



**STALEXPORT AUTOSTRADY S.A.  
CAPITAL GROUP**

**CONDENSED CONSOLIDATED  
INTERIM FINANCIAL STATEMENTS**

for the nine-month period ended  
30 September 2016

**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

*These condensed consolidated interim financial statements are unaudited*

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**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

*These condensed consolidated interim financial statements are unaudited*

**Condensed consolidated interim statement of comprehensive income**  
**for the three and nine-month periods ended**

	Note	30 September 2016		30 September 2015	
		3 months (unaudited)	9 months (unaudited)	3 months (unaudited)	9 months (unaudited)
<i>In thousands of PLN, unless stated otherwise</i>					
Revenue	8	82 746	220 389	75 834	195 071
Cost of sales	9	(18 220)	(41 903)	(4 743)	(45 448)
<b>Gross profit</b>		<b>64 526</b>	<b>178 486</b>	<b>71 091</b>	<b>149 623</b>
Other income	10	1 197	2 939	2 227	6 160
Administrative expenses	9	(9 599)	(24 678)	(8 178)	(23 934)
Other expenses	11	(30)	(91)	(30)	(106)
<b>Results from operating activities</b>		<b>56 094</b>	<b>156 656</b>	<b>65 110</b>	<b>131 743</b>
Finance income		3 128	9 087	3 310	9 777
Finance expenses		(8 720)	(24 984)	(8 669)	(26 443)
<b>Net finance expense</b>	12	<b>(5 592)</b>	<b>(15 897)</b>	<b>(5 359)</b>	<b>(16 666)</b>
<b>Share of profit of equity accounted investees (net of income tax)</b>		<b>42</b>	<b>155</b>	<b>66</b>	<b>113</b>
<b>Profit before income tax</b>		<b>50 544</b>	<b>140 914</b>	<b>59 817</b>	<b>115 190</b>
Income tax expense		(9 107)	(26 234)	(11 489)	(21 814)
<b>Profit for the period</b>		<b>41 437</b>	<b>114 680</b>	<b>48 328</b>	<b>93 376</b>
<b>Other comprehensive income</b>					
<i>Items that will never be reclassified to profit or loss for the period</i>					
Remeasurement of employee benefits		-	20	-	31
Income tax on other comprehensive income		-	(3)	-	(5)
		-	<b>17</b>	-	<b>26</b>
<i>Items that are or may be reclassified subsequently to profit or loss for the period</i>					
Foreign currency translation differences for foreign operations		(27)	39	(42)	(25)
Effective portion of changes in fair value of cash flow hedges		354	(316)	(2 218)	(504)
Net change in fair value of cash flow hedges reclassified to profit or loss for the period		1 182	3 595	1 398	4 024
Income tax on other comprehensive income		(292)	(623)	156	(669)
		<b>1 217</b>	<b>2 695</b>	<b>(706)</b>	<b>2 826</b>
<b>Other comprehensive income for the period, net of income tax</b>		<b>1 217</b>	<b>2 712</b>	<b>(706)</b>	<b>2 852</b>
<b>Total comprehensive income for the period</b>		<b>42 654</b>	<b>117 392</b>	<b>47 622</b>	<b>96 228</b>
<b>Profit attributable to:</b>					
Owners of the Company		39 941	110 348	46 927	88 883
Non-controlling interest		1 496	4 332	1 401	4 493
<b>Profit for the period</b>		<b>41 437</b>	<b>114 680</b>	<b>48 328</b>	<b>93 376</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		41 158	113 060	46 221	91 732
Non-controlling interest		1 496	4 332	1 401	4 496
<b>Total comprehensive income for the period</b>		<b>42 654</b>	<b>117 392</b>	<b>47 622</b>	<b>96 228</b>
<b>Earnings per share</b>					
Basic earnings per share (PLN)		0.16	0.45	0.19	0.36
Diluted earnings per share (PLN)		0.16	0.45	0.19	0.36

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

**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
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**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

*These condensed consolidated interim financial statements are unaudited*

**Condensed consolidated interim statement of financial position**  
**as at**

<i>In thousands of PLN</i>	<b>Note</b>	<b>30 September 2016</b> <i>(unaudited)</i>	<b>30 June 2016</b> <i>(unaudited)</i>	<b>31 December 2015</b>	<b>30 September 2015</b> <i>(unaudited)</i>
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	13	33 000	32 653	35 649	32 570
Intangible assets	14	488 377	511 115	522 681	551 493
Investment property		3 789	3 918	4 176	3 878
Investments in associates		988	946	833	845
Other non-current investments		471 032	487 596	506 623	507 522
Non-current receivables		844	844	816	816
Deferred tax assets	15	93 638	95 431	99 471	100 637
<b>Total non-current assets</b>		<b>1 091 668</b>	<b>1 132 503</b>	<b>1 170 249</b>	<b>1 197 761</b>
<b>Current assets</b>					
Inventories		2 397	2 406	2 038	2 164
Current investments		1 564	1 502	1 581	1 698
Income tax receivables		-	-	-	2
Trade and other receivables	16	11 852	11 601	13 422	10 848
Cash and cash equivalents		313 116	265 842	188 007	148 713
<b>Total current assets</b>		<b>328 929</b>	<b>281 351</b>	<b>205 048</b>	<b>163 425</b>
<b>Total assets</b>		<b>1 420 597</b>	<b>1 413 854</b>	<b>1 375 297</b>	<b>1 361 186</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	18.1	185 447	185 447	185 447	185 447
Treasury shares		(20)	(20)	(20)	(20)
Share premium reserve		7 430	7 430	7 430	7 430
Hedging reserve	18.2	(8 674)	(9 918)	(11 330)	(12 179)
Other reserve capitals and supplementary capital		231 463	231 486	320 644	320 640
Foreign currency translation reserve		160	162	134	144
Retained earnings and uncovered losses		115 376	75 437	(84 183)	(108 907)
<b>Total equity attributable to owners of the Company</b>		<b>531 182</b>	<b>490 024</b>	<b>418 122</b>	<b>392 555</b>
Non-controlling interest		5 033	3 537	4 973	5 197
<b>Total equity</b>		<b>536 215</b>	<b>493 561</b>	<b>423 095</b>	<b>397 752</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Loans and borrowings		115 600	135 405	153 154	152 765
Employee benefits		2 944	2 638	1 891	1 800
Deferred income		7 894	8 102	8 518	8 726
Other non-current liabilities		210 295	205 536	199 812	197 832
Provisions	19	390 822	413 752	403 585	449 987
<b>Total non-current liabilities</b>		<b>727 555</b>	<b>765 433</b>	<b>766 960</b>	<b>811 110</b>
<b>Current liabilities</b>					
Loans and borrowings		35 592	36 215	34 831	33 020
Derivative financial instruments		10 709	13 414	15 250	15 036
Income tax liabilities		10 839	7 048	11 082	8 627
Trade and other payables		22 951	17 992	21 268	19 951
Employee benefits		282	312	3 633	3 326
Deferred income		5 700	5 765	5 975	7 013
Provisions	19	70 754	74 114	93 203	65 351
<b>Total current liabilities</b>		<b>156 827</b>	<b>154 860</b>	<b>185 242</b>	<b>152 324</b>
<b>Total liabilities</b>		<b>884 382</b>	<b>920 293</b>	<b>952 202</b>	<b>963 434</b>
<b>Total equity and liabilities</b>		<b>1 420 597</b>	<b>1 413 854</b>	<b>1 375 297</b>	<b>1 361 186</b>

The condensed consolidated interim statement of financial position should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

*These condensed consolidated interim financial statements are unaudited*

**Condensed consolidated interim statement of cash flows**  
**for the three and nine-month periods ended**

*In thousands of PLN*

	<b>30 September 2016</b>		<b>30 September 2015</b>	
	<b>3 months</b> <i>(unaudited)</i>	<b>9 months</b> <i>(unaudited)</i>	<b>3 months</b> <i>(unaudited)</i>	<b>9 months</b> <i>(unaudited)</i>
<b>Cash flows from operating activities</b>				
<b>Profit before income tax</b>	<b>50 544</b>	<b>140 914</b>	<b>59 817</b>	<b>115 190</b>
<b>Adjustments for</b>				
Depreciation and amortisation	11 636	33 831	11 065	31 769
Reversal of impairment on property, plant and equipment and intangible assets	-	-	(1)	(2)
Foreign currency translation differences for foreign operations	(27)	39	(42)	(25)
(Profit)/Loss on investment activity	(62)	17	(88)	36
Gain on disposal of intangible assets and property, plant and equipment	(35)	(84)	(37)	(57)
Interest and dividends	198	993	645	2 369
Share in profit of associated entities	(42)	(155)	(66)	(113)
Change in receivables	(251)	1 570	2 414	285
Change in inventories	9	(359)	56	66
Change in trade and other payables	6 436	12 112	2 190	10 559
Change in provisions	(1 871)	(9 851)	(11 222)	4 012
Change in deferred income	(273)	(899)	(1 084)	264
<b>Cash generated from operating activities</b>	<b>66 262</b>	<b>178 128</b>	<b>63 647</b>	<b>164 353</b>
Income tax paid	(3 815)	(21 270)	(3 585)	(12 159)
<b>Net cash from operating activities</b>	<b>62 447</b>	<b>156 858</b>	<b>60 062</b>	<b>152 194</b>
<b>Cash flows from investing activities</b>				
<b>Investment proceeds</b>	<b>19 590</b>	<b>44 569</b>	<b>4 980</b>	<b>11 409</b>
Sale of intangible assets and property, plant and equipment	35	87	88	175
Proceeds from non-current deposits held for investment expenditures	15 250	33 305	-	-
Dividends received	-	-	1	189
Interest received	4 305	11 177	4 891	11 045
<b>Investment expenditures</b>	<b>(9 978)</b>	<b>(24 107)</b>	<b>(83 982)</b>	<b>(132 688)</b>
Acquisition of intangible assets and property, plant and equipment	(9 978)	(24 107)	(4 381)	(23 474)
Non-current deposits held for investment expenditures	-	-	(79 601)	(109 214)
<b>Net cash from/(used in) investing activities</b>	<b>9 612</b>	<b>20 462</b>	<b>(79 002)</b>	<b>(121 279)</b>
<b>Cash flows from financing activities</b>				
<b>Financial expenditures</b>	<b>(24 785)</b>	<b>(52 211)</b>	<b>(22 791)</b>	<b>(49 459)</b>
Dividends paid	-	(4 272)	-	(3 400)
Repayment of loans and borrowings	(17 773)	(34 851)	(16 408)	(32 174)
Interest paid	(7 012)	(13 088)	(6 381)	(13 868)
Repayment of finance lease liabilities	-	-	(2)	(17)
<b>Net cash used in financing activities</b>	<b>(24 785)</b>	<b>(52 211)</b>	<b>(22 791)</b>	<b>(49 459)</b>
<b>Total net cash flows</b>	<b>47 274</b>	<b>125 109</b>	<b>(41 731)</b>	<b>(18 544)</b>
<b>Change in cash and cash equivalents</b>	<b>47 274</b>	<b>125 109</b>	<b>(41 731)</b>	<b>(18 544)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>265 842</b>	<b>188 007</b>	<b>190 444</b>	<b>167 257</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>313 116</b>	<b>313 116</b>	<b>148 713</b>	<b>148 713</b>

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**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
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**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

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**Condensed consolidated interim statement of changes in equity**

*In thousands of PLN*

<i>(unaudited)</i>	Share capital	Treasury shares	Share premium reserve	Hedging reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
<b>As at 1 January 2015</b>	185 447	(20)	7 430	(15 030)	262 049	160	(139 213)	300 823	4 101	304 924
<b>Profit for the period</b>	-	-	-	-	-	-	88 883	88 883	4 493	93 376
<b>Other comprehensive income:</b>	-	-	-	2 851	(5)	(16)	19	2 849	3	2 852
Effective portion of changes in fair value of cash flow hedges	-	-	-	(504)	-	-	-	(504)	-	(504)
Net change in fair value of cash flow hedges reclassified to profit or loss for the period	-	-	-	4 024	-	-	-	4 024	-	4 024
Remeasurement of employee benefits	-	-	-	-	-	-	27	27	4	31
Foreign currency translation differences for foreign operations	-	-	-	-	(5)	(16)	(4)	(25)	-	(25)
Income tax on other comprehensive income	-	-	-	(669)	-	-	(4)	(673)	(1)	(674)
<b>Total comprehensive income for the period</b>	-	-	-	2 851	(5)	(16)	88 902	91 732	4 496	96 228
Dividends paid	-	-	-	-	-	-	-	-	(3 400)	(3 400)
Allocation of profit to supplementary capital	-	-	-	-	58 596	-	(58 596)	-	-	-
<b>As at 30 September 2015</b>	185 447	(20)	7 430	(12 179)	320 640	144	(108 907)	392 555	5 197	397 752

	Share capital	Treasury shares	Share premium reserve	Hedging reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
<b>As at 1 January 2015</b>	185 447	(20)	7 430	(15 030)	262 049	160	(139 213)	300 823	4 101	304 924
<b>Profit for the period</b>	-	-	-	-	-	-	113 599	113 599	5 811	119 410
<b>Other comprehensive income:</b>	-	-	-	3 700	(1)	(26)	27	3 700	7	3 707
Effective portion of changes in fair value of cash flow hedges	-	-	-	(718)	-	-	-	(718)	-	(718)
Net change in fair value of cash flow hedges reclassified to profit or loss for the period	-	-	-	5 286	-	-	-	5 286	-	5 286
Remeasurement of employee benefits	-	-	-	-	-	-	36	36	8	44
Foreign currency translation differences for foreign operations	-	-	-	-	(1)	(26)	(3)	(30)	-	(30)
Income tax on other comprehensive income	-	-	-	(868)	-	-	(6)	(874)	(1)	(875)
<b>Total comprehensive income for the period</b>	-	-	-	3 700	(1)	(26)	113 626	117 299	5 818	123 117
Dividends paid	-	-	-	-	-	-	-	-	(4 946)	(4 946)
Allocation of profit to supplementary capital	-	-	-	-	58 596	-	(58 596)	-	-	-
<b>As at 31 December 2015</b>	185 447	(20)	7 430	(11 330)	320 644	134	(84 183)	418 122	4 973	423 095

<i>(unaudited)</i>	Share capital	Treasury shares	Share premium reserve	Hedging reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
<b>As at 1 January 2016</b>	185 447	(20)	7 430	(11 330)	320 644	134	(84 183)	418 122	4 973	423 095
<b>Profit for the period</b>	-	-	-	-	-	-	110 348	110 348	4 332	114 680
<b>Other comprehensive income:</b>	-	-	-	2 656	10	26	20	2 712	-	2 712
Effective portion of changes in fair value of cash flow hedges	-	-	-	(316)	-	-	-	(316)	-	(316)
Net change in fair value of cash flow hedges reclassified to profit or loss for the period	-	-	-	3 595	-	-	-	3 595	-	3 595
Remeasurement of employee benefits	-	-	-	-	-	-	20	20	-	20
Foreign currency translation differences for foreign operations	-	-	-	-	10	26	3	39	-	39
Income tax on other comprehensive income	-	-	-	(623)	-	-	(3)	(626)	-	(626)
<b>Total comprehensive income for the period</b>	-	-	-	2 656	10	26	110 368	113 060	4 332	117 392
Coverage of previous years' losses	-	-	-	-	(201 496)	-	201 496	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(4 272)	(4 272)
Allocation of profit to supplementary capital	-	-	-	-	112 305	-	(112 305)	-	-	-
<b>As at 30 September 2016</b>	185 447	(20)	7 430	(8 674)	231 463	160	115 376	531 182	5 033	536 215

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

**STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP**  
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**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

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**Notes to the condensed consolidated interim financial statements**

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

**1. Group overview**

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

The Company together with its subsidiaries constitutes Stalexport Autostrady S.A. Capital Group (“Group”, “Capital Group”).

The business activities of the Group include the following:

- construction of roads and railroads, in particular services related to managing, construction by adapting to the requirements of toll motorway and exploitation of the section of A-4 motorway Katowice-Kraków,
- management and business advisory,
- rental services.

As at 30 September 2016, beside the Company, the Group comprised of the following entities:

Name of the entity	Seat of the entity	Main activities	Status	Ownership interest and voting rights	Date of obtaining control/Date of acquisition	Consolidation method
Stalexport Autoroute S.a r.l.	Luxembourg	Management activities	Subsidiary	100%	2005	Full consolidation
Stalexport Autostrada Małopolska S.A.	Mysłowice	Construction and operation of motorway	Subsidiary	100%*	1998	Full consolidation
VIA4 S.A.	Mysłowice	Motorway operation	Subsidiary	55%*	1998	Full consolidation
Biuro Centrum Sp. z o.o.	Katowice	Real estate administration	Associate	40.63%	1994	Equity method
Petrostal S.A. w likwidacji**	Warszawa	Non-operational	Subsidiary	100%	2005	-

\* through Stalexport Autoroute S.a r.l.;

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

The condensed consolidated interim financial statements as at the day and for the nine-month period ended 30 September 2016 comprise financial statements of the Company and its subsidiaries and also Group’s share in net assets of associates.

The Capital Group is also included within the consolidated financial statements of the parent entity of the highest level Atlantia S.p.A. (Italy), a parent company to inter alia Autostrade per l’Italia S.p.A., a majority shareholder of the Company.

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**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

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*Notes to the condensed consolidated interim financial statements*  
*(all amounts in PLN thousand (TPLN), unless stated otherwise)*

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## **2. Basis for preparation of condensed consolidated interim financial statements**

### **2.1. Statement of compliance**

The condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union and other regulations in force.

Condensed consolidated interim financial statements do not include all the information required for yearly financial statements and therefore should be analysed together with the Group's consolidated financial statements as at the day and for the year ended 31 December 2015.

The condensed consolidated interim financial statements were approved by the Management Board of the Company on 10 November 2016.

### **2.2. Basis for valuation**

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

- derivative financial instruments measured at fair value;
- available-for-sale financial assets measured at fair value.

### **2.3. Functional and presentation currency**

The condensed consolidated interim financial statements are presented in Polish zloty, being the functional currency and presentation currency of the Group, rounded to full thousands.

### **2.4. Use of estimates and judgments**

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

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

Judgments and estimates made by the Management Board, which have significant impact on condensed consolidated interim financial statements, have been disclosed in notes 14, 15, 16 and 19.

## **3. Going concern**

The condensed consolidated interim financial statements have been prepared under the assumption that the Group will continue to operate as a going concern for the foreseeable future.



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**FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2016**

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*Notes to the condensed consolidated interim financial statements*  
*(all amounts in PLN thousand (TPLN), unless stated otherwise)*

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#### **4. Information concerning the Concession Agreement**

The activities of the Group include primarily business related to the management, construction by transformation to toll motorway and operation of the section Katowice – Kraków of A-4 motorway, performed mainly by the Company’s subsidiary Stalexport Autostrada Małopolska S.A. (“Concession Holder”, “SAM S.A.”). These activities are regulated by the concession agreement (“Concession Agreement”).

The subject of the Concession Agreement is completion of construction of the A-4 motorway (by transformation to the toll motorway) on the section from Katowice (junction Murckowska, km 340.2) to Krakow (junction Balice I, km 401.1) and its subsequent operation as well as conducting and completion of the remaining construction works as specified in the Concession Agreement.

The Concession Agreement has been concluded for a time equal to the term of the concession i.e. 30 years ending in March 2027.

As specified in the Concession Agreement, toll revenues constitute the principal source of income from the execution of the project.

Throughout the term of the Concession Agreement, the Concession Holder shall have the right to use and receive profits from the road strip of the motorway. The right includes among other things the right to demolish and remove the existing buildings, facilities, equipment, trees and plants, subject to any relevant legal provisions. In return the Concession Holder is responsible for the operation and maintenance of the toll motorway until the termination or expiry of the Concession Agreement, which determines detailed range of the Concession Holder’s obligations, and is obliged to perform precisely specified construction works.

As determined by the Concession Agreement, after fulfilment of conditions therein defined, the Concession Holder will be obliged to make concession payments to the National Road Fund constituting so-called subordinate debt (obligation due to loan received by State Treasury from the European Bank for Reconstruction and Development for the purpose of financing the construction of A-4 Toll Motorway Katowice-Kraków taken over by the Concession Holder).

So far completed Phase I included the construction of toll collection system, implementation of maintenance centre in Brzęczkowice and construction of a communication and motorway traffic management system, including an emergency communication system. Further investment phases (Phase II) in progress or to be carried out include, among others, renovations of bridges, development of junctions, construction of rest areas and works related to environmental protection measures (constructions of noise screens, motorway drainage system, passes for animals).

At the conclusion of the Concession Agreement the right to use and receive profits from all buildings and structures constructed by the Concession Holder will be transferred to the State Treasury.

According to provisions of the Concession Agreement between SAM S.A. and the Minister of Infrastructure and Construction and also of the Project Loan Agreement between SAM S.A. and consortium (“Consortium”) of: PEKAO S.A., FMS WERTMANAGEMENT, KfW IPEX-Bank, Raiffeisen Bank Polska S.A. and Portigon AG (London Branch), the possibility of dividend payment by SAM S.A. to its shareholder(s) depends, among others, on completion of specified construction phases, achieving minimum level of debt service ratios, and assuring the sufficient coverage of reserve accounts.

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## 5. Description of significant accounting principles

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2015.

## 6. Segment reporting

The Group presents its activity in business segments, which are based on the Group's management and internal reporting structure.

The Group operates in one geographical segment – entire revenue is earned in Poland.

### Business segments

Business segments include:

- management, advisory and rental services,
- management and operation of motorways.

### Business segments results

*For the three and nine-month periods ended 30 September 2016*

	Management, advisory and rental services		Management and operation of motorways		Total	
	3 months	9 months	3 months	9 months	3 months	9 months
<b>Operating revenues</b>						
Revenue from external customers	820	2 526	81 926	217 863	82 746	220 389
Total revenue	<b>820</b>	<b>2 526</b>	<b>81 926</b>	<b>217 863</b>	<b>82 746</b>	<b>220 389</b>
<b>Operating expenses</b>						
Cost of sales to external customers	(1 010)	(2 948)	(17 210)	(38 955)	(18 220)	(41 903)
Total cost of sales	<b>(1 010)</b>	<b>(2 948)</b>	<b>(17 210)</b>	<b>(38 955)</b>	<b>(18 220)</b>	<b>(41 903)</b>
Other income	18	20	1 179	2 919	1 197	2 939
Other expenses	(1)	(3)	(29)	(88)	(30)	(91)
Administrative expenses (*)	(958)	(2 399)	(8 641)	(22 279)	(9 599)	(24 678)
<b>Results from operating activities</b>	<b>(1 131)</b>	<b>(2 804)</b>	<b>57 225</b>	<b>159 460</b>	<b>56 094</b>	<b>156 656</b>
Net finance income/(expense)	1 068	2 348	(6 660)	(18 245)	(5 592)	(15 897)
Share of profit of equity accounted investees (net of income tax)	42	155	-	-	42	155
Income tax expense	32	467	(9 139)	(26 701)	(9 107)	(26 234)
<b>Profit for the period</b>	<b>11</b>	<b>166</b>	<b>41 426</b>	<b>114 514</b>	<b>41 437</b>	<b>114 680</b>
Other comprehensive income, net of income tax	(27)	44	1 244	2 668	1 217	2 712
<b>Total comprehensive income for the period</b>	<b>(16)</b>	<b>210</b>	<b>42 670</b>	<b>117 182</b>	<b>42 654</b>	<b>117 392</b>
<b>Major non-cash items</b>						
Depreciation and amortisation	(134)	(394)	(11 502)	(33 437)	(11 636)	(33 831)
Reversal/(recognition) of allowances for receivables	17	12	1	1	18	13
Unwinding of discount	-	-	(4 983)	(14 388)	(4 983)	(14 388)
Revaluation of investment	62	(17)	-	-	62	(17)

(\*) Administrative expenses in "Management, advisory and rental services" segment comprise all administrative expenses of the Company.

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	Management, advisory and rental services		Management and operation of motorways		Total	
	3 months	9 months	3 months	9 months	3 months	9 months
<b>Operating revenues</b>						
Revenue from external customers	832	2 510	75 002	192 561	<b>75 834</b>	<b>195 071</b>
Total revenue	<b>832</b>	<b>2 510</b>	<b>75 002</b>	<b>192 561</b>	<b>75 834</b>	<b>195 071</b>
<b>Operating expenses</b>						
Cost of sales to external customers	(948)	(2 789)	(3 795)	(42 659)	<b>(4 743)</b>	<b>(45 448)</b>
Total cost of sales	<b>(948)</b>	<b>(2 789)</b>	<b>(3 795)</b>	<b>(42 659)</b>	<b>(4 743)</b>	<b>(45 448)</b>
Other income	22	147	2 206	6 043	<b>2 228</b>	<b>6 190</b>
Other expenses	(10)	(43)	(21)	(93)	<b>(31)</b>	<b>(136)</b>
Administrative expenses (*)	(858)	(2 812)	(7 320)	(21 122)	<b>(8 178)</b>	<b>(23 934)</b>
<b>Results from operating activities</b>	<b>(962)</b>	<b>(2 987)</b>	<b>66 072</b>	<b>134 730</b>	<b>65 110</b>	<b>131 743</b>
Net finance income/(expense)	781	2 185	(6 140)	(18 851)	<b>(5 359)</b>	<b>(16 666)</b>
Share of profit of equity accounted investees (net of income tax)	66	113	-	-	<b>66</b>	<b>113</b>
Income tax expense	(121)	39	(11 368)	(21 853)	<b>(11 489)</b>	<b>(21 814)</b>
<b>Profit/(Loss) for the period</b>	<b>(236)</b>	<b>(650)</b>	<b>48 564</b>	<b>94 026</b>	<b>48 328</b>	<b>93 376</b>
Other comprehensive income, net of income tax	(44)	(25)	(662)	2 877	<b>(706)</b>	<b>2 852</b>
<b>Total comprehensive income for the period</b>	<b>(280)</b>	<b>(675)</b>	<b>47 902</b>	<b>96 903</b>	<b>47 622</b>	<b>96 228</b>
<b>Major non-cash items</b>						
Depreciation and amortisation	(133)	(408)	(10 932)	(31 361)	<b>(11 065)</b>	<b>(31 769)</b>
Reversal/(recognition) of other provisions and allowances	1	2	-	-	<b>1</b>	<b>2</b>
Reversal/(recognition) of allowances for receivables	11	4	-	1	<b>11</b>	<b>5</b>
Unwinding of discount	-	-	(4 860)	(14 606)	<b>(4 860)</b>	<b>(14 606)</b>
Revaluation of investment	88	(36)	-	-	<b>88</b>	<b>(36)</b>

(\*) Administrative expenses in "Management, advisory and rental services" segment comprise all administrative expenses of the Company.

**Financial position according to business segments as at**

	<b>30 September 2016</b>	<b>30 June 2016</b>	<b>31 December 2015</b>	<b>30 September 2015</b>
<b>Management, advisory and rental services</b>				
Assets of the segment	228 388	228 459	138 724	136 441
Liabilities of the segment	1 756	1 610	4 324	3 678
<b>Management and operation of motorways</b>				
Assets of the segment	1 192 209	1 185 395	1 236 573	1 224 745
Liabilities of the segment	882 626	918 683	947 878	959 756
<b>Total assets</b>	<b>1 420 597</b>	<b>1 413 854</b>	<b>1 375 297</b>	<b>1 361 186</b>
<b>Total liabilities</b>	<b>884 382</b>	<b>920 293</b>	<b>952 202</b>	<b>963 434</b>

**7. Periodicity and seasonality of the business**

Activity of the "Management and operation of motorways" business segment is influenced by seasonality, due to fluctuations of traffic levels on the A4 motorway section subject to concession between the individual quarterly periods. The highest level of traffic is recorded in third quarter and the lowest in first quarter of each calendar year.

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**8. Revenue**

	<b>30 September 2016</b>		<b>30 September 2015</b>	
	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>
Toll revenue	81 682	217 065	74 727	191 747
Revenue from rental of investment property	806	2 481	816	2 464
Revenue due to other services provided	101	327	142	380
Other revenue	157	516	149	480
<b>Total</b>	<b>82 746</b>	<b>220 389</b>	<b>75 834</b>	<b>195 071</b>

**9. Expenses by nature**

	<b>30 September 2016</b>		<b>30 September 2015</b>	
	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>
Depreciation and amortisation	(11 636)	(33 831)	(11 065)	(31 769)
Energy and materials consumption	(818)	(3 209)	(813)	(3 174)
Accrual of provision for motorway resurfacing disclosed within cost of sales (external services)	(2 255)	5 133	11 100	250
Other external services	(6 704)	(15 489)	(5 086)	(12 894)
Taxes and charges	(419)	(1 321)	(1 568)	(4 510)
Employee benefit expenses	(5 384)	(16 202)	(5 092)	(16 022)
Other costs	(603)	(1 662)	(396)	(1 262)
Cost of goods and materials sold	-	-	(1)	(1)
<b>Total expenses by nature</b>	<b>(27 819)</b>	<b>(66 581)</b>	<b>(12 921)</b>	<b>(69 382)</b>
<b>Cost of sales and administrative expenses</b>	<b>(27 819)</b>	<b>(66 581)</b>	<b>(12 921)</b>	<b>(69 382)</b>

**9.1. Employee benefit expenses**

	<b>30 September 2016</b>		<b>30 September 2015</b>	
	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>
Wages and salaries	(4 155)	(12 712)	(3 885)	(11 998)
Social security contributions and other benefits	(925)	(3 049)	(930)	(2 981)
Movement in employee benefits liabilities included in profit and loss:	(304)	(441)	(277)	(1 043)
Post-employment benefits	1	(40)	-	(36)
Jubilee bonuses liabilities	-	(148)	(1)	(176)
Other employee benefits	(305)	(253)	(276)	(831)
<b>Total</b>	<b>(5 384)</b>	<b>(16 202)</b>	<b>(5 092)</b>	<b>(16 022)</b>

**10. Other income**

	<b>30 September 2016</b>		<b>30 September 2015</b>	
	<b>3 months</b>	<b>9 months</b>	<b>3 months</b>	<b>9 months</b>
Rental income from passenger service sites	811	2 262	1 907	5 499
Reversal of allowances for receivables	18	13	11	5
Compensations, contractual penalties, taxes and costs of court proceedings received	322	365	79	147
Interest from receivables	2	6	2	114
Reversal of other provisions and allowances	-	-	1	2
Net gain on disposal of property, plant and equipment and intangible assets	35	84	37	57
Other	9	209	190	336
<b>Total</b>	<b>1 197</b>	<b>2 939</b>	<b>2 227</b>	<b>6 160</b>

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**11. Other expenses**

	30 September 2016		30 September 2015	
	3 months	9 months	3 months	9 months
Donations granted	(10)	(25)	(1)	(13)
Repair of damages	(8)	(29)	(9)	(44)
Penalties, compensations, payments	(3)	(21)	(12)	(15)
Unrecoverable input VAT	(2)	(4)	(1)	(2)
Other	(7)	(12)	(7)	(32)
<b>Total</b>	<b>(30)</b>	<b>(91)</b>	<b>(30)</b>	<b>(106)</b>

**12. Net finance expense**

	30 September 2016		30 September 2015	
	3 months	9 months	3 months	9 months
<b>Recognised in profit or loss for the period</b>				
Dividends	-	-	1	189
Interest income, including:	2 998	8 931	3 082	9 385
- from bank accounts and deposits	2 997	8 930	3 082	9 210
- other	1	1	-	175
Revaluation of investments	62	-	88	-
Other finance income, including:	68	156	139	203
- net foreign exchange gain	63	151	115	196
- other finance income	5	5	-	-
<b>Finance income</b>	<b>3 128</b>	<b>9 087</b>	<b>3 310</b>	<b>9 777</b>
Interest expense on liabilities measured at a amortised cost, including:	(5 333)	(15 200)	(5 039)	(15 555)
- loans and borrowings, including:	(2 078)	(6 503)	(2 409)	(7 772)
- nominal	(3 126)	(6 378)	(1 809)	(5 850)
- other	1 048	(125)	(600)	(1 922)
- discount of concession payments	(2 778)	(8 220)	(2 629)	(7 781)
- other	(477)	(477)	(1)	(2)
Discount of provisions	(2 205)	(6 168)	(2 231)	(6 825)
Revaluation of investments	-	(17)	-	(36)
Other finance expenses, including:	(1 182)	(3 599)	(1 399)	(4 027)
- loss on derivatives	(1 182)	(3 595)	(1 398)	(4 024)
- other finance expenses	-	(4)	(1)	(3)
<b>Finance expenses</b>	<b>(8 720)</b>	<b>(24 984)</b>	<b>(8 669)</b>	<b>(26 443)</b>
<b>Net finance expense recognised in profit or loss for the period</b>	<b>(5 592)</b>	<b>(15 897)</b>	<b>(5 359)</b>	<b>(16 666)</b>
<b>Recognised in other comprehensive income</b>				
Foreign currency translation differences for foreign operations	(27)	39	(42)	(25)
Effective portion of changes in fair value of cash flow hedges (*)	354	(316)	(2 218)	(504)
Net change in fair value of cash flow hedges reclassified to profit or loss for the period (*)	1 182	3 595	1 398	4 024
<b>Finance (income)/expenses recognised in other comprehensive income</b>	<b>1 509</b>	<b>3 318</b>	<b>(862)</b>	<b>3 495</b>

(\*) The Group hedges cash flows resulting from payments of interest related to Project Loan Agreement between SAM S.A. and Consortium. For cash flow being hedged a cash flow hedge accounting is applied. Derivatives are used as hedging instruments (interest rate swap). For further information see Group's consolidated financial statements for the year 2015 - notes 32.2 and 33.3.

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**13. Property, plant and equipment**

	Buildings and constructions	Plant and equipment	Vehicles	Other	Under construction	Total
<b>Cost as at 1 January 2015</b>	<b>19 980</b>	<b>9 075</b>	<b>15 097</b>	<b>2 792</b>	<b>18 567</b>	<b>65 511</b>
Acquisitions	269	341	1 259	10	2 488	4 367
Transfer from property, plant and equipment under construction	-	9 115	-	2 784	(20 140)	(8 241)
Disposals	-	(1 543)	(858)	(216)	-	(2 617)
Reclassification to investment property	(484)	(15)	-	-	-	(499)
Other reclassifications	-	162	(138)	-	-	24
<b>Cost as at 30 September 2015</b>	<b>19 765</b>	<b>17 135</b>	<b>15 360</b>	<b>5 370</b>	<b>915</b>	<b>58 545</b>
<b>Cost as at 1 January 2016</b>	<b>20 377</b>	<b>14 814</b>	<b>15 360</b>	<b>5 221</b>	<b>4 404</b>	<b>60 176</b>
Acquisitions	4	147	1 627	361	1 214	3 353
Transfer from property, plant and equipment under construction	-	1 590	-	855	(2 445)	-
Recognition as utilization of provisions for capital expenditure	-	-	-	-	(818)	(818)
Transfer to intangible assets	-	-	-	-	(1 261)	(1 261)
Transfer to operating expenses	-	-	-	-	(64)	(64)
Transfer of prepayments for property, plant and equipment	-	-	-	-	(28)	(28)
Disposals	-	(107)	(235)	(11)	-	(353)
<b>Cost as at 30 September 2016</b>	<b>20 381</b>	<b>16 444</b>	<b>16 752</b>	<b>6 426</b>	<b>1 002</b>	<b>61 005</b>
<b>Depreciation and impairment losses as at 1 January 2015</b>	<b>(10 827)</b>	<b>(7 437)</b>	<b>(5 803)</b>	<b>(2 231)</b>	<b>-</b>	<b>(26 298)</b>
Depreciation for the period	(778)	(523)	(1 103)	(173)	-	(2 577)
Disposals	-	1 543	720	215	-	2 478
Reclassification to investment property	387	5	-	-	-	392
Other reclassifications	-	(41)	17	-	-	(24)
Reversal/utilization of Impairment loss	-	-	54	-	-	54
<b>Depreciation and impairment losses as at 30 September 2015</b>	<b>(11 218)</b>	<b>(6 453)</b>	<b>(6 115)</b>	<b>(2 189)</b>	<b>-</b>	<b>(25 975)</b>
<b>Depreciation and impairment losses as at 1 January 2016</b>	<b>(11 471)</b>	<b>(4 405)</b>	<b>(6 533)</b>	<b>(2 118)</b>	<b>-</b>	<b>(24 527)</b>
Depreciation for the period	(834)	(1 366)	(1 167)	(461)	-	(3 828)
Disposals	-	107	199	11	-	317
Reversal/utilization of Impairment loss	-	-	33	-	-	33
<b>Depreciation and impairment losses as at 30 September 2016</b>	<b>(12 305)</b>	<b>(5 664)</b>	<b>(7 468)</b>	<b>(2 568)</b>	<b>-</b>	<b>(28 005)</b>
<b>Carrying amounts</b>						
As at 1 January 2015	9 153	1 638	9 294	561	18 567	39 213
As at 30 September 2015	8 547	10 682	9 245	3 181	915	32 570
As at 1 January 2016	8 906	10 409	8 827	3 103	4 404	35 649
As at 30 September 2016	8 076	10 780	9 284	3 858	1 002	33 000

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**Impairment losses**

As at 30 September 2016 there were no indicators that would require the Group to test property, plant and equipment for impairment.

As at 31 December 2015 the Group recognized an impairment loss related to property, plant and equipment in amount of TPLN 33.

**14. Intangible assets**

	Concession intangible assets	Other concessions, licences, software and other	Other intangible assets	Intangible assets not ready for use	Total
<b>Cost as at 1 January 2015</b>	<b>908 782</b>	<b>1 801</b>	<b>970</b>	-	<b>911 553</b>
Acquisitions	-	39	-	-	39
Transfer from property, plant and equipment under construction	-	3 313	-	-	3 313
Revaluation of concession intangible assets	(7 463)	-	-	-	(7 463)
<b>Cost as at 30 September 2015</b>	<b>901 319</b>	<b>5 153</b>	<b>970</b>	-	<b>907 442</b>
<b>Cost as at 1 January 2016</b>	<b>883 370</b>	<b>5 154</b>	<b>970</b>	<b>117</b>	<b>889 611</b>
Transfer from intangible assets not ready for use	-	117	-	(117)	-
Transfer from property, plant and equipment under construction	-	1 261	-	-	1 261
Revaluation of concession intangible assets	(5 948)	-	-	-	(5 948)
<b>Cost as at 30 September 2016</b>	<b>877 422</b>	<b>6 532</b>	<b>970</b>	-	<b>884 924</b>
<b>Amortisation and impairment losses as at 1 January 2015</b>	<b>(325 177)</b>	<b>(983)</b>	<b>(970)</b>	-	<b>(327 130)</b>
Amortisation for the period	(28 657)	(164)	-	-	(28 821)
Reversal of impairment loss	-	2	-	-	2
<b>Amortisation and impairment losses as at 30 September 2015</b>	<b>(353 834)</b>	<b>(1 145)</b>	<b>(970)</b>	-	<b>(355 949)</b>
<b>Amortisation and impairment losses as at 1 January 2016</b>	<b>(364 656)</b>	<b>(1 304)</b>	<b>(970)</b>	-	<b>(366 930)</b>
Amortisation for the period	(29 031)	(586)	-	-	(29 617)
<b>Amortisation and impairment losses as at 30 September 2016</b>	<b>(393 687)</b>	<b>(1 890)</b>	<b>(970)</b>	-	<b>(396 547)</b>
<b>Carrying amounts</b>					
As at 1 January 2015	583 605	818	-	-	584 423
As at 30 September 2015	547 485	4 008	-	-	551 493
As at 1 January 2016	518 714	3 850	-	117	522 681
As at 30 September 2016	483 735	4 642	-	-	488 377

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During the current period the Group revalued concession intangible assets recognized in relation to estimated costs of Phase II:

- (i) due to changes of discount rates used for valuation of provision for capital expenditures (see note 19), which resulted in their increase by TPLN 500 (however a decrease of TPLN 1,280 was observed in III quarter); and
- (ii) due to changes of estimates regarding construction works schedule and capital expenditures, which according to the Concession Agreement are to be executed by the Group before the end of the concession period (see note 19), resulting in the decrease of concession intangible assets by TPLN 6,448 (out of which by TPLN 11,282 in III quarter).

The amortisation charge on concession intangible assets is recognized in cost of sales. The amortisation charge on other intangible assets is recognized in administrative expenses.

The annual amortisation rate calculated based on estimated traffic increase during the concession period in relation to present net value of intangible asset at the beginning of the quarterly period equalled 7.44% in III quarter 2016 (III quarter 2015: 6.65%). According to current amortisation schedule, based on updated estimates of traffic increase, the proportion of annual amortisation costs to the carrying value of intangible asset as at 30 September 2016 will range from 7.68% to 10.71% during the concession period.

As at 30 September 2016 there were no indicators, which would require the Group to test intangible assets for impairment.



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**15. Deferred tax**

Deferred tax assets have not been identified in full amount of excess of negative temporary differences and tax losses over positive temporary differences, due to uncertainty of utilization of tax losses and some of temporary differences.

	Assets				Liabilities				Net			
	30 September 2016	30 June 2016	31 December 2015	30 September 2015	30 September 2016	30 June 2016	31 December 2015	30 September 2015	30 September 2016	30 June 2016	31 December 2015	30 September 2015
Deferred tax assets/liabilities	184 355	190 407	197 048	203 204	(90 717)	(94 976)	(97 577)	(102 567)	93 638	95 431	99 471	100 637
Set off of tax	(90 717)	(94 976)	(97 577)	(102 567)	90 717	94 976	97 577	102 567	-	-	-	-
Net deferred tax assets/liabilities as in statement of financial position	93 638	95 431	99 471	100 637	-	-	-	-	93 638	95 431	99 471	100 637

Changes of deferred tax assets / liabilities for three and nine-month periods ended 30 September 2016 and 30 September 2015 were following:

	Change of deferred tax on temporary differences recognised in	
	profit or loss for the period	other comprehensive income
<b>30 September 2016</b>		
3 months	(1 501)	(292)
9 months	(5 207)	(626)
<b>30 September 2015</b>		
3 months	(4 124)	156
9 months	(3 802)	(674)

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**16. Allowances for current receivables**

Trade and other receivables are presented net of allowances for doubtful debts amounting to TPLN 91,527 (30 June 2016: TPLN 91,519, 31 December 2015: TPLN 91,518, 30 September 2015: TPLN 91,563).

Change in allowances for bad debt was as follows:

	<b>3 quarters 2016</b>	<b>3 quarters 2015</b>
<b>Allowances for bad debts as at 1 January</b>	<b>(91 518)</b>	<b>(91 569)</b>
Allowances recognised	(26)	(16)
Allowances reversed	39	21
Allowances utilised	8	12
Reclassifications	(30)	(11)
<b>Allowances for bad debts as at 30 September</b>	<b>(91 527)</b>	<b>(91 563)</b>

  

	<b>III quarter 2016</b>	<b>III quarter 2015</b>
<b>Allowances for bad debts as at 1 July</b>	<b>(91 519)</b>	<b>(91 569)</b>
Allowances recognised	(9)	(1)
Allowances reversed	27	12
Reclassifications	(26)	(5)
<b>Allowances for bad debts as at 30 September</b>	<b>(91 527)</b>	<b>(91 563)</b>

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

According to the Group, the collection of receivables which have not been subject to allowances is not considered doubtful.

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**17. Financial instruments**

**17.1. Classification and fair value of financial instruments**

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

**30 September 2016**

	Carrying amount				Fair value				
	Loans and receivables	Available-for-sale financial assets	Derivatives	Financial liabilities valued at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>									
Equity instruments	-	90	-	-	90	90	-	-	90
	-	90	-	-	90				
<b>Financial assets not measured at fair value</b>									
Equity instruments*	-	1 543	-	-	1 543				
Trade and other receivables**	11 643	-	-	-	11 643				
Non-current deposits	470 963	-	-	-	470 963				
Cash and cash equivalents	313 116	-	-	-	313 116				
	795 722	1 543	-	-	797 265				
<b>Financial liabilities measured at fair value</b>									
Hedge derivatives***	-	-	(10 709)	-	(10 709)	-	(10 709)	-	(10 709)
	-	-	(10 709)	-	(10 709)				
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	-	-	-	(151 192)	(151 192)				
Concession payments****	-	-	-	(203 884)	(203 884)				
Trade and other payables**	-	-	-	(24 602)	(24 602)				
	-	-	-	(379 678)	(379 678)				

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**30 June 2016**

	Carrying amount				Fair value				
	Loans and receivables	Available-for-sale financial assets	Derivatives	Financial liabilities valued at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>									
Equity instruments	-	90	-	-	90	90	-	-	90
	-	90	-	-	90				
<b>Financial assets not measured at fair value</b>									
Equity instruments*	-	1 481	-	-	1 481				
Trade and other receivables**	11 550	-	-	-	11 550				
Non-current deposits	487 527	-	-	-	487 527				
Cash and cash equivalents	265 842	-	-	-	265 842				
	764 919	1 481	-	-	766 400				
<b>Financial liabilities measured at fair value</b>									
Hedge derivatives***	-	-	(13 414)	-	(13 414)	-	(13 414)	-	(13 414)
	-	-	(13 414)	-	(13 414)				
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	-	-	-	(171 620)	(171 620)				
Concession payments****	-	-	-	(201 106)	(201 106)				
Trade and other payables**	-	-	-	(17 921)	(17 921)				
	-	-	-	(390 647)	(390 647)				

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**31 December 2015**

	Carrying amount				Fair value				
	Loans and receivables	Available-for-sale financial assets	Derivatives	Financial liabilities valued at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>									
Equity instruments	-	90	-	-	90	90	-	-	90
	-	90	-	-	90				
<b>Financial assets not measured at fair value</b>									
Equity instruments*	-	1 560	-	-	1 560				
Trade and other receivables**	13 262	-	-	-	13 262				
Non-current deposits	506 554	-	-	-	506 554				
Cash and cash equivalents	188 007	-	-	-	188 007				
	707 823	1 560	-	-	709 383				
<b>Financial liabilities measured at fair value</b>									
Hedge derivatives***	-	-	(15 250)	-	(15 250)	-	(15 250)	-	(15 250)
	-	-	(15 250)	-	(15 250)				
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	-	-	-	(187 985)	(187 985)				
Concession payments****	-	-	-	(195 664)	(195 664)				
Trade and other payables**	-	-	-	(22 546)	(22 546)				
	-	-	-	(406 195)	(406 195)				

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**30 September 2015**

	Carrying amount				Fair value				
	Loans and receivables	Available-for-sale financial assets	Derivatives	Financial liabilities valued at amortised cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>									
Equity instruments	-	181	-	-	181	181	-	-	181
	-	181	-	-	181				181
<b>Financial assets not measured at fair value</b>									
Equity instruments*	-	1 586	-	-	1 586				
Trade and other receivables**	10 816	-	-	-	10 816				
Non-current deposits	507 453	-	-	-	507 453				
Cash and cash equivalents	148 713	-	-	-	148 713				
	666 982	1 586	-	-	668 568				
<b>Financial liabilities measured at fair value</b>									
Hedge derivatives***	-	-	(15 036)	-	(15 036)	-	(15 036)	-	(15 036)
	-	-	(15 036)	-	(15 036)				(15 036)
<b>Financial liabilities not measured at fair value</b>									
Loans and borrowings	-	-	-	(185 785)	(185 785)				
Concession payments****	-	-	-	(192 999)	(192 999)				
Trade and other payables**	-	-	-	(18 951)	(18 951)				
	-	-	-	(397 735)	(397 735)				

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

\*\* Without consideration of receivables/payables due to taxes, duties, social and health insurance and other benefits.

\*\*\* Fair value of hedge derivatives (interest rate SWAP) is based on discounted future cash flows for undersigned transactions, constituting a difference between cash flows based on floating interest rate (6M WIBOR) and cash flows based on fixed interest rate.

\*\*\*\* For concession payments it is not possible to assess their fair value due to the lack of active market for similar financial instruments.

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**17.2. Hierarchy of financial instruments carried at fair value**

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

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

**18. Equity**

**18.1. Share capital**

	<b>30 September 2016</b>	<b>30 June 2016</b>	<b>31 December 2015</b>	<b>30 September 2015</b>
Number of shares at the beginning of the period	247 262 023	247 262 023	247 262 023	247 262 023
Number of shares at the end of the period (fully paid)	247 262 023	247 262 023	247 262 023	247 262 023
Nominal value of shares (PLN)	0.75	0.75	0.75	0.75
Nominal value of A-series issue	6 256	6 256	6 256	6 256
Nominal value of B-series issue	370	370	370	370
Nominal value of D-series issue	3 000	3 000	3 000	3 000
Nominal value of E-series issue	71 196	71 196	71 196	71 196
Nominal value of F-series issue	37 500	37 500	37 500	37 500
Nominal value of G-series issue	67 125	67 125	67 125	67 125
	<b>185 447</b>	<b>185 447</b>	<b>185 447</b>	<b>185 447</b>

**18.2. Hedging reserve**

Hedging reserve balance is the result of valuation of derivatives meeting the requirements of cash flow hedge accounting. Recognized as effective changes to fair value of cash flow hedging instruments, amounted to TPLN -316 in the period of 3 quarters 2016, out of which TPLN 354 in III quarter (3 quarters 2015: TPLN -504, III quarter 2015: TPLN -2,218).

As the consequence of hedged interest payments made in the period of 3 quarters 2016, the Group reclassified the corresponding net change in fair value of cash flow hedges of TPLN -3,595, out of which TPLN -1,182 in III quarter (3 quarters 2015: TPLN -4,024, III quarter 2015: TPLN -1,398) to finance expense. The amount of aforementioned effective changes was adjusted by the change in deferred tax recognized in other comprehensive income in amount of TPLN 60, out of which TPLN 683 was attributable to portion of changes reclassified to finance expense (3 quarters 2015: TPLN 96 and TPLN 765 respectively).

**18.3. Fair value reserve**

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

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**19. Provisions**

For nine-month periods ended 30 September 2016 and 30 September 2015

	Provisions for motorway resurfacing	Provisions for capital expenditures (Phase II)	Total
<b>Non-current provisions</b>			
<b>Balance at 1 January 2015</b>	<b>109 065</b>	<b>373 504</b>	<b>482 569</b>
Additions, including:	20 695	4 682	<b>25 377</b>
- due to discounting	1 368	4 682	<b>6 050</b>
Change of estimates	13 958	(226)	<b>13 732</b>
Reclassifications	(62 322)	(9 369)	<b>(71 691)</b>
<b>Balance at 30 September 2015</b>	<b>81 396</b>	<b>368 591</b>	<b>449 987</b>
<b>Balance at 1 January 2016</b>	<b>64 607</b>	<b>338 978</b>	<b>403 585</b>
Additions, including:	16 316	4 175	<b>20 491</b>
- due to discounting	915	4 175	<b>5 090</b>
Change of estimates	18 358	30 079	<b>48 437</b>
Reclassifications	(28 654)	(53 037)	<b>(81 691)</b>
<b>Balance at 30 September 2016</b>	<b>70 627</b>	<b>320 195</b>	<b>390 822</b>
<b>Current provisions</b>			
<b>Balance at 1 January 2015</b>	<b>6 224</b>	<b>39 560</b>	<b>45 784</b>
Additions, including:	202	573	<b>775</b>
- due to discounting	202	573	<b>775</b>
Change of estimates	(33 534)	(7 237)	<b>(40 771)</b>
Utilisation	(2 564)	(5 629)	<b>(8 193)</b>
Capital expenditures transferred from property, plant and equipment under construction	-	(3 935)	<b>(3 935)</b>
Reclassifications	62 322	9 369	<b>71 691</b>
<b>Balance at 30 September 2015</b>	<b>32 650</b>	<b>32 701</b>	<b>65 351</b>
<b>Balance at 1 January 2016</b>	<b>52 751</b>	<b>40 452</b>	<b>93 203</b>
Additions, including:	469	609	<b>1 078</b>
- due to discounting	469	609	<b>1 078</b>
Change of estimates	(38 892)	(36 027)	<b>(74 919)</b>
Utilisation	(10 886)	(18 595)	<b>(29 481)</b>
Capital expenditures transferred from property, plant and equipment under construction	-	(818)	<b>(818)</b>
Reclassifications	28 654	53 037	<b>81 691</b>
<b>Balance at 30 September 2016</b>	<b>32 096</b>	<b>38 658</b>	<b>70 754</b>



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For three-month periods ended 30 September 2016 and 30 September 2015

	Provisions for motorway resurfacing	Provisions for capital expenditures (Phase II)	Total
<b>Non-current provisions</b>			
<b>Balance at 1 July 2015</b>	<b>91 029</b>	<b>359 017</b>	<b>450 046</b>
Additions, including:	6 808	1 534	<b>8 342</b>
- due to discounting	389	1 534	<b>1 923</b>
Change of estimates	14 867	(14 410)	<b>457</b>
Reclassifications	(31 308)	22 450	<b>(8 858)</b>
<b>Balance at 30 September 2015</b>	<b>81 396</b>	<b>368 591</b>	<b>449 987</b>
<b>Balance at 1 July 2016</b>	<b>83 789</b>	<b>329 963</b>	<b>413 752</b>
Additions, including:	5 302	1 491	<b>6 793</b>
- due to discounting	379	1 491	<b>1 870</b>
Change of estimates	(229)	2 851	<b>2 622</b>
Reclassifications	(18 235)	(14 110)	<b>(32 345)</b>
<b>Balance at 30 September 2016</b>	<b>70 627</b>	<b>320 195</b>	<b>390 822</b>
<b>Current provisions</b>			
<b>Balance at 1 July 2015</b>	<b>35 928</b>	<b>36 207</b>	<b>72 135</b>
Additions, including:	153	155	<b>308</b>
- due to discounting	153	155	<b>308</b>
Change of estimates	(32 384)	23 415	<b>(8 969)</b>
Utilisation	(2 355)	(691)	<b>(3 046)</b>
Capital expenditures transferred from property, plant and equipment under construction	-	(3 935)	<b>(3 935)</b>
Reclassifications	31 308	(22 450)	<b>8 858</b>
<b>Balance at 30 September 2015</b>	<b>32 650</b>	<b>32 701</b>	<b>65 351</b>
<b>Balance at 1 July 2016</b>	<b>22 529</b>	<b>51 585</b>	<b>74 114</b>
Additions, including:	102	233	<b>335</b>
- due to discounting	102	233	<b>335</b>
Change of estimates	(2 439)	(15 413)	<b>(17 852)</b>
Utilisation	(6 331)	(11 857)	<b>(18 188)</b>
Reclassifications	18 235	14 110	<b>32 345</b>
<b>Balance at 30 September 2016</b>	<b>32 096</b>	<b>38 658</b>	<b>70 754</b>

Provision for capital expenditures is recognized in the present value of future construction costs to be incurred in relation to section Katowice-Kraków of A4 motorway (Phase II), due to obligations undertaken by Concession Holder under the Concession Agreement (see note 4).

As at 30 September 2016 the Group changed estimates regarding discount rates used for calculation of the present value of provisions for resurfacing and provision for capital expenditures of Phase II (in both cases as at 31 December 2015 the rates ranged from 1.61% to 3.33%, currently from 1.70% to 3.05%). As result of those changes the provision for resurfacing increased by TPLN 32 (however a decrease of TPLN 286 was observed in III quarter), which in line with IAS 37 was recognized as an increase of operating expenses for the period. At the same time the provision for capital expenditures (Phase II) increased by TPLN 500 (however a decrease of TPLN 1,280 was observed in III quarter), which was recognized as an increase of concession intangible assets.

As at 30 September 2016 the Group also remeasured the provision for resurfacing and provision for capital expenditures of Phase II following the change of estimates regarding expected expenditures and future construction works schedule. As result of that changes the provision for resurfacing decreased by TPLN 20,566 (out of which by TPLN 2,382 in III quarter), which in line with IAS 37 was recognised as a decrease of operating expenses for the period.

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At the same time the provision for capital expenditures (Phase II) decreased by TPLN 6,448 (out of which by TPLN 11,282 in III quarter), which was recognized as a decrease of concession intangible assets.

**20. Collateral established on Group's property**

As at 30 September 2016 property, plant and equipment with a carrying value of TPLN 20,595 (30 June 2016: TPLN 21,341, 31 December 2015: TPLN 20,394, 30 September 2015: TPLN 20,633) provided a collateral for the Project Loan Agreement.

Apart from the aforementioned securities established on property, plant and equipment, the most significant collateral established in relation to the bank loan included:

- pledge of shares of Stalexport Autoroute S.a r.l, Stalexport Autostrada Małopolska S.A. and VIA4 S.A.,
- transfer of rights deriving from agreements related to project Toll Motorway A-4 Katowice-Kraków,
- transfer of rights to bank accounts of Stalexport Autostrada Małopolska S.A.,
- cession of Stalexport Autostrada Małopolska S.A. claims in relation to project Toll Motorway A-4 Katowice-Kraków.

On 30 September 2016 a change of one of the creditors as per Project Loan Agreement (in which SAM S.A. is one of the parties) became effective, i.e. FM Bank PBP S.A. was replaced by Raiffeisen Bank Polska S.A. As the consequence of the above, adequate changes were also introduced to the pledge agreements constituting collateral for Project Loan Agreement.

**21. Contingent liabilities**

Contingent liabilities amounting to TPLN 21,273 (30 June 2016: TPLN 19,398, 31 December 2015: TPLN 19,402, 30 September 2015: TPLN 19,438) relate to guarantees granted to related entities.

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**22. Transactions with related parties**

**22.1. Intragroup receivables and liabilities**

<b>30 September 2016</b>	<b>Receivables</b>	<b>Trade payables</b>	<b>Guarantees and suspended amounts</b>
Atlantia S.p.A.	-	17	-
<b>Parent entities</b>	-	<b>17</b>	-
Biuro Centrum Sp. z o.o.	8	9	-
<b>Associates</b>	<b>8</b>	<b>9</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	6 070	3 490
Pavimental Polska Sp. z o.o.	13	4 383	1 921
Autogrill Polska Sp. z o.o.	-	-	10
Autostrade Tech S.p.A.	132	558	806
Telepass S.p.A.	256	-	-
<b>Other related entities</b>	<b>401</b>	<b>11 011</b>	<b>6 227</b>
<b>Total</b>	<b>409</b>	<b>11 037</b>	<b>6 227</b>

<b>30 June 2016</b>	<b>Receivables</b>	<b>Trade payables</b>	<b>Guarantees and suspended amounts</b>
Atlantia S.p.A.	-	18	-
<b>Parent entities</b>	-	<b>18</b>	-
Biuro Centrum Sp. z o.o.	8	6	-
<b>Associates</b>	<b>8</b>	<b>6</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	2 658	2 520
Pavimental Polska Sp. z o.o.	6	2 736	1 760
Autogrill Polska Sp. z o.o.	-	-	10
Autostrade Tech S.p.A.	116	361	806
<b>Other related entities</b>	<b>122</b>	<b>5 755</b>	<b>5 096</b>
<b>Total</b>	<b>130</b>	<b>5 779</b>	<b>5 096</b>

<b>31 December 2015</b>	<b>Receivables</b>	<b>Trade payables</b>	<b>Guarantees and suspended amounts</b>
Atlantia S.p.A.	-	17	-
<b>Parent entities</b>	-	<b>17</b>	-
Biuro Centrum Sp. z o.o.	8	292	-
<b>Associates</b>	<b>8</b>	<b>292</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	1 695	8 184
Pavimental Polska Sp. z o.o.	4	269	1 776
Autogrill Polska Sp. z o.o.	-	-	10
Autostrade Tech S.p.A.	102	657	868
<b>Other related entities</b>	<b>106</b>	<b>2 621</b>	<b>10 838</b>
<b>Total</b>	<b>114</b>	<b>2 930</b>	<b>10 838</b>

<b>30 September 2015</b>	<b>Receivables</b>	<b>Trade payables</b>	<b>Guarantees and suspended amounts</b>
Atlantia S.p.A.	-	17	-
<b>Parent entities</b>	-	<b>17</b>	-
Biuro Centrum Sp. z o.o.	8	54	-
<b>Associates</b>	<b>8</b>	<b>54</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	-	7 870
Pavimental Polska Sp. z o.o.	6	3	1 656
Autogrill Polska Sp. z o.o.	-	-	10
Autostrade Tech S.p.A.	96	1 469	868
<b>Other related entities</b>	<b>102</b>	<b>1 472</b>	<b>10 404</b>
<b>Total</b>	<b>110</b>	<b>1 543</b>	<b>10 404</b>

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*These condensed consolidated interim financial statements are unaudited*

**Notes to the condensed consolidated interim financial statements**

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

**22.2. Related parties transactions amounts**

	Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
<b>III quarter 2016</b>				
Biuro Centrum Sp. z o.o.	68	-	(781)	-
<b>Associates</b>	<b>68</b>	-	<b>(781)</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	-	-	(11 286)
Pavimental Polska Sp. z o.o.	45	1	(215)	(6 167)
Autogrill Polska Sp. z o.o.	15	-	-	-
Autostrade Tech S.p.A.	71	5	(197)	-
Telepass S.p.A.	503	-	-	-
<b>Other related entities</b>	<b>634</b>	<b>6</b>	<b>(412)</b>	<b>(17 453)</b>
<b>Total</b>	<b>702</b>	<b>6</b>	<b>(1 193)</b>	<b>(17 453)</b>

	Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
<b>III quarter 2015</b>				
Biuro Centrum Sp. z o.o.	67	-	(721)	-
<b>Associates</b>	<b>67</b>	-	<b>(721)</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	-	(352)	(2 235)
Pavimental Polska Sp. z o.o.	34	2	-	(8)
Autogrill Polska Sp. z o.o.	15	-	-	-
Autostrade Tech S.p.A.	53	23	(525)	(780)
<b>Other related entities</b>	<b>102</b>	<b>25</b>	<b>(877)</b>	<b>(3 023)</b>
<b>Total</b>	<b>169</b>	<b>25</b>	<b>(1 598)</b>	<b>(3 023)</b>

	Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
<b>3 quarters 2016</b>				
Biuro Centrum Sp. z o.o.	207	-	(2 261)	-
<b>Associates</b>	<b>207</b>	-	<b>(2 261)</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	-	-	(15 988)
Pavimental Polska Sp. z o.o.	106	8	(215)	(10 421)
Autogrill Polska Sp. z o.o.	43	-	-	-
Autostrade Tech S.p.A.	202	31	(659)	(111)
Telepass S.p.A.	503	-	-	-
<b>Other related entities</b>	<b>854</b>	<b>39</b>	<b>(874)</b>	<b>(26 520)</b>
<b>Total</b>	<b>1 061</b>	<b>39</b>	<b>(3 135)</b>	<b>(26 520)</b>

	Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
<b>3 quarters 2015</b>				
Biuro Centrum Sp. z o.o.	201	-	(2 113)	-
<b>Associates</b>	<b>201</b>	-	<b>(2 113)</b>	-
Pavimental S.p.A. S.A. Oddział w Polsce	-	-	(352)	(2 235)
Pavimental Polska Sp. z o.o.	77	9	(2)	(29)
Autogrill Polska Sp. z o.o.	43	-	-	-
Autostrade Tech S.p.A.	204	23	(919)	(2 002)
<b>Other related entities</b>	<b>324</b>	<b>32</b>	<b>(1 273)</b>	<b>(4 266)</b>
<b>Total</b>	<b>525</b>	<b>32</b>	<b>(3 386)</b>	<b>(4 266)</b>

**22.3. Information on transactions concluded by the Parent Entity or its subsidiaries with related entities under terms different than arm's length**

All transactions concluded by the Parent Entity or its subsidiaries with related entities were concluded at arm's length.

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**23. Financial results of the Capital Group and its Parent Entity for the III quarter 2016**

**23.1. Financial results of Stalexport Autostrady S.A.**

In III quarter 2016 the Company generated revenue on sales amounting to TPLN 866, i.e. almost identical as in comparable quarterly period of 2015 and 13.3% lower than in II quarter 2016. The decrease of revenue in comparison to II quarter 2016 results mainly from the fact that the Company charges VIA4 S.A. on semi-annual basis for performance guarantee issued in relation to execution of motorway operation contract.

The Company suffered a loss from operating activities for III quarter 2016 of TPLN 1 062 – for similar period of 2015 a loss amounting to TPLN 916 was incurred. The cumulative operating loss for 3 quarters 2016 amounted to TPLN 2,401 (3 quarters 2015: loss of TPLN 2,645). The aforementioned positive variation is mainly the consequence of lower employee benefit expenses recorded in the period of 3 quarters 2016.

The financial activity of Stalexport Autostrady S.A. generated a profit of TPLN 3,826 for III quarter 2016 (III quarter 2015: TPLN 2,974). Interest on bank deposits (TPLN 983) and dividends received from a subsidiary (TPLN 2,700) constituted the main items of financial income in III quarter 2016.

As the consequence of all the above Stalexport Autostrady S.A. generated a net profit for the III quarter 2016 amounting to TPLN 2,796 (3 quarters 2016: net profit of TPLN 91,868), comparing to TPLN 1,938 net profit for III quarter 2015 (3 quarters 2015: net profit of TPLN 3,872).

**23.2. Financial results of motorway business**

The motorway activity, consisting mainly of exploitation, toll collecting and execution of motorway investments on section Katowice – Kraków of A4 motorway, has the biggest impact on Group's consolidated financial results. The activity is performed mainly by two related entities: Stalexport Autostrada Małopolska S.A. and VIA4 S.A. SAM S.A. organizes and supervises motorway investments and has the right to receive profits from the motorway, while VIA4 S.A is responsible for motorway operation and on behalf of SAM S.A. collects tolls for vehicle passage.

Consolidated revenue on sales generated by motorway activity for III quarter 2016 amounted to TPLN 81,926, increasing by 9.2% in relation to revenue for III quarter 2015 (TPLN 75,002) and by 14.2% in relation to revenue for II quarter 2016 (TPLN 71,761).

The aforementioned variation in relation to III quarter 2015 was mainly the consequence of 10.2% increase of traffic level, resulting from 10.2% increase of traffic level for light vehicles and 9.7% increase of traffic level for heavy vehicles.

The variation in relation to II quarter 2016 was mainly the consequence of 15.9% increase of traffic level, which comprised of 18.9% increase of traffic level for light vehicles and 1.3% increase of traffic level for heavy vehicles.

Operating expenses incurred in relation to motorway activity amounted to TPLN 25,880 for III quarter 2016, increasing by 132% in relation to III quarter 2015 (TPLN 11,136). The above was mainly a result of change of estimates regarding provision for motorway resurfacing recorded in aforementioned periods (III quarter 2016 decrease of expenses by TPLN 2,668; III quarter 2015 decrease of expenses by TPLN 17,517 – see also note 19).

The financial activity of motorway segment for III quarter 2016 resulted in a loss amounting to TPLN 6,660, comparing to a loss of TPLN 6,140 for III quarter 2015.

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As the result of all the above, the Group's motorway activity generated a net profit of TPLN 41,426 for III quarter 2016 (3 quarters 2016: profit of TPLN 114,514), comparing to net profit of TPLN 48,564 for III quarter 2015 (3 quarters 2015: profit of TPLN 94,026).

**23.3. Information on construction contracts involving Stalexport Autostrada Małopolska S.A.**

On 14 September 2012 SAM S.A. and Autostrade Tech S.p.A. signed a contract WUPO 2012 "Tolling Equipment Replacement". The current contract value (without consideration of contract value changes due to potential additional change orders) amounts to TPLN 25,183. The current scope of the contract may expand due to introduction of new payment methods. As at 30 September 2016 the financial progress of the project (value of works recorded) amounted to TPLN 23,101 (92% of the contract value), out of which TPLN 477 was recorded in 2016.

On 26 July 2013 SAM S.A. and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. signed a contract F2b-4-2013 "Reconstruction of A-4 motorway drainage for Silesian voivodeship section – part I" for the total amount of TPLN 20,369 (including change orders). The contract includes reconstruction of drainage for eleven catchments in Silesian voivodeship. As at 30 September 2016 the financial progress of the project (value of works invoiced) amounted to TPLN 20,369 (100% of the contract value), out of which TPLN 625 was recorded in 2016.

On 15 June 2015 SAM and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. signed a contract F2b-8-2014 "Reconstruction of Mysłowice Junction and construction of Rudno Junction" amounting to TPLN 22,046. As at 30 September 2016 the financial progress of the project (value of works invoiced) amounted to TPLN 17,467 (79% of the contract value), out of which TPLN 14,296 was recorded in 2016.

On 15 June 2015 SAM employed PRI SBL Żelbet Sp. z o.o. for the contract F2b-9-2015 "Construction of noise screens 1, 6a, 24a, 25 and 34" amounting to TPLN 2,229 (including change orders). As at 30 September 2016 the financial progress of the project (value of works invoiced) amounted to TPLN 2,229 (100% of the contract value), out of which TPLN 783 was recorded in 2016.

On 5 February 2016 SAM and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. signed the contract HM-3-2016 „Resurfacing 2016-2017” for the resurfacing of motorway sections with a total length of 59.9 km, resurfacing of bridges and the partial reconstruction of linear drainage within the motorway median. The current contract value amounts to TPLN 40,058 (including change orders). As at 30 September 2016 the financial progress of the project (value of works recorded) amounted to TPLN 10,421 (26% of the contract value).

On 1 April 2016 SAM S.A. and consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. signed a contract F2b-6-2014 "Reconstruction of A-4 motorway drainage for Silesian voivodeship section – part II" for the total amount of TPLN 23,420. The contract includes reconstruction of drainage for eight catchments in Silesian voivodeship. As at 30 September 2016 the financial progress of the project (value of works recorded) amounted to TPLN 1,067 (5% of the contract value).

**24. Other important events within the Stalexport Autostrady S.A. Capital Group during the period from 1 July to 30 September 2016**

On 20 July 2016 an electronic toll collection was introduced on the toll collection plazas of the Katowice-Kraków A-4 motorway section subject to the Concession, as the result of enabling the payment for passage through this section to be made i.a. by means of on-board-units issued by SAM S.A. under the commercial name "A4Go". The above is the result of the continued replacement of toll equipment, which is a part of the comprehensive program of increasing toll collection plazas capacity carried out by SAM S.A.

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**25. Shareholders holding directly or indirectly via their subsidiaries at least 5% of total number of votes at the Annual General Meeting of the Parent Entity at quarterly report's date**

List of Shareholders holding more than 5% of total number of votes eligible for Annual General Meeting of Stalexport Autostrady S.A.:

Shareholder	Number of ordinary shares held*	Share in share capital (%)	Number of votes at AGM	Share in total number of votes at AGM (%)
Autostrade per l'Italia S.p.A.	149,923,463	60.63%	149,923,463	60.63%

\*Based on notifications received by the Company according to article 69 and 69a in connection with article 87 of the Act on Public Offering and conditions of introducing the financial instruments to public trading and on public companies.

**26. Parent Entity's shares held by managing and supervising personnel at quarterly report's date**

The President of the Management Board of the Parent Entity Emil Wąsacz held 59,000 shares at report's issue date. There were no changes in the number of Parent Entity's shares held by managing and supervising personnel since the previous report's issue date.

**27. Subsequent events**

There were no significant subsequent events, which should be disclosed in the condensed consolidated interim financial statements for the 9-month period ended 30 September 2016.

**Explanation**

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