



STALEXPORT AUTOSTRADY S.A.

**CONDENSED SEPARATE
INTERIM FINANCIAL STATEMENTS**

for the six-month period ended
30 June 2014

Mysłowice, 25 July 2014

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

These condensed separate interim financial statements are unaudited

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CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

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Condensed separate interim statement of comprehensive income
for the six-month period ended 30 June

In thousands of PLN, unless stated otherwise

	2014	2013*
Revenue	1 907	1 841
Cost of sales	(1 799)	(1 571)
Gross profit	108	270
Other income	183	427
Administrative expenses	(1 990)	(2 304)
Other expenses	(22)	(28)
Results from operating activities	(1 721)	(1 635)
Finance income	3 752	4 083
Finance expenses	(102)	(2 849)
Net finance income	3 650	1 234
Profit/(Loss) before income tax	1 929	(401)
Income tax expense	(26)	8
Profit/(Loss) for the period	1 903	(393)
Other comprehensive income	-	-
Total comprehensive income for the period	1 903	(393)
Earnings per share		
Basic earnings per share (PLN)	0.01	(0.00)
Diluted earnings per share (PLN)	0.01	(0.00)

*Restated due to business combination with a subsidiary - see note 2;

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

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Condensed separate interim statement of financial position
as at

<i>In thousands of PLN</i>	<i>Note</i>	30 June 2014	31 December 2013*	1 January 2013*
ASSETS				
Non-current assets				
Property, plant and equipment		280	330	968
Intangible assets		-	37	135
Investment property		4 172	4 406	4 461
Investments in subsidiaries and associates	3	67 118	67 128	67 125
Other non-current investments		69	69	69
Receivables due to finance lease		5 163	5 704	4 890
Deferred tax assets		-	15	144
Total non-current assets		76 802	77 689	77 792
Current assets				
Current investments		1 866	1 789	26 086
Receivables due to finance lease		1 295	1 248	899
Trade and other receivables		7 774	7 779	7 269
Cash and cash equivalents		113 349	117 829	102 934
Total current assets		124 284	128 645	137 188
Total assets		201 086	206 334	214 980
EQUITY AND LIABILITIES				
Equity				
Share capital		185 447	185 447	185 447
Treasury shares		(20)	(20)	(20)
Share premium reserve		7 430	7 430	8 395
Other reserve and supplementary capitals		4 178	1 168	1 527
Retained earnings and uncovered losses		410	1 517	(2 817)
Total equity		197 445	195 542	192 532
Liabilities				
Non-current liabilities				
Employee benefits		1 531	1 025	370
Other non-current liabilities		-	-	7 579
Total non-current liabilities		1 531	1 025	7 949
Current liabilities				
Trade and other payables		2 008	9 653	14 178
Employee benefits		102	102	216
Deferred income		-	1	-
Provisions		-	11	105
Total current liabilities		2 110	9 767	14 499
Total liabilities		3 641	10 792	22 448
Total equity and liabilities		201 086	206 334	214 980

*Restated due to business combination with a subsidiary - see note 2;

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Condensed separate interim statement of cash flows
for the six-month period ended 30 June

In thousands of PLN

	2014	2013*
Cash flows from operating activities		
Profit/(Loss) before income tax	1 929	(401)
Adjustments for		
Depreciation and amortisation	322	343
Reversal of impairment on property, plant and equipment and intangible assets	(1)	(1)
(Profit)/Loss on investment activity	(69)	2 444
Gain on sale of intangible assets and property, plant and equipment	-	(28)
Interest and dividends	(3 473)	(3 670)
Change in receivables	499	(452)
Change in trade and other payables	(7 135)	(5 861)
Change in provisions	(11)	(17)
Change in deferred income	(1)	-
Cash used in operating activities	(7 940)	(7 643)
Income tax paid	(11)	-
Net cash used in operating activities	(7 951)	(7 643)
Cash flows from investing activities		
Investment proceeds	3 475	32 648
Proceeds from sale of intangible assets and property, plant and equipment	-	148
Dividends received	1 711	1 651
Interest received	1 762	2 019
Proceeds from sale of financial assets	-	28 830
Other proceeds from financial assets	2	-
Investment expenditures	(4)	(7 402)
Acquisition of intangible assets and property, plant and equipment	(4)	(380)
Acquisition of financial assets	-	(7 022)
Net cash from investing activities	3 471	25 246
Cash flows from financing activities		
Net cash from/(used) in financing activities	-	-
Net change in cash and cash equivalents	(4 480)	17 603
Change in cash as in statement of financial position	(4 480)	17 603
Cash and cash equivalents at 1 January	117 829	102 934
Cash and cash equivalents at 30 June, including:	113 349	120 537
Restricted cash and cash equivalents	-	13

*Restated due to business combination with a subsidiary - see note 2;

The condensed separate interim statement of cash flows should be analyzed together with notes, which constitute integral part of the condensed separate interim financial statements

STALEXPORT AUTOSTRADY S.A.**CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014***These condensed separate interim financial statements are unaudited***Condensed separate interim statement of changes in equity***In thousands of PLN*

	Share capital	Treasury shares	Share premium reserve	Other reserve and supplementary capitals	Retained earnings and uncovered losses	Total equity
As at 1 January 2013	185 447	(20)	8 395	-	(965)	188 034
Adjustments due to business combination	-	-	-	1 527	(1 852)	(325)
As at 1 January 2013*	185 447	(20)	8 395	1 527	(2 817)	192 532
<i>Loss for the period</i>	-	-	-	-	(393)	(393)
<i>Total comprehensive income for the period</i>	-	-	-	-	(393)	(393)
Coverage of losses from previous years	-	-	(965)	(359)	1 324	-
As at 30 June 2013*	185 447	(20)	7 430	1 168	(1 886)	192 139
	Share capital	Treasury shares	Share premium reserve	Other reserve and supplementary capitals	Retained earnings and uncovered losses	Total equity
As at 1 January 2014	185 447	(20)	7 430	-	3 009	195 866
Adjustments due to business combination	-	-	-	1 168	(1 492)	(324)
As at 1 January 2014*	185 447	(20)	7 430	1 168	1 517	195 542
<i>Profit for the period</i>	-	-	-	-	1 903	1 903
<i>Total comprehensive income for the period</i>	-	-	-	-	1 903	1 903
Allocation of profit to supplementary capital	-	-	-	3 010	(3 010)	-
As at 30 June 2014	185 447	(20)	7 430	4 178	410	197 445

*Restated due to business combination with a subsidiary - see note 2;

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

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

These condensed separate interim financial statements are unaudited

Notes to the condensed separate interim financial statements

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

1. Accounting principles

These condensed separate interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union and other regulations in force.

These condensed separate interim financial statements should be analyzed together with the separate financial statements prepared as at the day and for the year ended 31 December 2013 and the condensed consolidated interim financial statements prepared as at the day and for the six-month period ended 30 June 2014.

The Company while preparing these condensed separate interim financial statements applied accounting principles identical to the ones used for preparation of separate financial statements for the year ended 31 December 2013.

2. Business combination with a subsidiary

On 3 April 2014 the Ordinary General Meeting of the Company and Ordinary General Meeting of its subsidiary Stalexport Autostrada Dolnośląska S.A. ("SAD S.A.") adopted resolutions on the business combination of these two entities – on 30 May 2014 the Katowice-East District Court issued a decision on registration of the aforementioned business combination.

The business combination has been carried out in accordance with art. 492 § 1.1 of the Polish Commercial Companies Code, i.e. by means of transfer of all assets of SAD S.A. to the Company without the increase of the Company's share capital. Considering that IFRS EU do not contain any specific regulations for this type of transaction, it has been carried out and recognized in accordance with art. 44a § 2 and art. 44c of Polish Accounting Act, i.e. by means of "pooling of interest method".

Under the pooling of interest method the carrying amounts of individual items of assets and liabilities, as well as income and expenses of the entities subject to combination, are aggregated as at the date of a business combination, after prior unification of valuation methods and elimination of the result of mutual transactions.

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

Restatement of comparative data as the result of the business combination with a subsidiary

In accordance with art. 44c § 6 of Polish Accounting Act the comparative data included in these condensed separate interim financial statements, has been restated accordingly as if the business combination had been concluded at the beginning of previous financial year.

The total impact of business combination on separate statement of financial position and separate statement of comprehensive income for the comparative periods presented in these condensed separate interim financial statements has been outlined below.

Separate statement of comprehensive income for the 6-month period ended 30 June 2013

<i>In thousands of PLN, unless stated otherwise</i>	Stalexport Autostrady S.A. <i>published</i>	Stalexport Autostrada Dolnośląska S.A.	Adjustments due to business combination	Stalexport Autostrady S.A. <i>restated</i>
Revenue	1 866	-	(25) ¹⁾	1 841
Cost of sales	(1 571)	-	-	(1 571)
Gross profit	295	-	(25)	270
Other income	427	-	-	427
Administrative expenses	(2 288)	(41)	25 ¹⁾	(2 304)
Other expenses	(28)	-	-	(28)
Results from operating activities	(1 594)	(41)	-	(1 635)
Finance income	3 818	265	-	4 083
Finance expenses	(2 617)	(298)	66 ²⁾	(2 849)
Net finance income/(expenses)	1 201	(33)	66	1 234
Loss before income tax	(393)	(74)	66	(401)
Income tax expense	-	8	-	8
Loss for the period	(393)	(66)	66	(393)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	(393)	(66)	66	(393)

- 1) Elimination of revenues and operating expenses from business transactions between the combining entities;
- 2) Elimination of impairment loss of Stalexport Autostrada Dolnośląska S.A. shares.

STALEXPORT AUTOSTRADY S.A.
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(all amounts in PLN thousand (TPLN), unless stated otherwise)

Separate statement of financial position as at 31 December 2013

<i>In thousands of PLN</i>	Stalexport Autostrady S.A.	Stalexport Autostrada Dolnośląska S.A.	Adjustments due to business combination	Stalexport Autostrady S.A.
	<i>published</i>			<i>restated</i>
ASSETS				
Non-current assets				
Property, plant and equipment	330	-	-	330
Intangible assets	33	4	-	37
Investment property	4 406	-	-	4 406
Investments in subsidiaries and associates	78 297	-	(11 169) 3)	67 128
Other non-current investments	-	393	(324) 4)	69
Receivables due to finance lease	-	5 704	-	5 704
Deferred tax assets	-	15	-	15
Total non-current assets	83 066	6 116	(11 493)	77 689
Current assets				
Current investments	1 789	-	-	1 789
Receivables due to finance lease	-	1 248	-	1 248
Trade and other receivables	7 523	259	(3) 1)	7 779
Cash and cash equivalents	114 274	3 555	-	117 829
Total current assets	123 586	5 062	(3)	128 645
Total assets	206 652	11 178	(11 496)	206 334
EQUITY AND LIABILITIES				
Equity				
Share capital	185 447	10 000	(10 000) 2)	185 447
Treasury shares	(20)	-	-	(20)
Share premium reserve	7 430	-	-	7 430
Other reserve and supplementary capitals	-	1 168	-	1 168
Retained earnings and uncovered losses	3 009	1	(1 493) 2),3),4)	1 517
Total equity	195 866	11 169	(11 493)	195 542
Liabilities				
Non-current liabilities				
Employee benefits	1 025	-	-	1 025
Total non-current liabilities	1 025	-	-	1 025
Current liabilities				
Trade and other payables	9 647	9	(3) 1)	9 653
Employee benefits	102	-	-	102
Deferred income	1	-	-	1
Provisions	11	-	-	11
Total current liabilities	9 761	9	(3)	9 767
Total liabilities	10 786	9	(3)	10 792
Total equity and liabilities	206 652	11 178	(11 496)	206 334

- 1) Elimination of mutual receivables and liabilities;
- 2) Elimination of Stalexport Autostrada Dolnośląska S.A. share capital;
- 3) Elimination of Stalexport Autostrada Dolnośląska S.A. shares in possession of the Company;
- 4) Elimination of unrealized profit recognised in the value of financial assets.

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

Separate statement of financial position as at 1 January 2013

<i>In thousands of PLN</i>	Stalexport Autostrady S.A.	Stalexport Autostrada Dolnośląska S.A.	Adjustments due to business combination		Stalexport Autostrady S.A.
	<i>published</i>				<i>restated</i>
ASSETS					
Non-current assets					
Property, plant and equipment	968	-	-		968
Intangible assets	118	17	-		135
Investment property	4 461	-	-		4 461
Investments in subsidiaries and associates	78 294	-	(11 169)	3)	67 125
Other non-current investments	-	393	(324)	4)	69
Receivables due to finance lease	-	4 890	-		4 890
Deferred tax assets	-	144	-		144
Total non-current assets	83 841	5 444	(11 493)		77 792
Current assets					
Current investments	23 650	2 436	-		26 086
Receivables due to finance lease	-	899	-		899
Trade and other receivables	7 272	-	(3)	1)	7 269
Cash and cash equivalents	100 512	2 422	-		102 934
Total current assets	131 434	5 757	(3)		137 188
Total assets	215 275	11 201	(11 496)		214 980
EQUITY AND LIABILITIES					
Equity					
Share capital	185 447	10 000	(10 000)	2)	185 447
Treasury shares	(20)	-	-		(20)
Share premium reserve	8 395	-	-		8 395
Other reserve and supplementary capitals	-	1 527	-		1 527
Retained earnings and uncovered losses	(965)	(359)	(1 493)	2),3),4)	(2 817)
Total equity	192 857	11 168	(11 493)		192 532
Liabilities					
Non-current liabilities					
Employee benefits	370	-	-		370
Other non-current liabilities	7 579	-	-		7 579
Total non-current liabilities	7 949	-	-		7 949
Current liabilities					
Trade and other payables	14 148	33	(3)	1)	14 178
Employee benefits	216	-	-		216
Provisions	105	-	-		105
Total current liabilities	14 469	33	(3)		14 499
Total liabilities	22 418	33	(3)		22 448
Total equity and liabilities	215 275	11 201	(11 496)		214 980

- 1) Elimination of mutual receivables and liabilities;
- 2) Elimination of Stalexport Autostrada Dolnośląska S.A. share capital;
- 3) Elimination of Stalexport Autostrada Dolnośląska S.A. shares in possession of the Company;
- 4) Elimination of unrealized profit recognised in the value of financial assets.

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3. Investments in subsidiaries and associates

Investments in subsidiaries and associates relate to the following companies:

	Cost	Impairment loss	Carrying amount	Ownership
30 June 2014				
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	393	(393)	-	30.00%
Total	81 310	(14 192)	67 118	

	Cost	Impairment loss	Carrying amount	Ownership
31 December 2013*				
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	81 312	(14 184)	67 128	

	Cost	Impairment loss	Carrying amount	Ownership
1 January 2013*				
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	(366)	7	30.00%
Total	81 290	(14 165)	67 125	

*Restated due to business combination with a subsidiary - see note 2;

The consequences of the non-current investments' valuation at the end of the reporting period were described in note 4.2.

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The financial data concerning investments which are not subject to 100% impairment loss are presented below:

	Ownership	Assets	Liabilities	Equity	Revenue	Profit or loss
30 June 2014						
Stalexport Autoroute S.a r.l	100.00%	260 402	71	260 331	-	3 550
Biuro Centrum Sp. z o.o.	40.63%	1 806	785	1 021	4 427	73
Autostrada Mazowsze S.A. w likwidacji	30.00%	-	-	-	-	(26)
Total		262 208	856	261 352	4 427	3 597
31 December 2013*						
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		259 651	1 029	258 622	9 577	4 970
1 January 2013*						
Stalexport Autoroute S.a r.l	100.00%	254 274	55	254 219	-	-
Biuro Centrum Sp. z o.o.	40.63%	1 469	661	808	-	-
Autostrada Mazowsze S.A.	30.00%	33	7	26	-	-
Total		255 776	723	255 053	-	-

*Restated due to business combination with a subsidiary - see note 2;

4. Transactions with related parties

4.1. Intragroup receivables and liabilities

	Receivables	Payables
30 June 2014		
Atlantia SpA	-	17
Parent entities	-	17
Stalexport Autostrada Małopolska S.A.	-	2
VIA4 S.A.	6 571	-
Subsidiaries	6 571	2
Biuro Centrum Spółka z o.o.	6	-
Associates	6	-
Autogrill Polska Sp. z o.o.	-	10
Other related entities	-	10
Total	6 577	19
31 December 2013*		
Atlantia SpA	-	17
Parent entities	-	17
Stalexport Autostrada Małopolska S.A.	-	2
VIA4 S.A.	7 064	-
Subsidiaries	7 064	2
Biuro Centrum Spółka z o.o.	7	81
Associates	7	81
Total	7 071	100
1 January 2013*		
Atlantia SpA	-	17
Parent entities	-	17
VIA4 S.A.	5 892	-
Subsidiaries	5 892	-
Biuro Centrum Spółka z o.o.	22	110
Autostrada Mazowsze S.A.	2	-
Associates	24	110
Total	5 916	127

*Restated due to business combination with a subsidiary - see note 2;

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

4.2. Transactions with related parties

	Revenue	Other income	Finance income	Cost of sales
I semester 2014				
Stalexport Autostrada Małopolska S.A.	-	-	-	(13)
VIA4 S.A.	175	-	210	-
Stalexport Autoroute S.a.r.l	-	-	1 650	-
Subsidiaries	175	-	1 860	(13)
Biuro Centrum Spółka z o.o.	133	-	-	(1 453)
Autostrada Mazowsze S.A. w likwidacji	10	-	-	-
Associates	143	-	-	(1 453)
Autogrill Polska Sp. z o.o.	28	-	-	-
Other related entities	28	-	-	-
Total	346	-	1 860	(1 466)
I semester 2013*				
VIA4 S.A.	168	25	204	-
Stalexport Autoroute S.a.r.l	-	-	1 650	-
Subsidiaries	168	25	1 854	-
Biuro Centrum Spółka z o.o.	133	-	-	(1 379)
Autostrada Mazowsze S.A. w likwidacji	20	-	-	-
Associates	153	-	-	(1 379)
Autogrill Polska Sp. z o.o.	27	-	-	-
Other related entities	27	-	-	-
Total	348	25	1 854	(1 379)

*Restated due to business combination with a subsidiary - see note 2;

In I semester 2014 the Company recognised impairment losses in relation to Autostrada Mazowsze S.A. w likwidacji shares in amount of TPLN 8 (I semester 2013: TPLN 14).

5. Subsequent events

There were no significant subsequent events, which should be disclosed in the condensed separate interim financial statements for the 6-month period ended 30 June 2014.

Explanation

This document constitutes a translation of the condensed separate interim 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.