11 recognized due to decision of District Court in Katowice from 18 December 2009 in relation to claim filed by CTL Maczki Bór Sp. z o.o. In accordance with the decision the Company was obliged to pay to CTL Maczki Bór Sp. z o.o. the amount of TPLN 40 including interest. On 25 January 2010 the Company submitted an appeal to the Court of Appeal in Katowice. On 14 October 2013 the Appeal Court changed the sentence subject to the appeal awarding to CTL Maczki Bór Sp. z o.o. jointly and severely from State Treasury and Stalexport Autostrady S.A. the amount of TPLN 6 plus interest, which was reflected in the calculation of the provision as at the end of the reporting period.

## 26. Trade and other payables (current)

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Trade payables to related entities | 100 | 39 |
| Trade payables to other entities | 311 | 196 |
| Amounts due to taxes, duties, social and other benefits | 36 | 56 |
| Payroll liabilities | 271 | 442 |
| Liabilities upon guarantees granted | 8 692 | 12 992 |
| Other payables and accruals to related entities | - | 88 |
| Other payables and accruals to other entities | 237 | 335 |
| **Total** | **9 647** | **14 148** |

Liabilities upon guarantees granted relate to guarantee provided to the State Treasury in respect of loan guarantee given to Huta Ostrowiec for modernization of a production line. In August 2008 the Company began the repayment of principal liability. Repayment schedule for these guarantee liabilities is presented within note 28.4.

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

## 27. Financial instruments – classification and fair value

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels on the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| *31 December 2013* | | Carrying amount | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *Note* | Financial assets measured at their fair value through profit or loss | Loans and receivables | Available-for-sale financial assets | Financial liabilities valued at amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets measured at fair value** | | | | | | | | | | |
| Equity instruments | 16 | - | - | 271 | - | **271** | 271 | - | - | **271** |
| | | **-** | **-** | **271** | **-** | **271** | | | | |
| **Financial assets not measured at fair value** | | | | | | | | | | |
| Equity instruments* | 16 | - | - | 1 518 | - | **1 518** | | | | |
| Trade and other receivables | 19 | - | 7 499 | - | - | **7 499** | | | | |
| Cash and cash equivalents | 20 | - | 114 274 | - | - | **114 274** | | | | |
| | | **-** | **121 773** | **1 518** | **-** | **123 291** | | | | |
| **Financial liabilities not measured at fair value** | | | | | | | | | | |
| Liabilities upon guarantees granted | 26 | - | - | - | (8 692) | **(8 692)** | | | | |
| Trade and other payables | 26 | - | - | - | (919) | **(919)** | | | | |
| | | **-** | **-** | **-** | **(9 611)** | **(9 611)** | | | | |

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

| *31 December 2012* | | Carrying amount | | | | | Fair value | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | *Note* | Financial assets measured at their fair value through profit or loss | Loans and receivables | Available-for-sale financial assets | Financial liabilities valued at amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| **Financial assets measured at fair value** | | | | | | | | | | |
| Investments in asset management funds | 16 | 20 248 | - | - | - | **20 248** | 20 248 | - | - | **20 248** |
| Equity instruments | 16 | - | - | 1 447 | - | **1 447** | 1 447 | - | - | **1 447** |
| | | **20 248** | **-** | **1 447** | **-** | **21 695** | | | | |
| **Financial assets not measured at fair value** | | | | | | | | | | |
| Equity instruments* | 16 | - | - | 1 955 | - | **1 955** | | | | |
| Trade and other receivables | 19 | - | 7 245 | - | - | **7 245** | | | | |
| Cash and cash equivalents | 20 | - | 100 512 | - | - | **100 512** | | | | |
| | | **-** | **107 757** | **1 955** | **-** | **109 712** | | | | |
| **Financial liabilities not measured at fair value** | | | | | | | | | | |
| Liabilities upon guarantees granted | 26 | - | - | - | (20 571) | **(20 571)** | | | | |
| Trade and other payables | 26 | - | - | - | (1 100) | **(1 100)** | | | | |
| | | **-** | **-** | **-** | **(21 671)** | **(21 671)** | | | | |

*Shares of companies which are not listed on financial markets, and for which there are no alternative measures to define their fair value, are disclosed at cost net of any impairment losses.

## *Fair value hierarchy*

Financial instruments measured at fair value can be classified according to the following valuation methods:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices),
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

# 28. Financial risk management

## 28.1. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counterparty fails to meet its contractual obligations, and it arises principally from the Company's receivables from customers and investment securities. The Company places its cash and cash equivalents in financial institutions with high credit ratings.

The following table shows the Company's maximum exposure to credit risk:

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Current investments | 1 789 | 23 650 |
| Trade and other receivables | 7 523 | 7 272 |
| Cash and cash equivalents | 114 274 | 100 512 |
| **Total** | **123 586** | **131 434** |

## 28.2. Stock exchange indexes fluctuations risk

Stock exchange indexes fluctuations risk relates to risk of possible financial losses due to fluctuations of stock exchange quotations. The risk concerns the shares of public listed companies recognised as available-for-sale financial assets.

The following table shows the Company's maximum exposure to stock exchange indexes fluctuations risk:

| | *31 December 2013* | *31 December 2012* |
|---|---|---|
| Available-for-sale financial assets | 271 | 1 447 |

## 28.3. Market risk

Market risk is the risk that changes in market demand, supply and prices, as well as other factors will affect the Company's financial results or controlled assets value (such as foreign exchange rates, interest rates and cost of capital). The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

### Interest rate risk

The Company's exposure to the interest rate risk relates mainly to cash and cash equivalents and other payables based on floating interest rate WIBOR + margin. The Company doesn't hedge against the risk of interest rate fluctuations.

The table below presents susceptibility profile of the Company (maximum exposure) to the risk of interest rate fluctuations by means of financial instruments presentation according to the fixed and floating interest rate:

| | **Carrying amount** *31 December 2013* | **Carrying amount** *31 December 2012* |
|---|---|---|
| **Fixed interest rate instruments** | | |
| Financial assets | - | - |
| Financial liabilities | - | - |
| **Total** | **-** | **-** |
| **Floating interest rate instruments** | | |
| Financial assets | 114 274 | 108 966 |
| Financial liabilities | (8 692) | (20 571) |
| **Total** | **105 582** | **88 395** |

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

While managing interest rate risk, the Company aims to reduce the impact of interest rate fluctuations via current monitoring of financial market.

The Company has conducted sensitivity analysis of floating and fixed interest rate financial instruments to fluctuations of market interest rates. The table below presents the impact of increase or decrease of interest rate by 100 basis points on the profit or loss and equity. The analysis assumes that all other variables such as foreign exchange rates remain constant. The analysis was performed for current and comparable reporting periods.

| | Profit or loss for the period | | Equity | |
|---|---|---|---|---|
| | increase 100 bp | decrease 100 bp | increase 100 bp | decrease 100 bp |
| **2013** | | | | |
| Floating interest rate instruments | 1 056 | (1 056) | 1 056 | (1 056) |
| Fixed interest rate instruments | - | - | - | - |
| **2012** | | | | |
| Floating interest rate instruments | 884 | (884) | 884 | (884) |
| Fixed interest rate instruments | - | - | - | - |

### Foreign currency risk

At the end of 2013 foreign currency risk concerns mainly trade and other payables.

The table below shows profile of the Company's sensibility (maximum exposure) to exchange rate change by means of presentation of financial instruments by currencies in which they are denominated:

*Assets/liabilities by currency after conversion into PLN (in TPLN)*

| **31 December 2013** | **EUR** |
|---|---|
| Trade and other payables | (73) |
| **Statement of financial position exposure** | **(73)** |

| **31 December 2012** | **EUR** |
|---|---|
| Trade and other payables | (17) |
| **Statement of financial position exposure** | **(17)** |

The Company performed sensitivity analysis of financial instruments denominated in foreign currencies to rate fluctuations. The table below presents the impact of strengthening or weakening of Polish zloty by 5% in relation to all foreign currencies, on profit or loss and on equity. This analysis assumes that all other variables, in particular interest rates, remain constant.

| | Profit or loss for the period | | Equity | |
|---|---|---|---|---|
| | increase of exchange rates by 5% | decrease of exchange rates by 5% | increase of exchange rates by 5% | decrease of exchange rates by 5% |
| **2013** | (4) | 4 | (4) | 4 |
| **2012** | (1) | 1 | (1) | 1 |

## 28.4. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company's approach to managing liquidity is to ensure, possession of financial means, necessary to fulfil Company's financial and investment liabilities using the most attractive sources of financing.

Liquidity management focuses on detailed analysis, planning and undertaking suitable actions related to working capital and net financial indebtedness.

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

The table below shows the maximum Company's exposure to liquidity risk:

| **31 December 2013** | | | | | |
|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | **Carrying amount** | **Expected cash flows** | **up to 6 months** | **6-12 months** | **1-2 years** |
| Liabilities upon guarantees granted | **8 692** | **(8 794)** | (7 708) | (1 086) | - |
| Trade and other payables | **955** | **(955)** | (955) | - | - |
| **Total** | **9 647** | **(9 749)** | **(8 663)** | **(1 086)** | **-** |

| **31 December 2012** | | | | | |
|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | **Carrying amount** | **Expected cash flows** | **up to 6 months** | **6-12 months** | **1-2 years** |
| Liabilities upon guarantees granted | **20 571** | **(21 562)** | (7 027) | (6 823) | (7 712) |
| Trade and other payables | **1 156** | **(1 156)** | (1 156) | - | - |
| **Total** | **21 727** | **(22 718)** | **(8 183)** | **(6 823)** | **(7 712)** |

## 28.5. Capital management

The Company's policy is to maintain strong capital base, which should be foundation for positive perception of the Company by investors, creditors and market and should also lead to further business development. Company monitors the changes in ownership, return on equity and debt/equity ratios.

The Company aims to achieve a return on equity ratio at the level considered satisfactory by the shareholders.

The Company is subject to the regulation resulting from art. 396 § 1 of the Polish Commercial Companies Code, which requires that at least 8% of profit for a given accounting year should be assigned to supplementary capital, until this capital reaches at least 1/3 of the share capital.

The net debt to adjusted equity ratio at the end of the reporting period was as follows:

| | ***31 December 2013*** | ***31 December 2012*** |
|---|---|---|
| Total liabilities | 10 786 | 22 418 |
| *minus* | | |
| Cash and cash equivalents | 114 274 | 100 512 |
| **Net debt** | **(103 488)** | **(78 094)** |
| Equity | 195 866 | 192 857 |
| **Adjusted equity** | **195 866** | **192 857** |
| **Net debt to adjusted equity ratio** | **(0.5)** | **(0.4)** |

There were no changes in the capital management policy during the accounting year.

## 29. Contingencies, guarantees and other commitments

Contingent liabilities relate to guarantees given to related entities amounting to TPLN 17,098 (31 December 2012: TPLN 15,574).

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

## 30. Related parties transactions

### 30.1. Intergroup receivables and liabilities

| **31 December 2013** | **Receivables** | **Payables** |
|---|---|---|
| Atlantia SpA | - | 17 |
| ***Parent entities*** | ***-*** | ***17*** |
| Stalexport Autostrada Małopolska S.A. | - | 2 |
| VIA4 S.A. | 112 | - |
| Stalexport Autostrada Dolnośląska S.A. | 3 | - |
| ***Subsidiaries*** | ***115*** | ***2*** |
| Biuro Centrum Spółka z o.o. | 7 | 81 |
| ***Associates*** | ***7*** | ***81*** |
| **Total** | **122** | **100** |

| **31 December 2012** | **Receivables** | **Payables** |
|---|---|---|
| Atlantia SpA | - | 17 |
| ***Parent entities*** | ***-*** | ***17*** |
| VIA4 S.A. | 103 | - |
| Stalexport Autostrada Dolnośląska S.A. | 3 | - |
| ***Subsidiaries*** | ***106*** | ***-*** |
| Biuro Centrum Spółka z o.o. | 22 | 110 |
| Autostrada Mazowsze S.A. | 2 | - |
| ***Associates*** | ***24*** | ***110*** |
| **Total** | **130** | **127** |

### 30.2. Related parties transactions

| **2013** | **Revenue** | **Other income** | **Finance income** | **Cost of sales** |
|---|---|---|---|---|
| Stalexport Autostrada Małopolska S.A. | - | - | - | (16) |
| VIA4 S.A. | 342 | 25 | - | - |
| Stalexport Autostrada Dolnośląska S.A. | 50 | - | - | - |
| Stalexport Autoroute S.a.r.l | - | - | 5 150 | - |
| ***Subsidiaries*** | ***392*** | ***25*** | ***5 150*** | ***(16)*** |
| Biuro Centrum Spółka z o.o. | 263 | - | - | (2 918) |
| Autostrada Mazowsze S.A. w likwidacji | 36 | - | - | - |
| ***Associates*** | ***299*** | ***-*** | ***-*** | ***(2 918)*** |
| Autogrill Polska Sp. z o.o. | 55 | - | - | - |
| ***Other related entities*** | ***55*** | ***-*** | ***-*** | ***-*** |
| **Total** | **746** | **25** | **5 150** | **(2 934)** |

| **2012** | **Revenue** | **Other income** | **Finance income** | **Cost of sales** |
|---|---|---|---|---|
| VIA4 S.A. | 338 | - | - | - |
| Stalexport Autostrada Dolnośląska S.A. | 54 | - | 400 | - |
| Stalexport Autoroute S.a.r.l | - | - | 5 553 | - |
| ***Subsidiaries*** | ***392*** | ***-*** | ***5 953*** | ***-*** |
| Biuro Centrum Spółka z o.o. | 272 | 5 | - | (2 817) |
| Autostrada Mazowsze S.A. | 41 | - | 10 | - |
| ***Associates*** | ***313*** | ***5*** | ***10*** | ***(2 817)*** |
| Autogrill Polska Sp. z o.o. | 55 | - | - | - |
| ***Other related entities*** | ***55*** | ***-*** | ***-*** | ***-*** |
| **Total** | **760** | **5** | **5 963** | **(2 817)** |

In 2013 the Company recognized an impairment loss in relation to Autostrada Mazowsze S.A w likwidacji shares in amount of TPLN 20 and reversed the impairment loss in relation to Stalexport Autostrada Dolnośląska S.A. shares in amount of TPLN 1 (see also note 15).

In 2012 the Company recognised impairment losses in relation to Stalexport Autostrada Dolnośląska S.A. and Autostrada Mazowsze S.A. shares in amount of TPLN 759 and TPLN 166 respectively and reversed the impairment loss related to loan granted to Autostrada Mazowsze S.A. in amount of TPLN 145.

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

### 30.3. Transactions with key personnel

The remuneration cost of the managing and supervising personnel of the Company was as follows:

| | 2013 | 2012 |
|---|---|---|
| Management Board | 1 899 | 2 251 |
| Supervisory Board | 63 | 63 |
| **Total** | **1 962** | **2 314** |

In 2013 and 2012 the Company did not grant any loans, advances or guarantees to the members of the Management Board and Supervisory Board.

Remuneration for 2013 includes provision for Management Board bonuses for the year 2013 recognised as at 31 December 2013 in amount of TPLN 199 (the provision as at 31 December 2012 amounted to TPLN 396) as well as a portion of remuneration payable on the basis of 3-year incentive scheme accrued in 2013 (see note 24).

## 31. Remuneration of entity examining the financial statements and its related entities

Information regarding the remuneration of entity assigned to examine the separate financial statements has been provided within point 5.19 of the Management Board Report on the activities of the Company.

## 32. Subsequent events

There were no significant subsequent events, which should be disclosed in the separate financial statements for the year 2013.

**Explanation**

*This document constitutes a translation of the separate financial statements of Stalexport Autostrady S.A., which were originally issued in Polish. In case of ambiguities in interpretation of terminology, the original Polish terminology should be treated as binding.*