

MANAGEMENT BOARD'S REPORT ON THE ACTIVITIES OF THE GROUP IN THE FIRST HALF OF 2015



**STALEXPORT
AUTOSTRADY S.A.**



Mysłowice, 24 July 2015

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Definitions and abbreviations

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

ADT	Average Daily Traffic
ASPI	Autostrade per l'Italia S.p.A. with its registered office in Rome (Italy)
Atlantia	Atlantia S.p.A. with its registered office in Rome (Italy)
Financing Banks	Portigon AG (London Branch), FM Bank PBP S.A., FMS Wertmanagement, KfW IPEX-Bank GmbH and PEKAO S.A.
Biuro Centrum	Biuro Centrum Sp. z o.o. with its registered office in Katowice
Deloitte	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k. (formerly Deloitte Audyt Sp. z o.o.) with its registered office in Warszawa Al. Jana Pawła II nr 19, entered on the list of entities authorised to audit financial statements kept by the National Chamber of Statutory Auditors under No. 73
GDDKiA	General Directorate for National Roads and Motorways
GPW	Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.)
Capital Group, Stalexport Autostrady Group, Group	Stalexport Autostrady S.A. Group in Mysłowice
CCC (Ksh)	The Act of 15 September 2000 – the Polish Code of Commercial Companies (Dz.U. [Journal of Laws] 2000 No. 94 item 1037 as amended)
Independent Engineer	Jacobs Polska Sp. z o.o.
PPP	Public-Private Partnership
SAM, Concessionaire	Stalexport Autostrada Małopolska S.A. with its registered office in Mysłowice
Report	Management Board's Report on the Activities of Stalexport Autostrady S.A. Group in the first half of 2015
Stalexport Autoroute	Stalexport Autoroute S.à.r.l. with its registered office in Luxembourg
Stalexport Autostrady, Company	Stalexport Autostrady S.A. with its registered office in Mysłowice
Concession Agreement	The Concession Agreement dated 19 September 1997 on building through conversion of the A4 motorway section: Katowice (Murckowska Junction, 340.2 km) – Kraków (Balice

Junction, 401.1 km) to the toll motorway standards and motorway operation on this section, including amendments made based on the appendices, rights and obligations under which were totally transferred from Stalexport Autostrady to SAM on 26 July 2004

Project Loan Agreement

Loan Agreement dated 28 December 2005, entered into between SAM and the banks, i.e. WESTLB BANK POLSKA S.A., Warszawa, WESTLB AG (London Branch), DEPFA BANK PLC, Dublin, Ireland, KfW Frankfurt, Germany and BANK BPH SPÓŁKA AKCYJNA, Warszawa. The objective of the Loan Agreement was to grant the loan of PLN 380 million to finance the A4 toll motorway project on Katowice-Kraków section (i.e. to finance the construction works of Phase IIa and to refinance the construction works of Phase I)

VIA4

VIA4 Spółka Akcyjna with its registered office in Mysłowice

GM

General Meeting

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

Sir/Madam,

Dear Shareholders,

I am pleased to present you the Management Board's Report on the Activities of Stalexport Autostrady Group in the first half of 2015. The financial results we have achieved in this period prove the soundness of projects implemented by us, including first and foremost the project related to the management and operation of the A4 Katowice-Kraków motorway.

In the first half of 2015, the Group generated a net profit of PLN 45 million (an increase of approximately 57% as compared to the first half of 2014) and the revenue amounted to PLN 119.2 million (an increase by approximately 14% as compared to the corresponding period of the previous year).

The main factors that made it possible to achieve such good financial results include the following: lower cost of sales due to lower costs related to the provisions for motorway resurfacing, lower financial expenses due to lower liabilities, higher revenue on toll collection due to increased traffic and higher toll rates since 1 March 2015.

In the first half of 2015, the traffic on the A4 Katowice-Kraków motorway increased as compared to the first half of 2014 by 6.5% (from 32.1 thousand vehicles per day to 34.3 thousand) and the revenue on toll collection in this period increased by approximately 14% (from PLN 102.6 million to PLN 117 million).

Bearing in mind that the traffic continues to grow, we make all efforts to reduce waiting time at Toll Collection Plazas, which is particularly long at long weekends and during the holiday season.

In addition to our previous investments in the toll collection infrastructure (extension of Toll Collection Plazas and replacement of the toll collection equipment), we continue talks with the government to launch electronic toll collection system (viaToll) on the motorway section managed by us. This system would ensure considerably faster service at the toll collection gates.

Thanks to the above mentioned replacement of the toll collection equipment in the first half of this year we introduced new and faster method of payment – by fleet cards.

The A4 Katowice-Kraków project requires also other important investments. In March 2015, we issued two calls for tenders. The first one is related to the construction of additional noise screens and the second one to the reconstruction of Mysłowice Junction and Rudno Junction. The latter investment will make it possible for the traffic on both junctions to pass in all directions. Moreover, we continue the reconstruction of the



motorway water drainage system. At the same time, we prepare for the implementation of other projects, the most important of which is the reconstruction of Byczyna Junction.

As always, I would like to thank the Shareholders and the Supervisory Board for their comments and cooperation. I would also like to thank all employees of the Group for their everyday commitment and positive attitude to new challenges and tasks.

I would like to encourage you to read this Report. I believe that you will find our achievements and plans interesting.

Enjoy the reading.

Yours sincerely,

President of the Management Board

CEO



Emil Wąsacz

2. Basic information on Stalexport Autostrady Group

At present, the operations of the Company and entities belonging to its Group focus primarily on the activities related to motorways. They include the following:

I Operation and maintenance of the Katowice-Kraków section of the A4 motorway

The activities are performed by SAM and VIA4 through the special purpose holding: Stalexport Autoroute.

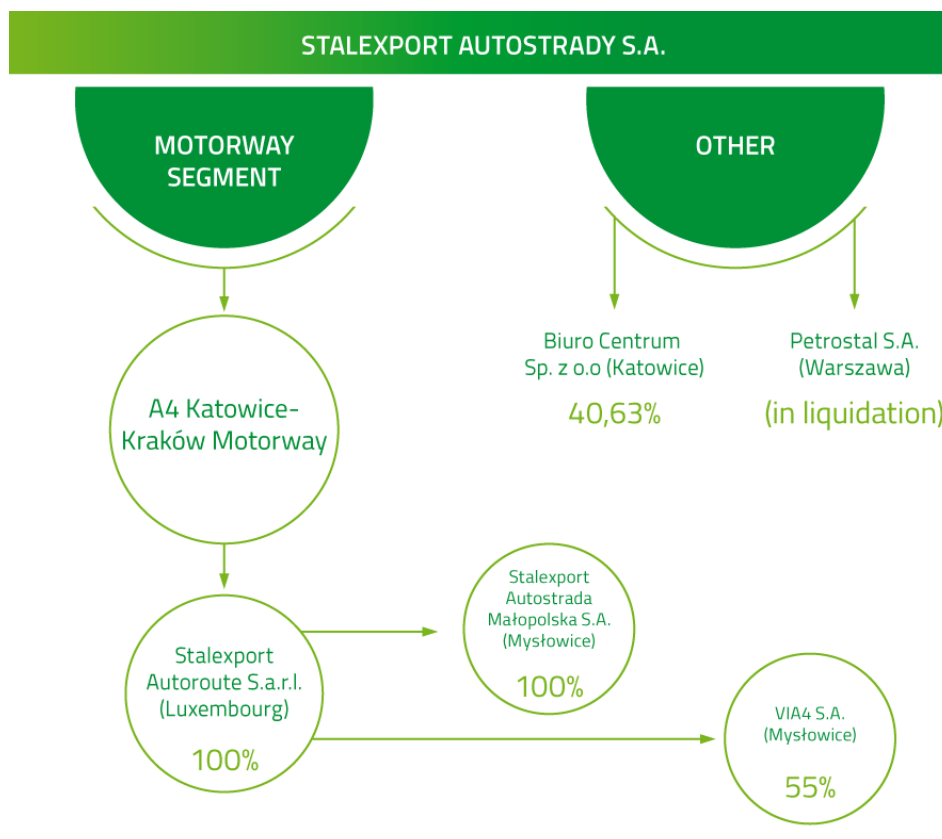
II Participation in selected tenders for the construction and/or operation of other motorway sections

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

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

FIGURE 1

Organisational chart of Capital Group as at 31 June 2015



Source: internal analysis

The table below includes basic consolidated data of Stalexport Autostrady Group as well as separate data regarding the three major entities belonging to the Group, i.e. Stalexport Autostrady, SAM and VIA4. Apart from the results achieved by the said companies in the first half of 2015, for the purpose of comparison, we also included the results achieved by the companies in the corresponding period of the previous year, whereas for the balance sheet data, we presented the figures as at 31 December 2014.

TABLE 1
Basic financial data of selected entities from the Stalexport Autostrady Group (figures in PLN '000)

Balance sheet data	Group		Stalexport Autostrady		SAM		VIA4	
	30.06.15	31.12.14	30.06.15	31.12.14	30.06.15	31.12.14	30.06.15	31.12.14
Non-current assets	1,127,567	1,133,520	76,339	76,980	1,112,918	1,118,277	8,846	9,588
Current assets	207,540	182,355	130,791	127,725	69,064	48,061	11,710	11,784
Equity	350,130	304,924	203,654	201,718	201,992	160,261	8,437	9,114
Non-current liabilities	826,552	874,081	78	2,082	825,540	871,078	5,318	6,004
Current liabilities	158,425	136,870	3,398	905	154,450	134,999	6,801	6,254
Net debt***	-42,980	14,597	-116,480	-107,037	78,861	132,625	7,506	6,496
Performance data	H1 2015	H1 2014	H1 2015	H1 2014	H1 2015	H1 2014	H1 2015	H1 2014
Revenue	119,237	104,552	1,867	1,907	117,020	102,565	20,367	19,540
Gross profit	78,532	60,931	27	108	67,141	49,598	10,758	10,594
EBITDA*	98,187	85,814	-1,454	-1,353	90,413	78,223	9,347	9,107
EBIT	66,633	50,198	-1,729	-1,721	59,853	43,617	8,638	8,430
Net financial income/expenses	-11,307	-13,829	3,489	3,650	-12,726	-15,616	-155	-210
Net profit	45,048	28,691	1,934	1,903	38,201	21,876	6,870	6,654
EBIT margin**	56%	48%	-93%	-90%	51%	43%	42%	43%
ROE	13%	9%	1%	1%	19%	14%	81%	73%

* EBITDA = EBIT + depreciation and amortisation + provision for motorway resurfacing

** EBIT margin = EBIT / Revenue

*** Net debt = total liabilities – provision for capital expenditures – derivatives (net of deferred tax impact) – non-current deposits – cash and cash equivalents

Source: internal analysis

2.1 Stalexport Autostrady S.A.



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41-404 Mysłowice
Phone: +(48) 32 762 75 45
Fax: +(48) 32 762 75 56

Management Board:

Emil Wąsacz – President of the Management Board, CEO
Mariusz Serwa – Vice-president of the Management Board, CFO

KRS [National Court Register]:
0000016854

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

NIP [VAT No.]: 634-013-42-11

**REGON [National Official
Business Register No.]:**
271936361

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

www.stalexport-autostrady.pl

Stalexport Autostrady (formerly STALEXPORT S.A.) commenced its operations on 1 January 1963 as Przedsiębiorstwo Handlu Zagranicznego "Stalexport". It specialised in exporting and importing steel products as well as importing raw materials for the Polish steel industry. In 1993, the company was transformed into a Company wholly owned by the State Treasury and privatised, while as at 26 October 1994, the shares of the Company have been listed at GPW.

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

Since the middle of 2006, the Company has been part of the Italian Atlantia Group. At the moment, Atlantia Group manages a network of approximately 5,000 km of toll motorways in Italy, Brazil, Chile, India and in Poland, and it is an automatic motorway toll collection system leader. Atlantia is listed on the stock exchange in Milan and its market value amounts to approximately EUR 18 billion as at 30 June 2015. For more information about Atlantia Group, visit its website at www.atlantia.it

The strategic investor made it possible for Stalexport Autostrady to acquire in total PLN 269,700 thousand in cash as a result of the share capital increase. At the first stage, the funds were earmarked for the completion of financial restructuring while the remaining funds are allocated for covering the Company's own contribution into the planned motorway projects. One of the elements of the restructuring process included the spin-off and disposal of the steel operations. Since 1 October 2007, the Company has focused only on activities related to the construction and operation of toll motorways as well as on the lease of office space in the office building at ul. Mickiewicza 29 in Katowice, which is co-owned by the Company and in which the Company's registered office was located until 17 May 2013.

In 2011, the shareholders decided to reduce the share capital of Stalexport Autostrady to the amount of PLN 185,446,517.25 to cover the uncovered losses brought forward reported in the balance sheet. This way, the period in the Company's history related to its steel operations was closed.

On 30 May 2014, Katowice-Wschód District Court in Katowice issued a decision on the registration of a merger between Stalexport Autostrady and Stalexport Autostrada Dolnośląska S.A. with its registered office in Katowice.

2.2 Entities covered by the consolidation and the methods of their consolidation

Stalexport Autostrady is the parent company and it draws up the consolidated financial statements. The entities covered by the consolidation as at 30 June 2015, except for the parent entity, have been described in the following table.

TABLE 2

Companies which constitute the Capital Group as at 30 June 2015 (apart from the Company)

Company name	Registered office	Main activities	Status of the company	Share in the capital and the total number of votes	Control taken/ Acquired in	Consolidation method
Stalexport Autoroute S.à r.l.	Luxembourg	Management activity	Subsidiary	100%	2005	Full
Stalexport Autostrada Małopolska S.A.	Mysłowice	Construction and operation of the motorway	Subsidiary	100%*	1998	Full
VIA4 S.A.	Mysłowice	Operation on the motorway	Subsidiary	55%*	1998	Full
Biuro Centrum Sp. z o.o.	Katowice	Management of real estate	Associate	40.63%	1994	Ownership right
Petrostal S.A. in liquidation**	Warszawa	Inactive	Subsidiary	100%	2005	-

* through Stalexport Autoroute S.à r.l

** this entity is not subject to consolidation due to existing limitations regarding control exercise

Source: internal analysis

2.3 Description of other companies of Stalexport Autostrady Group

2.3.1 Stalexport Autoroute S.à r.l

**412F, route d'Esch
L-1471 Luxembourg**

Registered under No. B 113660
in Registre de Commerce et des
Sociétés de Luxembourg

Share capital: EUR 56,149,500

Ownership structure:
100% – Stalexport Autostrady

Stalexport Autoroute was registered on 30 December 2005. Establishing this entity was one of the prerequisites for SAM to reach the financial close, namely conclude a long-term loan agreement with a consortium of banks. On the basis of the aforementioned loan agreement, the Group acquired the amount of PLN 360,000 thousand, which was necessary to finance the modernisation of the road surface and the bridge structures of the A4 motorway along Katowice-Kraków section.

Apart from holding shares in SAM as well as in VIA4 for the purpose of appropriate implementation of the securities package (pledge on shares) for the Project Loan Agreement, the entity does not conduct any operational activities

2.3.2 Stalexport Autostrada Małopolska S.A.



**ul. Piaskowa 20
41-404 Mysłowice
Phone: +(48) 32 762 75 55
Fax: +(48) 32 762 75 56**

Management Board:

Emil Wąsacz – President of the
Management Board

Mariusz Serwa – Vice-president
of the Management Board, CFO

Paweł Kocot – Member of
Management Board

**KRS [National Court Register]:
0000026895**

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

NIP [VAT No.]: 634-22-62-054

SAM was established on the basis of the notarial deed of 19 December 1997 as a company which at that time was intended as a special purpose vehicle in the project based on management of the A4 motorway along Katowice-Kraków section. Therefore, the activities provided for in the Company's Statutes include management of motorway projects as well as all the tasks resulting from the applicable Concession Agreement, which encompasses management of construction, adaptation to the requirements of a toll motorway and operation of the A4 motorway Katowice-Kraków section (the aforementioned concession was initially granted to Stalexport Autostrady, later to be transferred to SAM pursuant to the decision of the Minister of Infrastructure of 28 July 2004).

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

On 21 March 2005, Annexe 5 to the Concession Agreement was signed and upon signing all appendices – on 17 October 2005 – the agreement came into force. This way, in December 2005, the Company achieved the financial close in the form of a long-term loan allocated to refinancing of Stage I, implemented by Stalexport Autostrady, as well as to further financing of the investment works as provided for in the Concession Agreement.

On 7 September 2011, SAM share capital was increased by PLN 37,200,000, i.e. from PLN 29,553,000 to PLN 66,753,000 through issue of 37,200 new

REGON [National Official Business Register No.]:
273796214

Share capital:
PLN 66,753,000
(paid in full)

Ownership structure:
100% – Stalexport Autostrady
(through Stalexport Autoroute)

www.autostrada-a4.pl

ordinary registered shares of D series with a nominal value of PLN 1,000 each. All new D series shares were acquired by Stalexport Autostrady against a contribution in cash. Having registered the above-mentioned increase, Stalexport Autostrady held 37,200 shares of SAM, representing 55.73% in the SAM share capital and 55.56% of votes at SAM General Meetings. All the above-mentioned SAM shares were subsequently contributed in-kind by Stalexport Autostrady to Stalexport Autoroute.

On 3 January 2012, both parties to the Concession Agreement signed Annexe 6. The purpose of the conclusion of Annexe 6 was to modify the scope of the subject of the Concession Agreement and to limit the scope of responsibilities of SAM in relation to the section encompassing the "Murckowska" junction.

SAM finances its operations with the revenue generated from toll collection, lease fees and with proceeds from the concluded Project Loan Agreement. Based on the Loan Agreement entered into in December 2005 with the Financing Banks, SAM received external financing in the amount of PLN 360 million for the implementation of the prepared investment programme. Having paid successive principal instalments in 2015, as at 30 June 2015, the nominal value of the loan amounted to PLN 207.6 million.

Selected financial data of SAM has been presented in the table at the beginning of this Section.

2.3.3 VIA4 S.A.



ul. Piaskowa 20
41-404 Mysłowice
Phone: +(48) 32 762 73 50
Fax: +(48) 32 762 73 55

Management Board:

Henri Skiba – President of the Management Board

Mieczysław Skożyński – Vice-president of the Management Board

KRS [National Court Register]:
0000162861

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

NIP [VAT No.]: 634-22-98-951

VIA4 (formerly Stalexport Transroute Autostrada S.A.) was established on the basis of the notarial deed of 14 May 1998. The activities of VIA4 are related to the operation of the A4 toll motorway along the Katowice-Kraków section. The entity renders its services to its only customer, namely SAM, which is the managing entity with respect to this motorway section pursuant to the Concession Agreement. For its services, the entity receives lump-sum remuneration, the value of which depends mainly on the level of traffic on the motorway and the inflation rate.

The main tasks performed by VIA4 comprise the services of continuous operation and maintenance of the A4 toll motorway section (Katowice-Kraków), including the following: operation of the toll collection system; management of motorway traffic; maintenance of the facilities of the motorway in proper technical condition; comprehensive maintenance of the entire motorway lane; winter maintenance of the motorway; management and consulting, in particular with respect to future renovations and renewal of the road surface and projects related to improving the standard of the road.

Moreover, VIA4 executes the following tasks related to safety and road traffic which are equally important: 24/7 motorway patrols which in cooperation with the Motorway Management Centre ensure quick incidents

REGON [National Official Business Register No.]:
276194390

Share capital:

PLN 500,000
(paid in full)

Ownership structure:

55% – Stalexport Autostrady
(through Stalexport Autoroute)

45% – Egis Road Operation S.A.
(France)

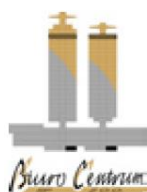
www.via4.pl

detection; operation of the SOS telephone system alongside the motorway lane; cooperation with the police and other services with the objective to maintain the motorway's throughput in the case of collisions, accidents or other incidents.

Selected financial data of VIA4 has been presented in the table at the beginning of this Section.



2.3.4 Biuro Centrum Sp. z o.o.



ul. Mickiewicza 29
40-085 Katowice
Phone: +(48) 32 207 22 08
Fax: +(48) 32 207 22 00

Management Board:

Józef Brol – President of the Management Board

Andrzej Kluba – Vice-president of the Management Board

KRS [National Court Register]:
000087037

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

NIP [VAT No.]: 634-10-03422

REGON [National Official Business Register No.]:
272254793

Share capital:

PLN 80,000
(paid in full)

Ownership structure:

59.37% – WĘGŁOKOKS S.A.

40.63% – Stalexport Autostrady

www.biurocentrum.com.pl

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

The main area of operations of Biuro Centrum is related to administration and maintenance of the office and conference building in Katowice at ul. Mickiewicza 29 co-owned by Stalexport Autostrady (40.47%) and Węgłokoks S.A. (59.53%).

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

The supplementary activities of Biuro Centrum include catering services in “Restauracja pod wieżami” restaurant run by the Company as well as comprehensive services provided for the conference centre.

3. Significant information for the assessment of Stalexport Autostrady Group's financial and material position, financial results and changes thereof as well as significant information for the assessment of the capacity to meet the commitments on the part of the Issuer and its Group

3.1 Presentation of financial results

The following table shows basic financial results of Stalexport Autostrady Group generated in the first half of 2015 along with comparative data for the corresponding period of the previous year.

TABLE 3

Selected items from the statement of comprehensive income of Stalexport Autostrady Group in the first half of 2015 and in the corresponding period of the previous year (consolidated data)

PLN '000	H1 2015	H1 2014	Change
Revenue	119,237	104,552	14%
Cost of sales	-40,705	-43,621	-7%
Gross profit	78,532	60,931	29%
Other income	3,939	2,438	62%
Administrative expenses	-15,756	-13,103	20%
Other expenses	-82	-68	21%
Results from operating activities	66,633	50,198	33%
Financial income	7,219	7,195	0%
Financial expenses	-18,526	-21,024	-12%
Net financial expense	-11,307	-13,829	-18%
Share of profit of equity accounted investees	47	-2	-
Profit before income tax	55,373	36,367	52%
Income tax expense	-10,325	-7,676	35%
Profit for the period	45,048	28,691	57%

Source: internal analysis

In the first half of 2015, the Group generated revenue higher by 14% compared to the corresponding period of the previous year, mainly due to the increase in traffic and change in toll rates on the toll section of the A4 Katowice-Kraków motorway.

Gross profit increased by 29% compared to the corresponding period of the previous year. The gross profit increase dynamics was mainly affected by increased revenue and lower level of costs related to accrual of provision for motorway resurfacing disclosed within cost of sales (PLN 10,850 thousand in the first half of 2015 as compared to PLN 14,571 thousand in the first half of 2014).

3.1.1 Amount and structure of operating revenue

Financial results of Stalexport Autostrady Group are mainly shaped by the Group's motorway operation based on management and operation of the toll section of the A4 Katowice-Kraków motorway. The above-mentioned activity is executed by SAM's subsidiary under the executed Concession Agreement which shall remain in force until 2027.



The traffic intensity along the concession section of the motorway – particularly as far as trucks are concerned – largely depends on the rate of the economic development, which is indicated by the gross domestic product level (GDP).

In the first half of 2015, the Average Daily Traffic (ADT) on the concession section of the A4 Katowice-Kraków motorway amounted to 34,246 vehicles and was higher by 6.5% than the traffic level recorded in the corresponding period of 2014 (32,149 vehicles). In the first half of 2015, the revenue on toll collection amounted to PLN 117,020 thousand and was higher by 14.1% as compared to the corresponding period of 2014 (PLN 102,565 thousand).

As far as cars are concerned, the Average Daily Traffic increased from 26,862 vehicles in the first half of 2014 to 28,540 vehicles in the first half of 2015 (a 6.2% increase). In the first half of 2015, toll revenue from cars amounted to PLN 79,927 thousand, i.e. it was higher by 13.9% as compared to the first half of 2014

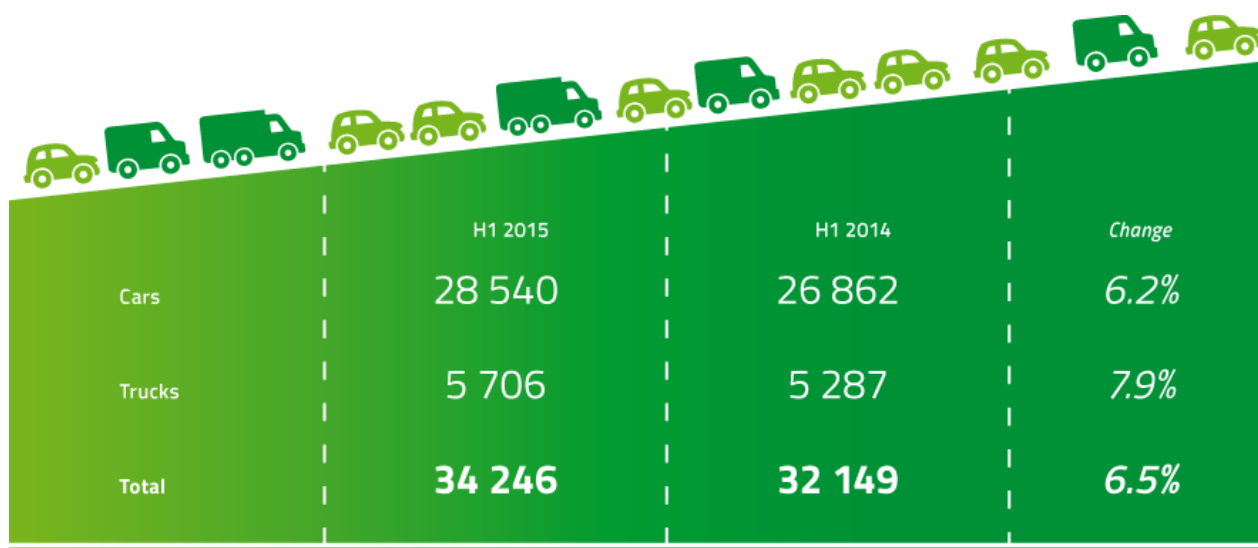
(PLN 70,164 thousand). The difference between the dynamics of growth of toll revenue as compared to the dynamics of growth of the Average Daily Traffic of cars is mainly due to the change in the toll rate since 1 March 2015 (from PLN 9 to PLN 10).

As far as trucks are concerned, the Average Daily Traffic increased by approximately 7.9%, i.e. from 5,287 vehicles in the first half of 2014 to 5,706 vehicles in the first half of 2015. In the first half of 2015, toll revenue from trucks amounted to PLN 37,093 thousand, i.e. it was higher by 14.5% as compared to the first half of 2014 (PLN 32,401 thousand). The difference between the dynamics of growth of toll revenue as compared to the dynamics of growth of the Average Daily Traffic of trucks is due to the change in the toll rates since 1 March 2015 (from PLN 15 to PLN 16.5 and from PLN 24.5 to PLN 26.5) and to differences in the structure of vehicle categories (various toll rates apply depending on the category).

The following table shows the Average Daily Traffic in the first half of 2015 compared to the first half of 2014, including the dynamics of the item.

TABLE 4

Average Daily Traffic (ADT)






Source: internal analysis

The following table shows revenue on toll collection in the first half of 2015 compared to the first half of 2014, including the dynamics of the item.

TABLE 5

Revenue on toll collection (PLN '000)

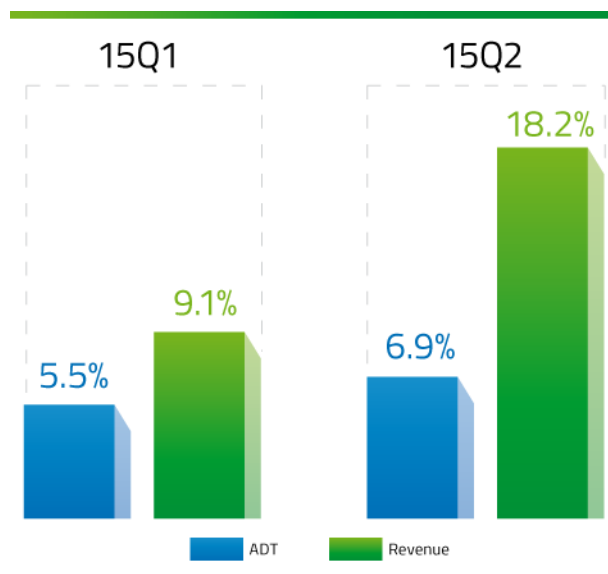
	H1 2015	H1 2014	Change
 Cars	79 927	70 164	13.9%
 Trucks	37 093	32 401	14.5%
 Total	117 020	102 565	14.1%

Source: internal analysis

The following figures show variations of the Average Daily Traffic and revenue on toll collection in the first half of 2015 compared to the first half of 2014 on a quarterly basis, separately for cars and trucks.

FIGURE 2

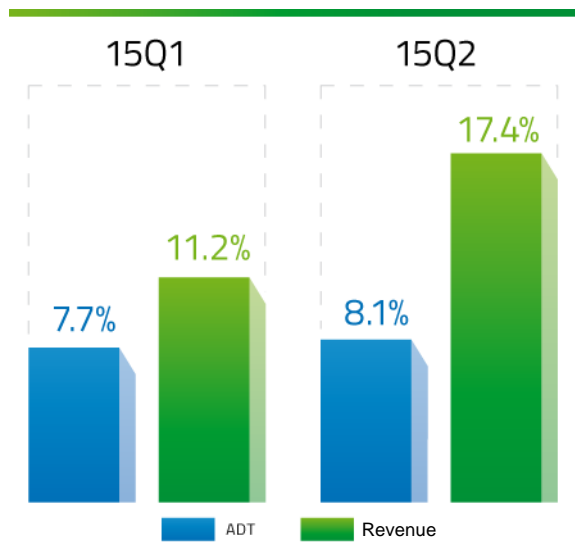
Variations in terms of the Average Daily Traffic as well as revenue on toll collection for cars in the first half of 2015 as compared to the first half of 2014 (quarter to quarter of the previous year)



Source: internal analysis

FIGURE 3

Variations in terms of the Average Daily Traffic as well as revenue on toll collection for trucks in the first half of 2015 as compared to the first half of 2014 (quarter to quarter of the previous year)



Source: internal analysis

The difference in the dynamics of growth of revenue between the quarters is mainly due to changes in toll rates in force since 1 March 2015.

Apart from the toll collection, the Group generated additional revenue related to the use of the motorway in the amount of PLN 539 thousand, including PLN 296 thousand on the account of the damages for the infrastructure elements destroyed by the motorway users.

Apart from the motorway operation, Stalexport Autostrady Group's revenue in the amount of PLN 1,678 thousand was from the lease of office space and from IT services provided in the building located at ul. Mickiewicza 29 in Katowice, which decreased by 3.1% as compared to the first half of 2014 (PLN 1,732 thousand).

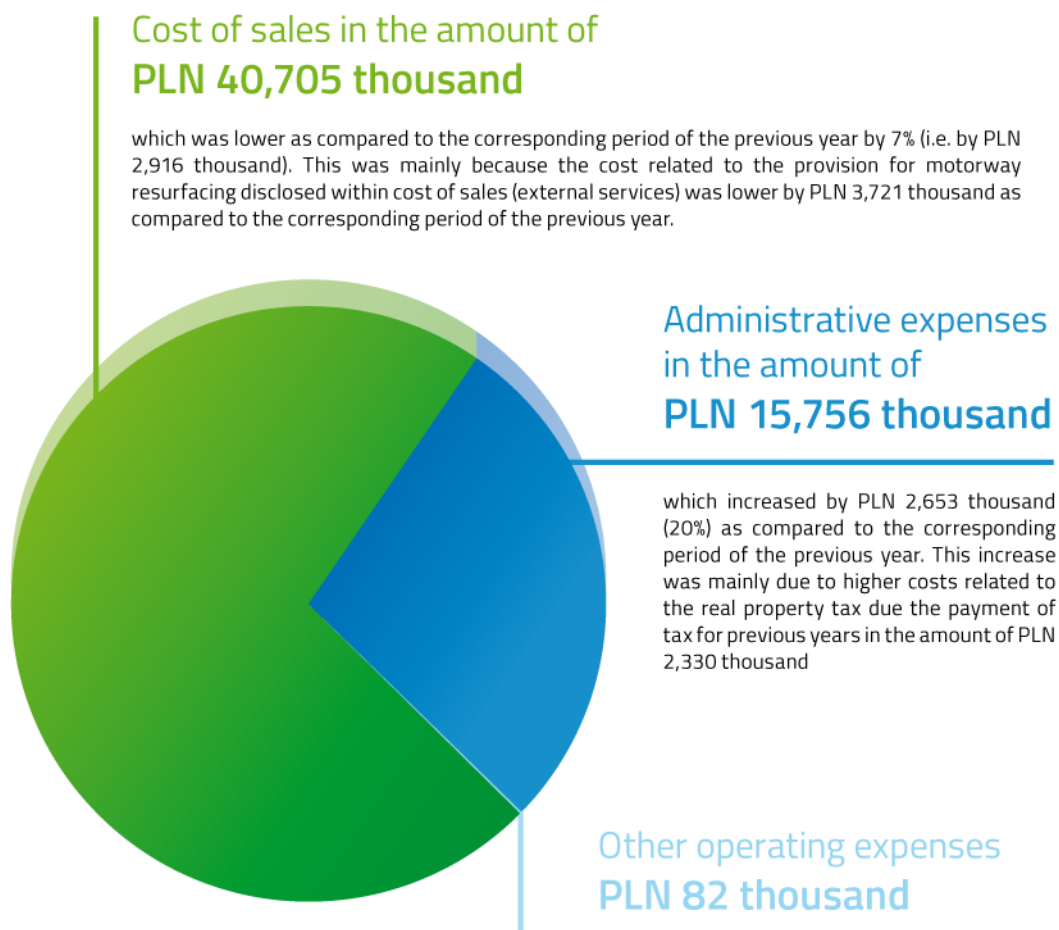
In the first half of 2015, other income amounted to PLN 3,939 thousand, the biggest item of which were lease fees for using real property along the A4 Katowice-Kraków motorway in the amount of PLN 3,592 thousand, including PLN 2,330 thousand with respect to the transfer of the costs of real property tax for previous years to the lessee of Rest Areas.

3.1.2 Amount and structure of operating expenses

In the first half of 2015, operating expenses of Stalexport Autostrady Group amounted to PLN 56,543 thousand and were slightly lower than in the corresponding period of the previous year (PLN 56,792 thousand).

In the first half of 2015, operating expenses included the following:

FIGURE 4

Structure of operating expenses of Stalexport Autostrady Group in the first half of 2015

Source: internal analysis

3.1.3 Financial operations

In the first half of 2015, the Group generated a negative balance on financial operations in the amount of PLN 11,307 thousand, i.e. the generated financial income (PLN 7,219 thousand) was lower than the incurred financial expenses (PLN 18,526 thousand).

The financial income was mainly affected by interest on bank accounts and deposits amounting to PLN 6,128 thousand as well as dividends and shares in profits in the amount of PLN 188 thousand.

The financial expenses were mainly affected by the discounting of liabilities and provisions in the total amount of PLN 9,746 thousand, of which: PLN 5,152 thousand pertained to the liability towards the State Treasury on the account of the concession payment; PLN 3,566 thousand pertained to the provision for Phase II investment works on the A4 motorway; and PLN 1,028 thousand pertained to the provision for the motorway resurfacing.

At this point, it needs emphasising that in line with the International Accounting Standards as well as the International Financial Reporting Standards, both the subordinated debt towards the State Treasury on the account of concession payment as well as the provisions created for motorway resurfacing are reported by the Capital Group in the financial statements in their current values. Therefore, the figure reflects the nominal value of a given liability or an expected expenditure discounted as at the day the financial statements are prepared using the market interest rate.

Significant items of other financial expenses included the following: loan interest and commission (PLN 5,363 thousand) and loss on the transactions concluded by SAM to hedge against variations of the interest rate (PLN 2,626 thousand).

It should also be noted that the negative balance in financial operations recorded in the first half of 2015 (PLN 18,526 thousand) was lower than in the first half of 2014 (PLN 21,024 thousand). This was mainly due to reduced interest rates which resulted in lower loan interest, lower value of discounting of provisions as well as lower interest income on bank accounts and deposits.

3.2 Material and financial position

The following table includes a summarised report on the financial standing of the Group as at 30 June 2015. For comparison purpose, the figures reflecting particular items and their structure as at the end of 2014 have been included too.

TABLE 6

Summarised report on the financial standing of Stalexport Autostrady Group (consolidated data) – as at 30 June 2015 and 31 December 2014

PLN '000	Dynamics			Structure	
	30.06.2015	31.12.2014	2015/2014	30.06.2015	31.12.2014
Non-current assets	1,127,567	1,133,520	-1%	84%	86%
Current assets	207,540	182,355	14%	16%	14%
Equity	350,130	304,924	15%	26%	23%
Non-current liabilities	826,552	874,081	-5%	62%	66%
Current liabilities	158,425	136,870	16%	12%	10%
Balance sheet total	1,335,107	1,315,875	1%	100%	100%

Source: internal analysis

3.2.1 Assets

The biggest item in **non-current assets** are the intangible assets, amounting at the end of the first half of 2015 to PLN 549,060 thousand, and practically entirely comprising concession intangible assets. As compared to the end of 2014, their value decreased by PLN 35,363 thousand. This decrease was mainly due to the following: a decrease in the value of concession assets by PLN 16,468 thousand related to the revaluation of the planned construction works on the A4 Katowice-Kraków motorway section and a decrease in concession intangible assets in the amount of PLN 18,882 thousand as a result of depreciation.

The value of non-current investments increased at the end of the first half of 2015 to the amount of PLN 429,723 thousand from PLN 400,043 thousand at the end of 2014. This was mainly due to the increase, by PLN 29,680 thousand, in the value of cash allocated by Stalexport Autostrada Małopolska to deposit/reserve accounts created in line with the provisions of the Concession Agreement for the purpose of completion of the tasks provided for in the Agreement (mainly financing of the investment scheme being implemented).

Deferred tax assets, the value of which at the end of the first half of 2015 slightly decreased to PLN 104,605 thousand, constituted another significant element of non-current assets. The item included deferred tax assets related to, among others, property, plant and equipment as well as the created provisions compensated by the deferred income provision related to, mainly, concession intangible assets.

Cash and cash equivalents (PLN 190,444 thousand), the value of which increased at the end of the first half of 2015 by PLN 23,187 thousand as compared to the corresponding figure at the end of 2014, was the major item within the structure of **current assets**. Trade and other receivables (PLN 13,262 thousand), which increased by PLN 2,129 thousand, were another significant element of current assets. The value of current investments in the amount of PLN 1,611 thousand slightly decreased as compared to 2014.

3.2.2 Liabilities and provisions

As at 30 June 2015, total **liabilities and provisions** of the Group amounted to PLN 984,977 thousand, of which 84% represented non-current items. Main liabilities and provisions:

- **PLN 203,457 thousand** on the account of the bank loan (including charged interest as well as prepaid financing costs) for financing of the investments located on the managed section of the A4 motorway;
- **PLN 15,599 thousand** liability on the account of hedging derivatives;
- **PLN 190,369 thousand** of liabilities towards the State Treasury on the account of the concession indicated in the Group's balance sheet in the current value (discounted);
- **PLN 395,224 thousand** of provision for capital expenditure under Phase II of the investments being completed along the managed section of the A4 motorway;
- **PLN 126,957 thousand** on the account of the provision created for the scheduled motorway resurfacing operation;
- **PLN 21,081 thousand** on the account of trade and other liabilities;
- **PLN 10,503 thousand** – prepayments on the account of lease of the Rest Areas and the land where optic fibre wires are buried (applicable to the A4 Katowice-Kraków motorway section);
- **PLN 6,320 thousand** – value of sold and unused subscription coupons for A4 Katowice-Kraków toll motorway.

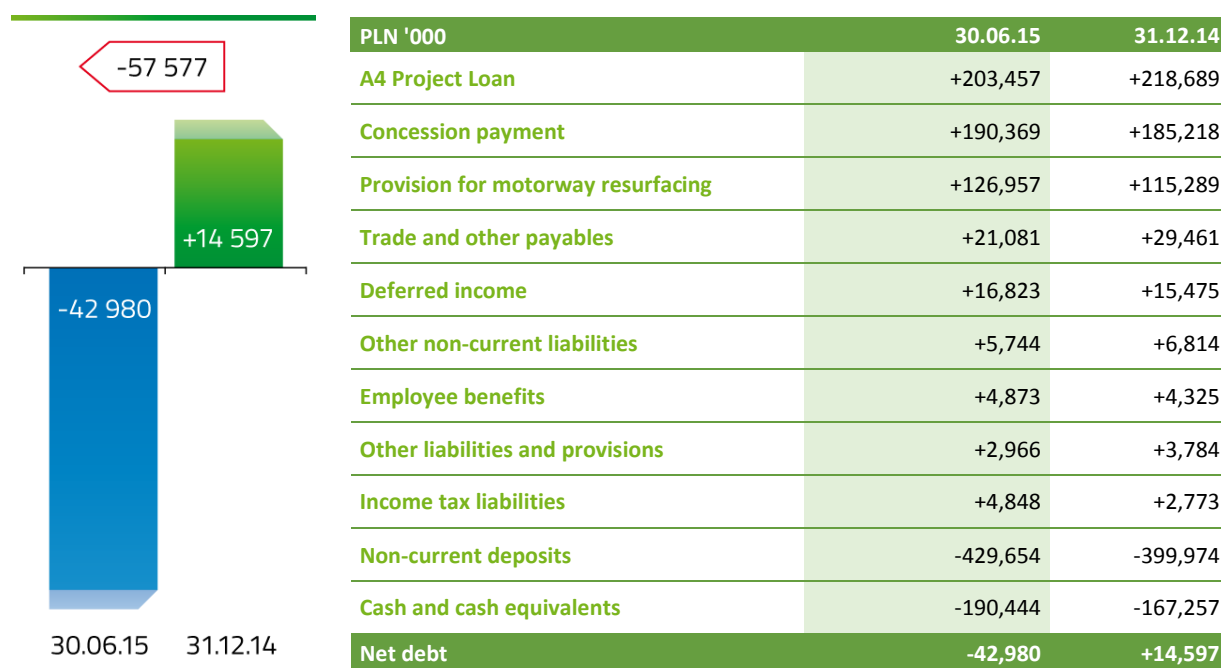
3.2.3 Net debt

Excluding from the liabilities the provisions for Phase II construction works and liability on account of hedging derivatives (including deferred tax), the Group's net debt decreased from PLN 14,597 thousand at the end of 2014 to minus PLN 42,980 thousand at the end of the first half of 2015. The net debt of the Group is primarily affected by the bank loan granted by Financing Banks for the A4 Katowice-Kraków project and the concession payment (a liability towards the National Road Fund) on the one hand and by cash in current and non-current deposits on the other.

The following section includes a detailed method of calculation of the ratio as well as its value at the end of the first half of 2015 and as at 31 December 2014.

FIGURE 5

Net debt of the Group (consolidated data) – as at 30 June 2015 and 31 December 2014



Source: internal analysis

3.2.4 Capital expenditure

Capital expenditure incurred by Stalexport Autostrady Group in the first half of 2015 amounted to PLN 7,006 thousand and included mainly construction works carried out along the A4 Katowice-Kraków motorway section managed by the Group. These expenses were related to contracts for the construction of noise screens and replacement of the toll collection equipment. Other capital expenditure of the Group pertains mainly to the purchase of the equipment required for the purpose of motorway maintenance as well as the purchase of

office equipment and means of transport. The above-mentioned value of capital expenditure also includes the Independent Engineer and design costs.

All the above-mentioned investments were allowed for in the Group's capital expenditure budget for 2015. At this point, it needs emphasising that financing of the investments resulting from the Concession Agreement entered into by SAM is secured with the Company's own funds from operation of the A4 motorway (toll) as well as the Loan Agreement entered into in December 2005 with the Financing Banks. The said Agreement secured the external financing up to the amount of PLN 380,000 thousand. At the end of the first half of 2015, the par value of the related bank loans amounted to PLN 207,621 thousand (while taking into account the accrued interest and the prepaid financing costs, the loan amounted to PLN 203,457 thousand). The value of the Group's liabilities in this respect will decrease in future periods along with the repayment schedule until 2020.

4. Other information on Stalexport Autostrady Group

4.1 Information on contracts significant for the Group's operating activity, including contracts between the shareholders as well as insurance and cooperation contracts the Company is aware of

On 15 June 2015, SAM (which is a 100% subsidiary of Stalexport Autoroute S.à r.l., which in turn is a 100% subsidiary of Stalexport Autostrady S.A.) signed a significant agreement. The parties to this agreement are as follows:

- Stalexport Autostrada Małopolska S.A. (hereinafter referred to as the "Employer");
- the consortium of Pavimental S.p.A. with its registered office in Italy, Via Giuseppe Donati 174, Rome 00159, and Pavimental Polska Sp. z o.o. with its registered office in Warszawa (00-013), ul. Królewska 16 (hereinafter referred to as the "Contractor").

The subject of the agreement is the performance of Contract F2b-8-2014 "Extension of Mysłowice Junction and Construction of Rudno Junction on the A4 Katowice-Kraków Motorway" whose net value is PLN 22,046 thousand (hereinafter referred to as the "Contract").

The above-mentioned Contract will be performed in accordance with the "Conditions of Contract for Construction. For Building and Engineering Works Designed by the Employer", published by Fédération Internationale des Ingénieurs-Conseils (FIDIC), first ed. 1999, "Red Book", hereinafter referred to as the Conditions of Contract.

The agreement provides for the following liquidated damages for the Contractor:

- delay damages – liquidated damages limit under Clause 8.7 of the Conditions of Contract is 15% of the approved net Contract price;
- damages for failure to remedy defects by the fixed date – liquidated damages limit under Clause 11.4 of the Conditions of Contract is 15% of the approved net Contract price.

In the reporting period and by the date of this Report, no other contracts significant for the Group's operating activity have been entered into.

4.2 Information on changes in the organisation or capital relations of the Group with other entities

On 18 May 2015, the Company's Management Board received from ALTUS Towarzystwo Funduszy Inwestycyjnych S.A. with its registered office in Warszawa (hereinafter referred to as "ALTUS TFI S.A." and "Towarzystwo") the notification of the reduction in the number of held shares of Stalexport Autostrady S.A. and of going below the threshold of 5% of the total number of votes by investment funds managed by ALTUS TFI S.A.

The share in the total number of votes in the Company was reduced as a result of the settlement, on 12 May 2015, of the transactions related to the sale of 1,540,000 Company's shares on the regulated market of 8 May 2015.

Immediately before the operation resulting in the reduction in the total number of votes in the Company, the investment funds managed by Towarzystwo held a total of 12,457,481 Company's shares, representing 5.04% of the Company's share capital, entitling to 12,457,481 votes in the Company, representing 5.04% of the total number of votes in the Company.

After the change, the investment funds managed by Towarzystwo held a total of 10,917,481 Company's shares, representing 4.42% of the Company's share capital, entitling to 10,917,481 votes in the Company, representing 4.42% of the total number of votes in the Company.

There were no other similar changes in the reporting period and by the date of this Report.

4.3 Information on transactions concluded by the Company or its subsidiaries with affiliated companies on terms different than market terms

All transactions concluded by the Company or its subsidiaries with affiliated companies were carried out on the market terms. However, the Management Board of the Company would like to draw the attention to five significant contracts entered into by its subsidiaries with the affiliated companies.

- **The first material contract is the Operation and Maintenance Agreement** which was initially entered into in 1998 by and between Stalexport Autostrady and VIA4. The current agreement was entered into **by and between SAM and VIA4** on 22 March 2006. The Maintenance and Operation Agreement was entered into for the period of the Concession Agreement (until 2027) and its scope includes clearly defined works connected with A4 concession project, including toll collection services and current maintenance and operation of the motorway (including winter maintenance). The contractual level of operator's remuneration in the period of the Agreement in a long-term separates the risk of impact of the frequent market price changes on maintenance and operation costs and ensures continuity of services and operation throughout many years of investment project execution. In the first half of 2015, the value of the transactions between SAM and VIA4 resulting from the above-mentioned Agreement amounted to PLN 19,753 thousand.

Considering the specificity and the scope of the above-mentioned Agreement and very limited market for that type of services, it is difficult to compare the provisions of the Operation and Maintenance Agreement to the terms which may be provided on the so-called free market. Nevertheless, in the opinion of the Company's Management Board, the above-mentioned Agreement was entered into on the market terms and its provisions do not differ from the terms which might be provided if it has been signed with an entity not belonging to the Group.

- **The second material contract is the Contract entered into by and between SAM and Autostrade-Tech S.p.A.** (this entity is a member of Atlantia Group which holds 100% of shares of Autostrade-Tech S.p.A.) for the **Replacement of the Toll Collection Equipment (RTCE)**.

The contractor for this Contract was selected on the basis of the established tendering procedures. On 31 May 2012, SAM sent invitations to tender to the selected companies. By the deadline (i.e. by 10 July 2012), the offers from the following two companies were submitted: Autostrade-Tech S.p.A. and Egis Project S.A. As a result of the tender committee works with the participation of the Independent Engineer, the offer of Autostrade Tech S.p.A. was deemed the best. The Contract with this company was entered into on 14 September 2012 upon the approval of the Financing Banks. The Contract is being implemented based on the "Design & Build" formula. The Contract price, pursuant to the terms and conditions of the Contract, depends on the choice made by SAM as regards the functioning and interoperability of the Electronic Toll Collection (ETC) system (which is

part of the RTCE Contract) with the National Toll Collection System operating on the public road network managed by GDDKiA (the so-called interoperability options). Depending on the selected interoperability option, the initial Contract value was from PLN 15,397 thousand to PLN 15,862 thousand.

To ensure full compliance of the scope of the RTCE Contract with the current stage of the extension of both Toll Collection Plazas and the state of negotiations between the Concessionaire and the public party on making it possible for the users to pay by means of the viaTOLL nationwide electronic system, it was necessary to issue Variation Orders No. 1, No. 2, No. 3, No. 4 and No. 5. As a result, the current value of the Contract is PLN 24,715 thousand. The total net value of works and technical support invoiced by Autostrade-Tech S.p.A. on the account of this Contract amounts to PLN 17,938 thousand (i.e. 72.58% of the current Contract value), of which the amount of PLN 1,616 thousand was invoiced in the first half of 2015.

In the opinion of the Company's Management Board, the above-mentioned Contract was entered into on the market terms and its terms do not differ from the terms which might be provided if it has been signed with an entity not belonging to the Group.

- **The third material contract is the Contract entered into by and between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o.** (these entities are members of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) for the **rebuilding of the A-4 motorway water drainage system for 11 catchment areas in the Silesia Province.**

The selection of the contractor for this Contract was based on the two-stage tendering procedure, the conditions of which were agreed with GDDKiA (pursuant to the provisions of the Concession Agreement, the Concessionaire selects each contractor by means of a tender and GDDKiA has a right to verify the tendering criteria and conditions before announcing each of the tenders) and with the Financing Banks. The notice of invitation to tender was published on 22 April 2013. The tender dossier was provided to five prospective tenderers. By the deadline, i.e. by 5 June 2013, only one offer submitted by the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. was received. Having opened and having verified the offer, the tender committee found it to be valid and complete. It was also found that the amount offered for the execution of the Contract is higher than the value specified in the investor's cost estimate. Upon an analysis of the offer components carried out by members of the tender committee and upon negotiations with the consortium, the Contract value was finally reduced and approved in the amount of PLN 19,803 thousand. The Contract was entered into on 26 July 2013. The work commencement order was issued on 3 September 2013 and the time for the performance of works under this Contract is 450 days from this date. As a consequence of Variation Orders No. 1 (18 February 2014) and No. 2 (26 March 2015), the scope of works was increased to include an additional catchment area and necessary works to make the ditches passable, and the final contract value was increased to the amount of PLN 20,425 thousand. The main works were completed in the initial period stipulated in the Contract, i.e. by 27 November 2014. Due to delays in obtaining administrative permits, the deadline for the performance of works related to making the drainage ditches passable was extended to 27 April 2015. This deadline was met by the Contractor, but as at the end of the first half of 2015, the works have not been invoiced yet. The total net value of works invoiced by the consortium on the account of this Contract amounts to PLN 19,423 thousand (i.e. 95.09% of the current Contract value).

Taking into consideration the procedure for the selection of the entity to execute the above-mentioned Contract, in the opinion of the Company's Management Board its terms should be deemed market terms.

- **The fourth material contract is the Contract entered into by and between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o.** (these entities are members of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) for **the resurfacing of four motorway sections of the total length of 11.3 km and making a thin overlay on the section of the total length of 1.86 km.**

The Contractor was selected in the tender procedure. The Contract was entered into for the amount of PLN 12,932 thousand on 11 August 2014 and the time for the performance of works under the Contract was 80 days from this date. On 30 October 2014, the Independent Engineer issued the variation order No. 1 for the change of the technology of the performance of works on the N15bL section. The above-mentioned change entailed the lowering of the contractual value of the Contract to the amount of PLN 12,776 thousand. The consortium performed all the works in the second half of 2014. The main surface works were completed on 29 October 2014, and complementary works in November 2014. On 26 March 2015, the Independent Engineer issued Variation Order No. 2 for the expansion of the Contract to include additional surface works, i.e. making a thin overlay on the existing surface on the 3.61 km long section on one roadway. As a result of Variation Order No. 2, the Contract value increased to the amount of PLN 15,364 thousand. The work covered by the Variation Order No. 2 were performed in the second quarter of 2015, but as at the end of the first half of 2015 they have not been invoiced yet. The total net value of works invoiced by the consortium on the account of this Contract amounts to PLN 12,219 thousand (i.e. 79.53% of the current Contract value).

Taking into consideration the procedure for the selection of the entity to execute the above-mentioned Contract, in the opinion of the Company's Management Board its terms should be deemed market terms.

- **The fifth material contract is the Contract entered into by and between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o.** (these entities are members of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) for **the extension of Mysłowice junction and construction of Rudno junction.**

The notice of invitation to tender was published on 4 March 2015 and the tender dossier had been provided to tenderers since 9 March 2015. The offer submission deadline was scheduled for 20 April 2015. Only one offer submitted by the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. was received by the above-mentioned deadline. The consortium offered to perform all works at the net price of PLN 22,046 thousand. As a result of the tender procedure, the consortium of Pavimental companies became the contractor and the construction work contract was entered into on 15 June 2015.

Taking into consideration the procedure for the selection of the entity to execute the above-mentioned Contract, in the opinion of the Company's Management Board its terms should be deemed market terms.

4.4 Information on the guarantees granted and received in the financial year, in particular guarantees granted to the affiliated companies

No guarantees were granted in the reporting period.

4.5 Information on issuance of securities, including the description of the usage of the proceeds of the issue by the Company

The Company did not issue any securities in the reporting period.

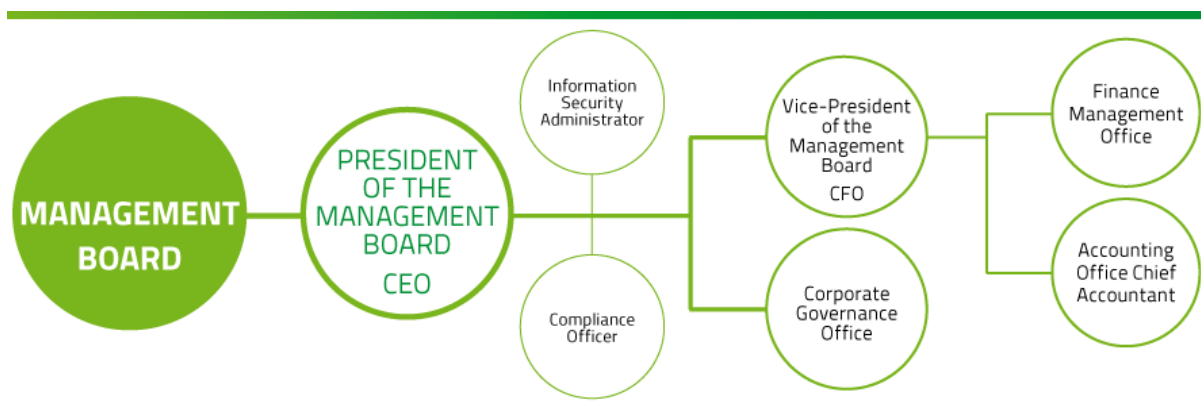
4.6 Information relevant for the assessment of the employment situation of Stalexport Autostrady Group

■ Organisational structure of Stalexport Autostrady

In the first half of 2015, the Company’s organisational structure was slightly modified due to the creation of the position of Information Security Administrator. The Company’s organisational chart as at 30 June 2015 is shown below.

FIGURE 6

Organisational chart of Stalexport Autostrady S.A. as at 30 June 2015



Source: internal analysis

The structure of the Group as well as the description of its entities were presented in Section 1 of the Report.

■ Employment in the Capital Group

As at 30 June 2015, Stalexport Autostrady S.A. employed 22 persons (6.125 FTE), i.e. the number of employees slightly changed as compared to 31 December 2014 and 30 June 2014, when the Company employed 23 persons (6.375 FTE).

As at 30 June 2015, Stalexport Autostrady Group employed 284 employees, including 5 executive officers (members of Management Boards) and 18 middle management employees (directors and managers).

For comparison, as at 31 December 2014, Stalexport Autostrady Group employed 279 employees, and as at 30 June 2014 – 275 employees. The number of executive officers and management employees was the same in these periods.

The increase in the number of Group's employees as compared to the number reported on 30 June 2014 and 31 December 2014 (3.27% and 1.79% respectively) was mainly due to a greater number of toll collectors employed by the operator company (VIA4) because of increased traffic.

■ Changes in the line-up of the individuals responsible for management of and supervision over of the Company and the Capital Group within the reporting period**Stalexport Autostrady****■ Management Board**

Pursuant to §10 of the Company's Statutes, the Management Board is composed of 1 to 3 persons. The President of the Management Board is appointed by the Supervisory Board and other members of the Management Board are appointed by the Supervisory Board at the motion of the President of the Management Board. Joint term of office of the Management Board's members lasts three successive years and their mandates expire on the day of holding the General Meeting approving the financial statements for the last full financial year of performing the function of the Management Board's member. On 5 March 2013, the Supervisory Board of Stalexport Autostrady S.A. appointed the Management Board with the following line-up for another term:



Emil Wąsacz
President of the Management Board



Mariusz Serwa
Vice-President of the Management Board

Within the reporting period (and until the date of Report preparation), the line-up of the Management Board did not change and is as follows:

- Emil Wąsacz – President of the Management Board,
- Mariusz Serwa – Vice-president of the Management Board.

■ **Supervisory Board**

Pursuant to § 14 of the Company's Statutes, the Supervisory Board is composed of 5 to 9 persons appointed for the joint term of office of three years. The General Management appoints and recalls members of Supervisory Board having first determined their number for a given term of office.

On 3 April 2013, the Ordinary General Meeting (by passing the Resolution No. 21) decided that the Supervisory Board of the eighth term (2013–2015) shall be composed of seven members.

In the period from 1 January 2015 to 30 June 2015 (and as at the date of the Report), the Supervisory Board was composed of the following seven members:

1. Roberto Mengucci – Chairman,
2. Aleksander Galos – Deputy Chairman,
3. Michelangelo Damasco – Secretary,
4. Nicolás Caffo,
5. Pietro La Barbera,
6. Costantino Ivoi,
7. Tadeusz Włudyka.

On 5 July 2013, acting pursuant to § 25(2) of the Regulations of the Supervisory Board of Stalexport Autostrady and pursuant to Good Practices of the Companies Listed on GPW, including especially good practices for members of Supervisory Boards, the Supervisory Board appointed the Audit Committee and Remuneration Committee out of the Supervisory Board members as follows:

■ **Remuneration Committee:**

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

■ **Audit Committee:**

- Costantino Ivoi – Chairman,
- Aleksander Galos,
- Michelangelo Damasco.

In the reporting period and as at the date of the Report, the composition of the above-mentioned committees of the Supervisory Board remained unchanged.

SAM

In the reporting period and by the date of the Report, the composition of SAM's Management Board remained unchanged. The composition of SAM's Supervisory Board changed. Until 27 March 2015, the Supervisory Board was composed of the following members:

1. Costantino Ivoi – Chairman,
2. Mieczysław Skołyżyński – Deputy Chairman,
3. Michelangelo Damasco.

On 27 March 2015, SAM's Ordinary General Meeting appointed Supervisory Board composed of the following members for another term of office:

1. Nicolás Caffo,
2. Michelangelo Damasco,
3. Costantino Ivoi.

VIA 4

In the reporting period and by the date of the Report, the composition of VIA4's Management Board remained unchanged.

The composition of VIA4's Supervisory Board changed. Until 16 March 2015, the Supervisory Board was composed of the following members:

1. Emil Wąsacz – Chairman,
2. Francois Bienvenue – Deputy Chairman,
3. Krzysztof Bernatowicz,
4. Costantino Ivoi,
5. Emmanuelle Freneat,
6. Mariusz Serwa.

As at the date of VIA4's Ordinary General Meeting held on 16 March 2015, the Company's shareholders appointed Supervisory Board composed of the following members for another term of office:

1. Mariusz Serwa – Chairman,
2. Francois Bienvenue – Deputy Chairman,
3. Krzysztof Bernatowicz,
4. Costantino Ivoi,
5. Emmanuelle Freneat,
6. Nicolás Caffo.

BIURO CENTRUM

In the reporting period and by the date of the Report, the composition of Biuro Centrum's Management Board and Supervisory Board remained unchanged.

4.7 The Company's shares and the affiliated companies' shares held by persons managing and supervising companies of Stalexport Autostrady Group

The number and nominal value of Stalexport Autostrady's shares held by the persons managing and supervising the Group companies is provided based on declarations of these persons. The situation, as at 30 June 2015 (and as at the date of this Report), is shown in the table below.

TABLE 7

The number and nominal value of Stalexport Autostrady's shares held by persons managing and supervising the Group as at 30 June 2015 (and as at the date of this Report)

No.	Name and surname	Number of shares [units]	Nominal value [in PLN]
1.	Emil Wąsacz	59,000	44,250.00
2.	Katarzyna Bijak	2,000	1,500.00

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

Persons managing and supervising Stalexport Autostrady's Group companies do not hold any shares in affiliated companies of Stalexport Autostrady.

4.8 Shareholders holding directly or indirectly significant blocks of shares and the number of shares held by these shareholders, their percentage share in the share capital, the number of votes related to these shares and their percentage share in the total number of votes at the General Meeting of the Company

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

TABLE 8

List of Stalexport Autostrady's shareholders holding significant blocks of the Company's shares

Company name	Number of ordinary bearer shares [units]	Share in share capital (%)	Number of votes at GM [units]	Share in the total number of votes at GM [%]
ASPI	149,923,463	60.63%	149,923,463	60.63%

Source: internal analysis based on notifications received by the Company from shareholders pursuant to article 69 and 69a in conjunction with article 87 of the Act on Public Offering, on the Conditions Governing the Introduction of Financial Instruments to Organised Trading and on Public Companies.

4.9 Information on proceedings before the court, authority competent for the arbitration proceedings or public administration authority

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

The remaining entities of the Group are not a party to any proceedings before the common or arbitration court of law or public administration authority in matters in the case of which the value of the subject of the dispute exceeds the amount constituting at least 10% of their equity.

5. Perspectives for development and major risks and threats, description of the external and internal factors significant for development of the Capital Group

5.1 Growth prospects

In recent years, the Company has participated in tenders related to the construction, management and operation of toll motorways. The Road Construction Programme is a potential market for the Company and the Group companies. However, it should be emphasised that the road infrastructure area is a sector heavily dependent on the State regulator. Thus, the number of tenders related to the projects interesting for the Company and possibility of their implementation under the PPP formula is the consequence of the public party's policy on road construction and the national budget. Prospects for external growth of Stalexport Autostrady are related to possible implementation of potential motorway projects.

As far as internal growth is concerned, the Group makes and shall continue to make efforts to improve the quality of services provided to the motorway users by the currently executed project of replacement of toll collection equipment, which shall make it possible for the customers to pay for using the motorway by diversified means of payment. These efforts are intended to improve the flow capacity of the Toll Collection Plazas and to shorten the transaction time. Additionally, talks are held with the public party to make it possible for the users to pay by means of viaTOLL nationwide electronic system. Thanks to the planned solutions, vehicles equipped with on-board viaTOLL devices would be able to drive along the motorway managed by the Capital Group.

5.2 Description of major risks and threats as well as the external and internal factors significant for Stalexport Autostrady Group development and risk prevention methods

Major risks and threats and the external and internal factors significant for the operation of Stalexport Autostrady may be divided into two basic groups related to the following:

- A4 Katowice-Kraków project under execution

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

The **economic situation** in Poland has an impact mainly on the number of vehicles using the A4 motorway (this factor affects mainly the truck traffic) and thus on the level of revenue from toll collection generated by the Concessionaire. The Group mitigates this risk by means of adequate (optimal) price policy and by taking actions aiming at the improvement of the customer service quality on the motorway section managed by the Group by the replacement of toll collection equipment (currently executed), which shall make it possible for the customers to pay for using the motorway by diversified means of payment.

As far as the **construction work market** is concerned, the economic boom period increases the prices of construction services and decreases the efficiency of the A4 Katowice-Kraków project, whereas in the period of economic slowdown, the Group may negotiate more favourable conditions for the execution of necessary works, thus more funds remain at the disposal of the shareholders. The Company makes efforts to mitigate the risk within this area by active management, as authorised under the Concession Agreement, of the schedule of planned and carried out construction works.

Institutional and legal instability of the environment regulating the infrastructure sector in Poland is the main factor from the **political and legal risk** group. By means of promotion of good practices and solutions aiming at creation of suitable legal framework for the execution of infrastructure projects and by active participation in a public debate regarding new legislative solutions, etc., the Company makes efforts to prevent these risks. This risk group includes also the potential efforts to change the existing law, which may affect the revenue or expense level of the A4 Katowice-Kraków project. It is worth emphasising that the Concession Agreement includes provisions which make it possible to claim damages from the State Treasury if the public party takes actions that adversely affect the profitability of the A4 Katowice-Kraków project.

Additional risks are also related to the **decision of Urząd Ochrony Konkurencji i Konsumenta** [Office of Competition and Consumer Protection] (hereinafter referred to as "UOKiK") in which UOKiK stated that the practices of the Concessionaire infringed the competition by "charging unfair prices for using the toll section of the motorway in the amount specified in the price list, in spite of the repair works being carried out within this section, resulting in major traffic hindrances" and ordered to stop these practices. When performing the repair works causing substantial hindrances to the traffic in the future, the Concessionaire should respect the stipulations of decision in its tariff policy

■ Lease of the office space and investment of the owned funds

Within this scope, the risks related to the economic situation and investment climate, as well as the risk of the market interest rate shall be mentioned.

The **economic situation** in Poland directly affects the office space lease market and thus the size of the unoccupied (unleased) space and the rent rates. The Company mitigates this risk by the application of a flexible price policy and by making other efforts to increase the attractiveness of the office space and to improve the user safety. Furthermore, the Company makes constant efforts to win new lessees.

Owing to the revenue structure and the nature of the business, the financial results of the Company are subject to a relatively high **interest rate risk**. This risk is related to the changeability of the financial markets and manifests itself in changes in the money value. Stalexport Autostrady mitigates this risk by the diversification of the periods for which the funds are invested.

6. Summary

Summarising the presentation of the Report, we would like to emphasise that Stalexport Autostrady Group, operating in the motorway business, has sound financial basis that guarantees the stability of its business and provides opportunities for future implementation of usually very capital-consuming projects related to the construction and management of motorways.

Vice-president of the Management Board


CFO



Mariusz Serwa

President of the Management Board

CEO



Emil Wąsacz

Mysłowice, 24 July 2015

7. Statements

7.1 Management Board's statement setting forth that according to their best knowledge, the half-year abridged consolidated financial statements as well as the comparable data have been drawn up in line with the applicable accounting standards and they give a true and fair view of the Group's state of affairs and its material and financial position, and that the Management Board's Half-Year Report on the Group's Activities gives a true presentation of the Group's development, achievements and position, including the description of major risks

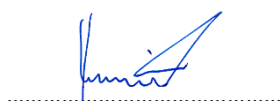
Statement

We hereby state that according to our best knowledge, the half-year abridged consolidated financial statements of the Company for 2015 and comparable data have been drawn up in line with the applicable accounting standards and they give a true and fair view of Stalexport Autostrady Group's state of affairs and its financial result.

At the same time we also declare that the half-year Management Board's Report on the Activities of Stalexport Autostrady Group gives a true presentation of the Group's development, achievements and position, including the description of major risks and threats.

Vice-president of the Management Board

CFO



Mariusz Serwa

President of the Management Board

CEO



Emil Wąsacz

Mysłowice, 24 July 2015

7.2 Management Board's statement according to which the entity authorised to audit financial statements, which performed the audit of the half-year abridged consolidated financial statements, was selected in accordance with the law and that the entity as well as the chartered auditors performing the task guarantee issuing an objective and independent opinion on the review of the half-year abridged consolidated financial statements, in line with the applicable provisions of the law and professional standards

Statement

We hereby state that Deloitte, authorised to audit the financial statements, reviewing the half-year abridged consolidated financial statements for 2015, has been appointed in accordance with the provisions of the law, i.e. pursuant to § 18(3)(8) of the Statutes of Stalexport Autostrady.

At the same time, we also declare that the above-mentioned entity and the chartered auditors conducting the review of these half-year abridged statements have met the conditions regarding issuing impartial and independent opinion on the review of the half-year abridged consolidated financial statements, in line with applicable provisions of the law and professional standards.

Vice-president of the Management Board

CFO

Mariusz Serwa

President of the Management Board

CEO

Emil Wąsacz

Mysłowice, 24 July 2015

8. Enclosures

Enclosure No. 1

Financial highlights of Stalexport Autostrady Group

TABLE 9

Financial figures from the abridged interim consolidated financial statements of Stalexport Autostrady Group for the period of 6 months ended 30 June 2015

	PLN '000		EUR '000	
	H1 2015	H1 2014	H1 2015	H1 2014
Revenue	119,237	104,552	28,842	25,022
Results from operating activities	66,633	50,198	16,118	12,014
Profit before income tax	55,373	36,367	13,394	8,704
Profit for the period	45,048	28,691	10,897	6,867
Profit for the period attributable to owners of the Company	41,956	25,697	10,149	6,150
Weighted average number of shares at the end of period (in thousands)	247,262	247,262	247,262	247,262
Basic earnings per 1 ordinary share (in PLN/EUR)	0.17	0.10	0.04	0.02
Diluted earnings per 1 ordinary share (in PLN/EUR)	0.17	0.10	0.04	0.02
Net cash from operating activities	92,132	70,418	22,286	16,853
Net cash used in investing activities	(42,277)	(43,643)	(10,226)	(10,445)
Net cash used in financing activities	(26,668)	(25,814)	(6,451)	(6,178)
Total net cash flows	23,187	961	5,609	230
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Total assets	1,335,107	1,315,875	318,307	308,724
Non-current assets	1,127,567	1,133,520	268,827	265,941
Current assets	207,540	182,355	49,480	42,783
Total liabilities	984,977	1,010,951	234,831	237,184
Non-current liabilities	826,552	874,081	197,061	205,073
Current liabilities	158,425	136,870	37,771	32,112
Total equity	350,130	304,924	83,476	71,540
Total equity attributable to owners of the Company	346,334	300,823	82,571	70,578
Non-controlling interests	3,796	4,101	905	962
Share capital	185,447	185,447	44,213	43,509

Source: Company's documents

TABLE 10

Financial figures from the abridged interim separate financial statements of Stalexport Autostrady for the period of 6 months ended 30 June 2015

	H1 2015	PLN '000 H1 2014	H1 2015	EUR '000 H1 2014
Revenue	1,867	1,907	452	456
Loss from operating activities	(1,729)	(1,721)	(418)	(412)
Profit before income tax	1,760	1,929	426	462
Profit for the period	1,934	1,903	468	455
Weighted average number of shares at the end of period (in thousands)	247,262	247,262	247,262	247,262
Basic earnings per 1 ordinary share (in PLN/EUR)	0.01	0.01	0.00	0.00
Diluted earnings per 1 ordinary share (in PLN/EUR)	0.01	0.01	0.00	0.00
Net cash from operating activities	(422)	(7,951)	(102)	(1,903)
Net cash from investment activities	3,362	3,471	813	831
Total net cash flows	2,940	(4,480)	711	(1,072)
	30.06.2015	31.12.2014	30.06.2015	31.12.2014
Total assets	207,130	204,705	49,383	48,027
Non-current assets	76,339	76,980	18,200	18,061
Current assets	130,791	127,725	31,182	29,966
Total liabilities	3,476	2,987	829	701
Non-current liabilities	78	2,082	19	488
Current liabilities	3,398	905	810	212
Total equity	203,654	201,718	48,554	47,326
Share capital	185,447	185,447	44,213	43,509

Source: Company's documents

Selected financial data is converted into EUR according to the following rules:

- items of the consolidated and separate financial statements concerning comprehensive income and the cash flow statement for the first half of 2015 and for the first half of 2014 based on the exchange rate being an arithmetic mean of average exchange rates announced by NBP, applicable on the last day of each month during the period, i.e. 4.1341 PLN/EUR and 4.1784 PLN/EUR respectively;
- items of assets and liabilities based on the average exchange rate published by NBP, applicable as at the balance sheet date, i.e. 4.1944 PLN/EUR as at 30 June 2015 and 4.2623 PLN/EUR as at 31 December 2014 respectively.