

Consolidated financial statements
for
Boryszew Capital Group
for the period from 1 January to 31 December
2015



21 March, 2016



Boryszew Capital Group
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(amounts expressed in PLN thousands unless specified otherwise)

CONTENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	3
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME CONT.	4
CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....	6
CONSOLIDATED CASH FLOW STATEMENT	8
CONSOLIDATED STATEMENT ON CHANGES IN EQUITY.....	9



(amounts expressed in PLN thousands unless specified otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2015 - 31.12. 2015	01.01.2014 - 31.12. 2014
Continuing operations		
Revenues from sales	5 677 980	5 058 120
Prime cost of sale	5 200 785	4 570 164
Gross profit (loss) from sales	477 195	487 956
Selling costs	118 500	116 838
General and administrative costs	222 376	200 107
Other operating revenue	98 727	89 385
Other operating expenses	97 025	50 041
Profit (loss) from operating activity	138 021	210 355
Financial revenues	14 545	21 380
Financial expenses	57 471	80 034
Financial profit/loss	(42 926)	(58 654)
Share of profit in entities	(5 610)	
Profit (loss) before income tax	89 485	151 701
Income tax	7 232	5 088
Net profit (loss) on continued operations	82 253	146 613
Net profit on discontinued operations	1 528	9 337
Net profit/loss on continued activity and discontinued operations including attributable:	83 781	155 950
<i>to shareholders of the parent</i>	40 042	109 911
<i>non-controlling interest</i>	43 739	46 039
Earnings/loss per share		
Number of shares	240 000 000	240 000 000
Net profit attributable to the parent (PLN thousand)	40 042	109 911
Number of shares entitled to dividend	218 025 419	229 000 000
Average weighted number of shares	215 903 667	215 903 667
Earnings/Diluted earnings/loss per share (PLN)	0,18	0,48



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, CONTINUED

	01.01.2015 - 31.12. 2015	01.01.2014 - 31.12. 2014
Net profit	83 781	155 950
Earnings recognised in equity		
Earnings recognised in equity, to be transferred to profit and loss account		
Exchange differences on translating foreign operations	(6 915)	953
Financial assets available for sale	(16 198)	(10 960)
Hedge accounting	(11 202)	6 058
<i>Income tax</i>	(5 080)	(2 027)
Earnings recognised in equity, not to be transferred to profit and loss account		
Hedge accounting	393	(1 146)
<i>Income tax</i>	75	(218)
Total earnings recognised in equity	(28 917)	(2 850)
<i>to shareholders of the parent</i>	(20 345)	(6 349)
<i>non-controlling interest</i>	(8 572)	3 499
Total comprehensive income, including attributable:	54 864	153 100
<i>to shareholders of the parent</i>	19 697	103 562
<i>non-controlling interest</i>	35 167	49 538



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CONSOLIDATED PROFIT AND LOSS ACCOUNT – DISCONTINUED OPERATIONS

	01.01.2015 - 31.12. 2015	01.01.2014 - 31.12. 2014
Revenues from sales	291	5 064
Prime cost of sale	290	5 053
Gross profit (loss) from sales	1	11
Selling costs	-	-
General and administrative costs	-	-
Other operating revenue	8 178	51 192
Other operating expenses	7 126	49 265
Profit (loss) from operating activity	1 053	1 938
Financial revenues	281	3
Financial expenses	537	1 637
Profit (loss) before income tax	797	304
deferred tax	(731)	-9 033
Profit (loss) from discontinued operations, including attributable:	1 528	9 337
<i>to shareholders of the parent</i>	<i>508</i>	<i>2 915</i>
<i>non-controlling interest</i>	<i>1 020</i>	<i>6 422</i>



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2015	As at 31.12.2014
ASSETS		
Non-current assets		
Tangible non-current assets	1 103 343	1 087 041
Investment property	191 034	116 756
Goodwill	23 855	78 959
Intangible assets	36 679	21 629
Shares in related parties	255 977	25 027
Financial investments	22 339	204 380
Deferred tax assets	43 382	52 143
Trade receivables and other receivable	11 768	1 532
Other assets	18 720	25 835
Total non-current assets	1 707 097	1 613 302
Current assets		
Inventory	837 760	858 574
Trade receivables and other receivables	672 470	685 506
Short-term financial assets	67 350	42 033
Derivative financial instruments	11 072	11 318
Current tax assets	6 501	4 388
Other assets	47 245	42 569
Cash and cash equivalents	98 686	81 288
Total current assets	1 741 084	1 725 676
Assets classified as held for sale	4 610	11 209
Total assets	3 452 791	3 350 187



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EQUITY AND LIABILITIES

	As at 31.12.2015	As at 31.12.2014
Equity		
Share capital	248 906	248 906
Own shares	(125 657)	(100 582)
Share premium	114 435	114 435
Hedge accounting capital	(4 011)	2 138
Capital reserve on translating employee payables	(92)	(371)
Revaluation reserve	(12 051)	(4 713)
Exchange differences on translating foreign entities	(3 429)	3 708
Retained earnings,	639 410	587 913
Total equity	857 511	851 434
Non-controlling shareholders' capital	557 386	582 815
Total equity	1 414 897	1 434 249
Long-term liabilities		
Bank credits, loans, bonds	98 556	137 297
Lease liabilities	71 099	74 734
Payables on perpetual usufruct of investment land	51 379	38 612
Deferred tax provision	78 823	97 578
Employee benefit provisions	17 224	17 870
Other provisions	7 362	7 449
Other liabilities	13 150	49 648
Total long-term liabilities	337 593	423 188
Short-term liabilities		
Bank credits, loans, bonds	796 444	719 364
Lease liabilities	42 278	27 172
Trade payables and other liabilities	746 825	632 917
Derivative financial instruments	21 354	7 178
Current tax liabilities	6 494	10 167
Employee benefit provisions	20 656	20 267
Other provisions	33 580	36 640
Deferred income	5 947	4 782
Total short-term liabilities	1 673 578	1 458 487
Liabilities related to assets classified as held for sale	26 723	34 263
Total liabilities	2 037 894	1 915 938
Total equity and liabilities	3 452 791	3 350 187



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CONSOLIDATED CASH FLOW STATEMENT

	01.01.2015 - 31.12. 2015	01.01.2014 - 31.12. 2014
<i>Cash flows from operating activities</i>		
Profit (loss) before income tax	95 095	152 005
Adjustments for	178 089	22 546
Depreciation / amortisation	120 904	112 906
Interest on financial liabilities	36 130	26 267
Dividends from share in profit	0	0
Profit on sale of subsidiaries	0	(41 945)
Change in receivables	3 035	(36 575)
Change in inventories	20 814	(185 173)
Change in liabilities	75 038	166 371
Change in provisions and accruals as well as prepayments	2 571	(14 213)
Other items	(45 784)	(4 353)
Income tax paid (refunded)	(34 619)	(739)
Net cash from operating activities	273 184	174 551
<i>Cash flows from investment activities</i>		
Profit on fixed assets disposal	25 160	12 429
Revenues from disposal of shares in capital group entities	0	30 213
Revenues from dividend	0	2 099
Expenses on acquisition of fixed assets	(140 785)	(146 806)
Acquisition of shares in capital group entities	(79 490)	(34 115)
Purchase of financial assets	(6 040)	(161 232)
Net cash from investing activities	(201 155)	(297 412)
<i>Cash flows from financial activities</i>		
Net incomes on issue of shares		110 000
Incomes on credit and loan facilities	194 009	193 580
Incomes on credit and loan facilities	0	7 075
Incomes on issue of debt and other securities	1000	-
Share buy-back expenses	(25 075)	(10 604)
Payment of dividends	(22 630)	
Credit and loans repaid	(151 749)	(162 612)
Repayment of borrowings	(4 921)	-
Interest paid on loans, bonds...	(36 130)	-26 267
Payment of liabilities under finance lease agreements	(9 135)	-
Net cash from financing activities	(54 631)	111 172
Net change in cash	17 398	(11 689)
Cash opening balance	81 288	92 977
Cash closing balance	98 686	81 288



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CONSOLIDATED STATEMENT ON CHANGES IN EQUITY

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on revaluation of employee benefits	Currency translation differences (subsidiaries)	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
As at 01.01.2015	248 906	(100 582)	114 435	2 138	(4 713)	(371)	3 708	587 913	851 434	582 815	1 434 249
Valuation of hedge instruments				(6 149)					(6 149)	(2 925)	(9 074)
Valuation of assets available for sale					(7 338)				(7 338)	(5 782)	(13 120)
Valuation of employee benefits						279			279	39	318
Exchange differences							(7 137)		(7 137)	96	(7 041)
Profit for 2015								40 042	40 042	43 739	83 781
Total comprehensive income for 2015	-	-	-	(6 149)	(7 338)	279	(7 137)	40 042	19 697	35 167	54 864
Share buy-back - Boryszew SA		(25 075)							(25 075)		(25 075)
Payment of dividends								(22 630)	(22 630)		(22 630)
Change of group structure								34 085	34 085	(60 596)	(26 511)
As at 31.12.2015	248 906	(125 657)	114 435	(4 011)	(12 051)	(92)	(3 429)	639 410	857 511	557 386	1 414 897



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	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on revaluation of employee benefits	Currency translation differences (subsidiaries)	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
As at 01.01.2014	228 906	(89 978)	24 435	(1 445)	329	364	8 298	457 120	628 029	581 430	1 209 459
Valuation of hedge instruments				3 583					3 583	1 324	4 907
Valuation of assets available for sale					(4 607)				(4 607)	(4 271)	(8 878)
Valuation of employee benefits						(735)			(735)	(193)	(928)
Exchange differences							(4 590)		(4 590)	6 639	2 049
Profit for 2014								109 911	109 911	46 039	155 950
Całkowite dochody ogółem za 2014 rok	-	-	-	3 583	(4 607)	(735)	(4 590)	109 911	103 562	49 538	153 100
Share buy-back - Boryszew SA		(10 604)							(10 604)		(10 604)
Issue of shares	20 000		90 000					(102)	109 898		109 898
Payment of dividends									-		
Change of group structure					(435)			20 984	20 549	(48 153)	(27 604)
As at 31.12.2014	248 906	(100 582)	114 435	2 138	(4 713)	(371)	3 708	587 913	851 434	582 815	1 434 249



APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements of Boryszew Capital Group for 2015 was approved for publication by Management Board's resolution on 21 April 2016 and presents the Group's situation pursuant to the legal requirements for the period from 1 January 2015 to 31 December 2015, including any events which occurred by the date of approval of this report for publication.

Management Board of Boryszew S.A.:

Piotr Szeliga – President of the Management Board

Mikołaj Budzanowski – Member of the Management Board

Cezary Pyszkowski – Member of the Management Board

Chief Accountant – Elżbieta Słaboń

Translation from the original Polish version.

In the event of differences resulting from the translation, reference should be made to the official Polish version.