

BORYSZEW GROUP

CONSOLIDATED CASH FLOW STATEMENT

	<u>01.01.2009 -</u> <u>31.12.2009</u>	<u>01.01.2008</u> <u>31.12.2008</u>
Cash flow from operating activity		
Profit (loss) before tax	68 038	-253 839
<i>Adjustments:</i>		
Depreciation	79 711	198 386
F/X gains/losses	-208	5 529
Interests costs from financial liabilities accounted and paid	44 661	51 822
Interest and dividends connected with investing activity	559	-8 414
Profit/ loss from investing activities	-62 085	191 584
Profit/loss before change of acting capital	130 676	5 068
<i>Change in working capital:</i>		
Movements in receivables	90605	187494
Movements in inventories	24 194	253 337
Movements in liabilities	16 302	-152 179
Movements in provisions and between-periods settlements	-94 234	89 944
Other items	46 306	-6520
Cash flow from operating activity	213 849	377 144
Paid/returned income tax	-626	-33 988
Net cash flow from operating activity	213 223	343 156
Cash flow from investing activity		
Inflow from disposal of tangible fixed and intangible assets	51 070	15389
Inflow from disposal of financial assets	59 578	7 273
Granted dividends and shares in profit	7 044	2 153
Inflow from paid loans	11 501	100
Other investment inflows	7 830	13 100
Cash flow from investing activities	137 023	38 015
Purchase of tangible fixed and intangible assets	33 482	93 510
Purchase of financial assets	19 760	19 794
Loans granted	447	11 061
Other investment expenses	32	50 884
Investment activity expenses	53 721	175 249
Net cash from investment activity	83 302	-137 234
Cash flow from financial activities		
Inflows from credits and loans	0	115 190
Other financial inflows	70 675	21 921
Cash inflow from financial activities	70 675	137 111

Purchase of own shares	0	55
Dividends paid	199	11 469
Repayment of loans and credits	222 669	250 052
Buy-back of debts securities	80 955	19 500
Paid interest from financial liabilities	44 264	69 629
Payments on financial leasing	3 547	3 533
Other financial expenses	31 202	2 264
Expenses on financial activity	382 836	362 502
Net cash from financial activity	-312 161	-225 391
Total net cash flow	-15 636	-19 469
Cash and cash equivalents at the beginning of the period	68 124	88 816
Change of F/X gains/losses to cash and cash equivalents	-1 087	60
Cash and cash equivalents at the end of the period	51 401	69 407

STATEMENT OF FINANCIAL SITUATION

	<u>31.12.2009</u>	<u>31.12.2008</u>
ASSETS		
Fixed assets		
Tangible fixed assets	802 716	893 600
Investment real properties	112 827	107 910
Goodwill	23 464	23 464
Other intangibles	56 119	71 013
Stakes and shares in sub-ordinated entities	11 038	27 621
Financial assets available to sale	11 195	1 686
Financial assets maintained to due date	10 600	10 600
Deferred tax assets	37 845	23 938
Commercial receivables and others	703	564
Other assets	128	15
Total fixed assets	1 066 635	1 160 411
Current assets		
Inventories	337 618	361 812
Receivables	454 563	523 207
Short-term financial assets available to sale	362	634
Short-term financial assets maintained to due date	5 946	5 597
Other financial instruments	10 711	3 657
Current tax assets	985	7 630
Other assets	3 077	54 336
Cash and cash equivalents	51 401	69 407
Total current assets	864 663	1 026 280
Fixed assets for sale	93 810	104 637
Total assets	2 025 108	2 291 328

LIABILITIES

Equity

Share capital	15 404	15 404
Capital from share issue above its nominal value	24 435	24 435
Reserve capital - security accounting	4 602	-5 252
Reserve capital from revaluation available to sell	560	323
F/X gains/losses from the valuation of subordinated entities	-1 172	-1 574
Retained profits (from previous years)	355 420	526 798
current profit/loss	41 722	-171 378

Total **440971** **388756**

Equity belonging to the minority shareholders 449 872 398 011

Total equity **890 843** **785 767**

Long-term liabilities

Long-term bank loans and credits	113 701	166 116
Other financial instruments	0	2 067
Retirement benefits and similar liabilities	5 675	8 382
Provision for deferred tax	69 392	43 418
Provisions on employees services	68 250	50 560
Other provisions	7 578	12 551
Commercial liabilities and others	35 567	15 479

Total long-term liabilities **231 913** **248 013**

Short-term liabilities

Short-term bank loans and credits	527 718	697 971
Short-term liabilities on debt securities issue	0	81 760
Commercial liabilities and others	279 646	266 026
Other short-term financial instruments	8 634	37 106
Current tax liabilities	727	1 678
Retirement benefits and similar liabilities	5 253	6 644
Short-term provisions	42 355	115 315
Deferred income	38 019	51 048

Total short-term liabilities **902 352** **1 257 548**

Short-term and long-term liabilities **1 134 265** **1 505 561**

Total liabilities **2 025 108** **2 291 328**

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Cash and cash equivalents at the end of the period	51 401	69 407

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the period from 01.01.2009 till 31.12.2009 and accordingly for the year 2008 Abandoned activity*	For 12 months ended 31.12.2009	For 12 months ended 31.12.2008
Abandoned activity		
Sales of products	5 552	229 212
Sales of goods and materials	1 948	16 880
Total sales	7 500	246 092
Cost of manufacturing of product sold	4 765	231 469
Value of goods and materials sold	1 855	17 641
Cost of products, goods and materials sold	6 620	249 110
Gross profit (loss) on sales	880	-3 018
Selling and distribution costs	-	2 069
General and administration costs	-	10 072
Other operating income	5 611	4 954
Other operating costs	16 010	91 595
Operating profit (loss)	-9 519	-101 800
Financial income	3 408	962
Financial costs	9 978	16 951
Pre-taxed profit (loss)	-16 089	-117 789
Income tax	1	-8298
Nett profit (loss) from abandoned activity	-16 090	-109 491

*Data for the period of 12 months 2008 included data of HMN Szopienice in liquidation and the liquidated Electrolyse Department in Huta Aluminium Konin - process of liquidation of electrolyse was finished on 4.02.2009.

Data for the period of 12 months 2009 concern the liquidation of HMN Szopienice S.A.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the period from 01.10.2009 till 31.12.2009 and accordingly for the year 2008 Abandoned activity*	For 3 months ended 31.12.2009	For 3 months ended 31.12.2008
Abandoned activity		
Sales of products	1 153	8 891
Sales of goods and materials	137	4 640
Total sales	1 290	13 531
Cost of manufacturing of product sold	969	16 925
Value of goods and materials sold	70	5 652
Cost of products, goods and materials sold	1 039	22 577
Gross profit (loss) on sales	251	-9 046
Selling and distribution costs	-	37
General and administration costs	-	1 710
Other operating income	1 531	-584
Other operating costs	3 709	71 194
Operating profit (loss)	-1 927	-82 571
Financial income	-134	64
Financial costs	1 801	3 724
Pre-taxed profit (loss)	-3 862	-86 231
Income tax	-52	-8 570
Nett profit (loss) from abandoned activity	-3 810	-77 661

*Data for the period of 12 months 2008 included data of HMN Szopienice in liquidation and the liquidated Electrolyse Department in Huta Aluminium Konin - process of liquidation of electrolyse was finished on 4.02.2009.

Data for the period of 12 months 2009 concern the liquidation of HMN Szopienice S.A.

CONSOLIDATED STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Shares surplus over their nominal value	Security accounting	Revaluation capital	Rates differences from foreign activity	Retained profits	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2008	15 404	24 435	6 776	1 729	-5 986	532 665	575 023	489 348	1 094 371
Revaluation of security instruments			-12 028				-12 028	-7 271	-19 299
Change of fair value of assets available to sell				-1 406			-1 406		-1 406
Rates differences					4 412		4 412	1 706	6 118
2008 profit/loss						-171 378	-171 378	-67 448	-238 826
2008 total profit	0	0	-12028	-1 406	4 412	-171 378	-180 400	(73013)	-253 413
2007 adjustment						-1 665	-1 665	-993	-2 658
Redemption of shares of Impexmetal SA						-4 202	-4 202	-2 591	-6 793
Payment of dividends							0	-11 375	-11 375
Change of stakes							0	-4 365	-4 365
As of 31.12. 2008	15 404	24 435	-5 252	323	-1 574	355 420	388 756	397 011	785 767

CONSOLIDATED STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Shares surplus over their nominal value	Security accounting	Revaluation capital	Rates differences from foreign activity	Retained profits	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2009	15 404	24 435	-5 252	323	-1 574	355 420	388 756	397 011	17 932
Revaluation of security instruments			9 854				9 854	8 331	18 185
Change of fair value of assets available to sell				237			237	0	237
Rates differences					402		402	346	748
2009 profit/loss						41 722	41 722	11 375	53 097
2009 total profit	0	0	9854	237	402	41 722	52 215	20 052	72 267
Payment of dividends							0	-199	-199
Change in structure of Capital Group							0	33 008	33 008
As of 31.12. 2009	15 404	24 435	4 602	560	-1 172	397 142	440 971	449 872	890 843

BORYSZEW S.A.

STATEMENT OF TOTAL INCOMES

	01.01.2009- 31.12.2009	01.10.2009- 31.12.2009	01.01.2008- 31.12.2008	01.10.2008- 31.12.2008
Continued activity				
Sales of products	75 343	18 157	152 485	19 380
Income from of products, goods and materials sold	8 020	1 006	17 312	1 578
Total income from sale	83 363	19 163	169 797	20 958
Selling and distribution costs	55 084	11 807	146 544	23 731
Value of products and materials sold	7 460	1 364	19 062	1 409
Cost of products, goods and materials sold	62 544	13 171	165 606	25 140
Gross profit/loss on sale	20 819	5 992	4 191	-4 182
Costs of sale	1 477	343	4 616	416
General administration costs	24 548	6 024	27 025	7 384
Other operating income	62 157	31 752	41 517	5 856
Other operating costs	14 477	13 554	14 606	11 106
	13 725	1 080	83 004	64 713
Profit/loss from operating activity	43 226	30 297	-68 937	-70 839
Financial income	14 718	12 095	21 574	15 686
Financial costs	47 467	30 984	35 255	11 559
Result on financial activity	-32 749	-18 889	-13 681	4 127
Pre-taxed profit/loss	10 477	11 408	-82 618	-66 712
Income tax	-5 126	-88	-11 665	-5 972
Nett profit/loss from continued activity	15 603	11 496	-70 953	-60 740
Abandoned activity				
Pre-taxed profit/loss from abandoned activity	-76	0	-26 337	-12 994
Nett profit/loss from abandoned activity	-76	0	-26 337	-12 994
Nett profit/loss from abandoned activity	15 527	11 496	-97 290	-73 734
Net profit/loss	15 527	11 496	-97 290	-73 734
Other income included in capital				
Financial assets available to sell (stakes and shares)	294	-110	-1 736	-147
Income tax from other income, total (+/-)	-56	21	330	28
Total other income after taxation	238	-89	-1 406	-119
Total profit	15 765	11 407	-98 696	-73 853

STATEMENT OF FINANCIAL SITUATION

	31.12.2009	31.12.2008
ASSETS		
Fixed assets		
Tangible fixed assets	15 640	19 757
Investment real properties	104 806	105 609
Intangibles	130	175
Shares and stakes in subordinated entities	351 449	402 798
Financial assets available for sale	3	22
Deferred tax assets	16 513	11 443
Commercial receivables and other	64	75
Total fixed assets	488 605	539 879
Current assets		
Inventories	8 552	21 455
Receivables	38 385	44 662
Short-term financial assets available for sale	362	286
Current tax assets	0	3 374
Other assets	117	180
Cash and cash equivalents	1 758	4 476
Total current assets	49 174	74 433
Fixed assets for sale	1 544	11 583
TOTAL ASSETS	539 323	625 895
LIABILITIES		
Equity		
Share capital	15 404	15 404
Capital from share issue above its nominal value	22 346	22 346
Capital from revaluation	560	323
Retained profits from previous years	162 550	259 841
Profit/loss from the current period	15 527	-97 290
Total equity	216 388	200 624
Long-term liabilities		
Long-term bank loans and credits	74 698	49 992
Provision on employees services	502	1 028
Commercial liabilities and others	27 100	2 964
Total long-term liabilities	102 300	53 984
Short-term liabilities		
Short-term bank loans and credits	84 514	110 719
Short-term liabilities from debt securities issue	110 474	191 429
Commercial liabilities and other liabilities	23 128	34 263
Provisions on employees services	538	550
Other short-term provisions	1 981	34 326
Total short-term liabilities	220 635	371 287
Short-term and long-term liabilities	322 935	425 271
TOTAL LIABILITIES	539 323	625 895

CASH FLOW STATEMENT

	01.01.2009- 31.12.2009	01.01.2008- 31.12.2008
Cash flow from operating activities		
Profit/loss before tax	10 401	-108 955
<i>Adjustments:</i>		
Depreciation	2 500	18 130
Not realized F/X gains(losses) connctd with investment and financial activities	0	252
Interest from financial liabilities accounted and paid	19 892	26 263
Interest and dividends connected with investment activity	-6 434	-30 188
Profit (loss) from investing activity	-19 178	48 928
Profit (loss) before change of working capital	7 181	-45 570
<i>Change in working capital:</i>		
Movements in receivables	23 385	53 856
Movements in inventories	12 902	81 156
Movements in liabilities	13 001	-103 570
Movements in provisions	-32 884	25 932
Movements in other assets and liabilities	-12 991	115
Cash flow from operating activities	10 594	11 919
Paid/returned income tax	3 374	-803
Net cash flow from operating activities	13 968	11 116
Cash flow from investing activities		
Inflow from disposal of fixed and intangible assets	21 728	12 299
Receipts from disposal of financial assets	70 767	5 870
Granted dividends and shares in profits	6 434	30 188
Inflow from investing activity	98 929	48 357
Purchase of tangible and intangible assets	2 810	602
Purchase of financial assets	10 428	35 340
Investing activity expenses	13 238	35 942
Nett cash from investing activity	85 691	12 415
Cash flow from financial activity		
Inflow from credits and loans	24 018	6 000
Issue of debts securities	0	55 100
Inflow from financial activity	24 018	61 100
Repayment of credits and loans	25 517	37 627
Pay-back of debts securities	80 955	19 500
Paid interests from financial liabilities	19 891	26 011
Financial lease payments	32	46
Financial activity expenditures	126 395	83 184
Net cash flow from financial activity	-102 377	-22 084

Total net cash flow	-2 718	1 447
Cash and cash equivalents at the beginning of the period	4 476	3 281
Change of F/X gains/losses to cash	0	-252
Cash and cash equivalents at the end of the period	1 758	4 476

STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Retained profits	Total
As of 1.01.2008	15 404	22 346	1 729	259 841	299 320
Valuation of assets available to sell			-1 406		-1 406
2008 profit/loss				-101 049	-101 049
2008 adjustment				3 759	3 759
Total incomes as of 2008	0	0	-1 406	-97 290	-98 696
As of 31.12.2008	15 404	22 346	323	162 551	200 624

	Share capital	Share issue surplus over their nominal value	Capital from revaluation	Retained profits	Total
As of 1.01. 2009	15 404	22 346	323	162 551	200 624
Valuation of assets available to sell			238		238
2009 profit/loss				3 384	3 384
Total incomes as of 2009	0	0	238	15 527	15 765
As of 31.12.2009	15 404	22 346	561	178 078	216 389