

BORYSZEW CAPITAL GROUP

Consolidated profit and loss account	01.01.2010- 31.12.2010	01.01.2009- 31.12.2009
Continued activity		
Sales of products	2 617 377	1 859 138
Sales of goods and materials	517 415	368 371
Total sales	3 134 792	2 227 509
Cost of manufacturing of product sold	2 358 814	1 695 888
Value of goods and materials sold	455 895	320 782
Cost of products, goods and materials sold	2 814 709	2 016 670
Gross profit/loss on sales	320 083	210 839
Selling and distribution costs	56 244	48 241
General and administration expenses	146 926	127 286
Other operating income	133 054	125 977
Other operating costs	81 194	26 866
Profit/loss from sale of stakes in consolidated entities	19 293	3 535
Operating profit/loss	188 066	137 958
Financial income	30 219	32 449
Financial expenses	70 934	100 874
Financial activity result	-40 715	-68 425
Pre-taxed profit/loss	147 351	69 533
Income tax	13 251	5 849
Net profit/loss from continued activity	134 100	63 684
Abandoned activity		
Pre-taxed profit/loss	-8 073	-10 632
Income tax	-344	1 354
Profit/loss from abandoned activity	-7 729	-11 986
Net profit/loss	126 371	51 698
belonging to: dominant entity	93 884	39 745
minority shareholders	32 487	11 953
Other income included in capitals		
Rates differences from foreign activity	-3 298	922
Financial assets available to sell (stakes and shares)	112	294
Hedging accountancy	-3 769	17 699
Income tax from other income elements	-695	-695
Other after taxed profits belonging to:	-7 650	15 495
dominant entity	-3 584	15 167
minority shareholders	-4 066	328
Total income, belonging to:	118 721	67 193
dominant entity	90 300	54 912
minority shareholders	28 421	12 281

Profit/loss for share

Nett profit for dominant entity	93 884	39 745
Total income for dominant entity	90 300	54 912
Number of shares (pieces) entitled to dividend	1 128 357 846	376 119 282
Profit for 1 share	0.08	0.11
Weighted average number of shares	545 287 088	62 686 547
Diluted profit/loss for 1 share	0.17	0.63
Total income for 1 share	0.08	0.15

Abandoned activity

Sales of products	9 294	70 047
Income from of products, goods and materials sold	1 469	3 820
Total income from sale	10 763	73 867

Selling and distribution costs	8 279	56 420
Value of products and materials sold	1 421	3 643
Cost of products, goods and materials sold	9 700	60 063

Gross profit/loss on sale	1 063	13 804
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Costs of sale	493	5 604
General administration costs	1 630	6 282
Other operating income	21 817	17 413
Other operating costs	21 742	22 561
Profit/loss from operating activity	-985	-3 230

Financial income	638	548
Financial costs	7 726	7 950
Result on financial activity	-7 088	-7 402

Pre-taxed profit/loss	-8 073	-10 632
Income tax	-344	1 354

Nett profit/loss from abandoned activity, belonging to:	-7 729	-11 986
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owners of dominant entity	-4 148	-2 821
shareholders not conducting control	-3 581	-9 165

Profit/loss from abandoned activity for share

Nett profit/loss	-4 148	-2 821
Number of shares	1 128 357 846	376 119 282
Profit/loss for 1 share	0.00	-0.01

Consolidated balance sheet

	31/12/2010	31/12/2009	01.01.2009
ASSETS			
Fixed assets			
Tangible fixed assets	902 978	815 409	887 853
Investment real properties	73 180	112 827	113 657
Goodwill	23 464	23 464	23 464
Other intangibles	98 968	20 298	22 471
Stakes and shares in subordinated entities	16 778	24 034	26 093
Financial assets available to sale	4 470	529	1 672
Financial assets maintained to due date	0	10 600	10 600
Deferred tax assets	37 321	46 191	23 938
Commercial receivables and other	308	810	564
Other assets	99	21	15
	1 157 566	1 054 183	1 110 327
Current assets			
Inventories	407 289	341 127	359 010
Receivables	585 598	441 462	515 344
Short-term financial assets available to sale	474	362	634
Financial assets maintained to due date	0	5 946	5 597
Other financial instruments	7 745	10 711	3 657
Current tax assets	1 269	1 710	7 630
Other assets	9 030	2 891	54 336
Cash and cash equivalents	82 052	51 476	69 374
	1 093 457	855 685	1 015 582
Fixed assets for sale	89 437	97 472	116 877
Total assets	2 340 460	2 007 340	2 242 786

LIABILITIES

Equity

Share capital	121 972	15 404	15 404
Capital from share issue above its nominal value	24 435	24 435	24 435
Reserve capital - security accounting	1 100	2 811	-5 252
Reserve capital from revaluation of assets available to sell	651	560	323
F/X gains/losses from the valuation of subordinated entities	3 329	5 293	-1 574
Retained profits, including:	469 981	369 425	360 434
<i>current profit/loss</i>	<i>93 884</i>	<i>39 745</i>	<i>-166 364</i>

Total **621 468** **417 928** **393 770**

Equity belonging to the minority shareholders **515 970** **477 746** **391 997**

Total equity **1 137 438** **895 674** **785 767**

Long-term liabilities

Long-term bank loans and credits and other liabilities on external financing	144 500	141 431	171 093
Derivative financial instruments	0	0	2 067
Provision for deferred tax	77 101	61 864	33 518
Provision for fringe benefits	6 700	5 934	8 382
Other long-term provisions	6 975	7 578	12 551
Other liabilities	6 874	8 310	10 502

Total long-term liabilities **242 150** **225 117** **238 113**

Short-term liabilities

Short-term bank loans and credits and other liabilities on external financing	474 282	535 486	687 307
Commercial liabilities and other	405 869	279 243	256 426
Derivative financial instruments	10 305	8 607	37 106
Current tax liabilities	710	0	1 678
Provision for fringe benefits	5 900	5 043	6 597
Short-term provisions	18 696	10 381	81 037
Deferred income	1 243	1 287	2 158

Total short-term liabilities **917 005** **840 047** **1 072 309**

Liabilities connected directly with assets for sale **43 867** **46 502** **146 597**

Short-term and long-term liabilities **1 203 022** **1 111 666** **1 457 019**

Total liabilities **2 340 460** **2 007 340** **2 242 786**

Consolidated cash flow statement

	01.01.2010- 31.12.2010	01.01.2009- 31.12.2009
Cash flow from operating activities		
Profit (loss) before tax	139 278	58 901
Adjustments (+/-)	-83 107	204 596
Depreciation	80 256	76 086
Not realized F/X gains/losses connctd with investment and financial activities	-1 307	1 981
Interest from financial liabilities (credits, loans, bonds)	49 746	44 659
Dividens from shares in profits	-1 034	559
Profit/loss from investment activity	-45 719	40 260
- Movements in receivables	-144 057	53 286
- Movements in inventories	-66 162	17 883
- Movements in liabilities	125 963	40 722
- Movements in provisions	3 375	-91 900
Other	-116 314	16 818
Income tax paid (returned)	1 151	4 242
Net cash from operating activities	56 171	263 497
Cash flow from investing activities		
Receipts	142 088	139 963
Receipts from disposal of intangible and tangible fixed assets and real estates	42 522	46 989
Receipts from disposal of stakes and shares in Boryszew Group' entities	98 532	68 966
Receipts from dividend	1 034	611
Receipts from paid granted long-terms loans	0	20 350
Other receipts from investing activity	0	3 047
Expenditures	135 446	48 486
Expenditures for purchase of intangible and tangible fixed assets	123 608	33 386
Expenditures for purchase of stakes and shares in Boryszew Group' entities	8 732	14 569
Granted long-terms loans	0	447
Other investment expenditures	3 106	84
Net cash from investment activities		
Cash flow from financial activity		
Receipts	236 515	131 791
Net receipts from issue of financial instruments	106 567	50
Receipts from credits	127 520	131 741
Receipts from disposal of assets maintained to maturity date	2 428	0
Expenditures	267 353	503 007
Expenditures for purchase of own shares	25 620	0
Expenditures on dividend and other payments for owners	773	201
Repayment of credits	168 811	343 572
Repayment of loans	17 970	0
Bay-out of debts securities	0	81 760
Paid interests from credits, loans, bonds	49 746	44 659
Financial lease payments	3 757	3 757
Purchase of financial assets for turn over	676	0
Other expenditures	0	29 058
Net cash from financial activities	-30 838	-371 216
Net change of cash	31 975	-16 242
Differences rates at the end of period	-242	-1 517
Cash at the beginning of the period	51 476	69 407
Cash of purchased/disposed entities	-135	50
Change of cash from abandoned activity	-1 022	-222
Cash at the end of the period	82 052	51 476

CONSOLIDATED STATEMENT OF CHANGES IN OWN CAPITAL

	Share capital	Shares surplus over their nominal value	Hedging accountancy	Revaluation capital	Rates differences from foreign activity	Retained profits	Capital of dominant entity	Capital of minority shareholders	Total
As of 1.01. 2010	15 404	24 435	2 811	560	5 293	369 425	417 928	477 746	895 674
Revaluation of hedging instruments			-1 711				-1 711	-1 342	-3 053
Change of fair value of assets available to sell				91			91		91
Rates differences					-1 964		-1 964	-1 334	-3 298
2010 profit/loss						125 320	125 320	32 487	157 807
2010 total income	0	0	-1 711	91	-1 964	125 320	121 736	29 811	151 547
Receipts from shares issue	106 568						106 567		106 567
Payment of dividends							0	-51	-51
Disposal of shares of Impexmetal with no loss of control						-6 440	-6 440	54 205	47 765
Change of stakes in Impexmetal Capital Group						13 112	13 113	-45 741	-32 628
									1 168
As of 31.12. 2010	121 972	24 435	1 100	651	3 329	501 417	652 904	515 970	874

	Share capital	Shares surplus over their nominal value	Hedging accountancy	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	360 434	393 770	391 997	785 767
Revaluation of hedging instruments			8 063				8 063	6 273	14 336
Change of fair value of assets available to sell				237			237		237
Rates differences					6 867		6 867	-5 945	922
2009 profit/loss						39 745	39 745	11 953	51 698
2009 total income	0	0	8 063	237	6 867	39 745	54 912	12 281	67 193
Disposal of ZTiF							0	-3 578	-3 578
Disposal of shares of Impexmetal with no loss of control						-30 754	-30 754	77 245	46 491
Payment of dividends							0	-199	-199
As of 31.12. 2009	15 404	24 435	2 811	560	5 293	369 425	417 928	477 746	895 674