

**CONDENSED CONSOLIDATED
QUARTERLY FINANCIAL STATEMENT
OF THE BORYSZEW CAPITAL GROUP
FOR 1Q 2015**



14 MAY 2015

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CAPITAL GROUP**

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CONDENSED FINANCIAL QUARTERLY STATEMENT OF BORYSZEW S.A.

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SELECTED FINANCIAL DATA

	in PLN thousands		in EUR thousands	
	01.01.2015 - 31.03.2015	01.01.2014 - 31.03.2014	01.01.2015 - 31.03.2015	01.01.2014 - 31.03.2014
Data for the interim condensed CONSOLIDATED financial statements				
Sales revenue from continuing operations	1 492 407	1 228 587	359 711	293 261
Operating profit (loss)	49 906	33 957	12 029	8 105
Net profit (loss) from continuing operations	36 225	16 499	8 731	3 938
Net profit (loss)	36 821	15 006	8 875	3 582
Net cash flows from operating activities	-8 527	24 162	-2 055	5 767
Net cash flows from investing activities	-42 295	-35 581	-10 194	-8 493
Total net cash flows	-34 998	11 573	-8 435	2 762
Number of ordinary shares *)	228 281 686	203 671 570	228 281 686	203 671 570
Net profit (loss) per ordinary share to equity holders of the parent (in PLN/EUR)	0,12	0,05	0,03	0,01
Annualized EBITDA	341 880	203 365	82 403	48 543
Net interests debt	935 761	840 594	228 848	197 216
Net interests debt / EBITDA	2,7	4,1	2,7	4,1
Annualized net profit per 1 share	0,55	0,06	0,13	0,01

	in PLN thousands		in EUR thousands	
	As at 31.03.2015	As at 31.12.2014	As at 31.03.2015	As at 31.12.2014
Assets	3 470 133	3 350 187	848 651	786 005
Long-term liabilities	370 789	423 188	90 680	99 286
Short-term liabilities	1 640 878	1 492 750	401 291	350 222
Equity	1 458 466	1 434 249	356 680	336 496
Equity attributable to equity holders of the parent	869 070	851 434	212 539	199 759
Share capital	248 906	248 906	60 872	58 397
Number of ordinary shares *)	228 281 686	203 671 570	228 281 686	203 671 570
Book value per share (in PLN/EUR)	3,81	4,18	0,93	0,98

*) The above number of shares do not include shares bought by the Group in the Programme of taking in of treasury shares



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2015 - 31.03. 2015	01.01.2014 - 31.03. 2014
Continuing operations		
Revenues from sales	1 492 407	1 228 587
Prime cost of sale	1 362 709	1 122 009
Gross profit (loss) from sales	129 698	106 578
Selling costs	26 033	26 140
General and administrative costs	51 844	52 045
Other operating revenue	13 817	9 629
Other operating expenses	15 732	4 065
Profit (loss) from operating activity	49 906	33 957
Financial revenues	4 738	4 862
Financial expenses	9 279	15 517
Financial profit/loss	(4 541)	(10 655)
Profit (loss) before income tax	45 365	23 302
Income tax	9 140	6 803
Net profit (loss) on continued operations	36 225	16 499
Net profit on discontinued operations	596	(1 493)
Net profit/loss on continued activity and discontinued operations including attributable:	36 821	15 006
<i>to shareholders of the parent</i>	<i>26 498</i>	<i>10 973</i>
<i>non-controlling interest</i>	<i>10 323</i>	<i>4 033</i>
Earnings/loss per share		
Net profit attributable to the parent (PLN thousand)	26 498	10 973
Number of ordinary shares *)	228 281 686	203 671 570
Earnings per share (PLN)	0,12	0,05
Annualized net profit attributable to the parent (PLN thousand)	125 436	12 197
Annualized net profit per ordinary share (in PLN)	0,55	0,06

*) The above number of shares do not include shares bought by the Group in the Programme of taking in of treasury shares



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME cont.

	01.01.2015 - 31.03. 2015	01.01.2014 - 31.03. 2014
Net profit	36 821	15 006
Earnings recognised in equity		
Earnings recognised in equity, to be transferred to profit and loss account		
Exchange differences on translating foreign operations	(8 168)	(4 801)
Financial assets available for sale	(8 919)	(785)
Hedge accounting	11 280	7
<i>Income tax</i>	589	(148)
Earnings recognised in equity, not to be transferred to profit and loss account		
Employee benefit capital reserve	-	-
<i>Income tax</i>	-	-
Total earnings recognised in equity	(6 396)	(5 431)
<i>to shareholders of the parent</i>	(9 014)	(5 363)
<i>non-controlling interest</i>	2 618	(68)
Total comprehensive income, including attributable:	30 425	9 575
<i>to shareholders of the parent</i>	17 484	5 610
<i>non-controlling interest</i>	12 941	3 965

CONSOLIDATED PROFIT AND LOSS ACCOUNT – DISCONTINUED OPERATIONS

	01.01.2015 - 31.03. 2015	01.01.2014 - 31.03. 2014
Revenues from sales	68	231
Prime cost of sale	68	231
Gross profit (loss) from sales	-	-
Selling costs	-	-
General and administrative costs	-	-
Other operating revenue	1 019	975
Other operating expenses	651	2 337
Profit (loss) from operating activity	368	1 362
Financial revenues	50	-
Financial expenses	241	444
Financial profit/loss	(191)	(444)
Profit (loss) before income tax	177	1 806
Income tax	(419)	(313)
Net profit (loss), including attributable:	596	1 493
<i>to shareholders of the parent</i>	188	469
<i>non-controlling interest</i>	408	1 024
Number of ordinary shares *)	228 281 686	203 671 570
Earnings/loss per share (PLN)	0	0

*) The above number of shares do not include shares bought by the Group in the Programme of taking in of treasury shares

**Boryszew Capital Group****Condensed consolidated quarterly financial statement for 1Q_ 2015**

prepared in compliance with IFRS adopted by the European Union (EU)

*(all amounts in PLN th. unless otherwise stated)***CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

ASSETS	As at 31.03.2015	As at 31.12.2014
Non-current assets		
Non-current assets	1 071 909	1 087 041
Investment property	116 452	116 756
Goodwill	78 959	78 959
Intangible assets	21 615	21 629
Shares in related parties	25 027	25 027
Financial investments	215 312	204 380
Deferred tax assets	41 694	52 143
Trade receivables and other receivable	3 288	1 532
Other assets	1 260	25 835
Total fixed assets	1 575 516	1 613 302
Current assets		
Inventory	879 639	858 574
Trade receivables and other receivables	804 366	685 506
Short-term financial assets	55 353	42 033
Derivative financial instruments	26 052	11 318
Current tax assets	3 966	4 388
Other assets	68 859	42 569
Cash and cash equivalents	46 290	81 288
Total current assets	1 884 525	1 725 676
Assets classified as held for sale	10 092	11 209
Total assets	3 470 133	3 350 187



LIABILITIES AND EQUITY	As at 31.03.2015	As at 31.12.2014
Equity		
Share capital	248 906	248 906
Own shares	-109 612	-100 582
Share premium	114 435	114 435
Hedge accounting capital	6 371	2 138
Capital reserve on translating employee payables	-371	-371
Revaluation reserve	-8 633	-4 713
Exchange differences on translating foreign entities	-5 619	3 708
Retained earnings, including:	623 593	587 913
Total equity	869 070	851 434
Non-controlling shareholders' capital	589 396	582 815
Total equity	1 458 466	1 434 249
Long-term liabilities		
Bank credits, loans, bonds	91 888	137 297
Lease liabilities	70 827	74 734
Payables on perpetual usufruct of investment land	38 197	38 612
Deferred tax provision	97 767	97 578
Employee benefit provisions	17 157	17 870
Other provisions	7 291	7 449
Other Liabilities	47 662	49 648
Total long-term liabilities	370 789	423 188
Short-term liabilities		
Bank credits, loans, bonds	793 582	719 364
Lease liabilities	25 754	27 172
Trade payables and other liabilities	711 004	634 718
Derivative financial instruments	11 326	7 178
Current tax liabilities	8 092	10 167
Employee benefit provisions	23 920	20 267
Other provisions	33 456	36 640
Deferred income	1 183	2 981
Total short-term liabilities	1 608 317	1 458 487
Liabilities related to assets classified as held for sale	32 561	34 263
Total liabilities	2 011 667	1 915 938
Total equity and liabilities	3 470 133	3 350 187



CONSOLIDATED CASH FLOW STATEMENT

	01.01.2015 - 31.03. 2015	01.01.2014 - 31.03. 2014
Cash flows from operating activities		
Profit (loss) before income tax	45 542	21 496
Adjustments for	(54 069)	2 666
Depreciation / amortisation	28 430	25 760
Interest on financial liabilities	6 643	8 017
Dividends from share in profit	-	(1 164)
Profit (loss) on investment activity	(1 939)	(2 903)
Change in receivables	(133 595)	(100 849)
Change in inventories	(21 065)	(20 313)
Change in liabilities	78 448	77 408
Change in provisions and accruals as well as prepayments	(3 915)	1 073
Other items	(1 326)	16 598
Income tax paid (refunded)	(5 750)	(961)
Net cash from operating activities	(8 527)	24 162
Cash flows from investment activities		
Profit on fixed assets disposal	2 207	1 583
Revenues from disposal of shares in capital group entities	-	-
Revenues from dividend	-	1 164
Expenses on acquisition of fixed assets	(13 552)	(28 923)
Acquisition of shares in capital group entities	-	(921)
Purchase of financial assets	(30 950)	(8 484)
Net cash from investing activities	(42 295)	(35 581)
Cash flows from financial activities		
Net incomes on issue of shares	-	-
Incomes on credit and loan facilities	104 581	105 192
Incomes on credit and loan facilities	19 026	-
Other incomes	8 014	11 916
Share buyback expense	(9 030)	-
Loans repaid	(94 799)	(82 131)
Repayment of borrowings	-	-
Interest paid on loans, bonds...	(6 643)	(8 017)
Payment of liabilities under finance lease agreements	(5 325)	(3 968)
Net cash from financing activities	15 824	22 992
Net change in cash	(34 998)	11 573
Balance sheet change in cash	(34 998)	11 573
Currency exchange rate differences		
Cash opening balance	81 288	92 977
Cash closing balance	46 290	104 550



CONSOLIDATED STATEMENT ON CHANGES IN EQUITY

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement 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				4 233					4 233	4 904	9 137
Valuation of assets available for sale					(3 920)				(3 920)	(3 304)	(7 224)
Valuation of employee benefits						-			-		-
Exchange differences							(9 327)		(9 327)	1 018	(8 309)
Profit for 1 quarter 2015								26 498	26 498	10 323	36 821
Total comprehensive income for 1 quarter 2015	-	-	-	4 233	(3 920)	-	(9 327)	26 498	17 484	12 941	30 425
Share buyback - Boryszew SA		(9 030)							(9 030)		(9 030)
Change of group structure								9 182	9 182	(6 360)	2 822
As at 31.03.2015	248 906	(109 612)	114 435	6 371	(8 633)	(371)	(5 619)	623 593	869 070	589 396	1 458 466
	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement 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				(61)					(61)	67	6
Valuation of assets available for sale					(213)				(213)	(423)	(636)
Exchange differences							(5 089)		(5 089)	288	(4 801)
Profit for 1 quarter 2014								10 973	10 973	4 033	15 006
Total comprehensive income for 1 quarter 2014	-	-	-	(61)	(213)	-	(5 089)	10 973	5 610	3 965	9 575
As at 31.03.2014	228 906	(89 978)	24 435	(1 506)	116	364	3 209	468 093	633 639	585 395	1 219 034

**CONDENSED QUARTERLY
FINANCIAL STATEMENT OF BORYSZEW S.A.
FOR 1Q 2015**



**Boryszew S.A.**

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

*all amounts in PLN th. unless otherwise stated***STATEMENT OF COMPREHENSIVE INCOME**

	01.01.2015	01.01.2014
	-31.03. 2015	-31.03. 2014
Revenues from sales	305 800	255 791
Prime cost of sale	265 561	222 315
Gross profit (loss) from sales	40 239	33 476
Selling costs	5 667	6 544
General and administrative costs	14 788	15 127
Other operating revenue	13 263	11 806
Other operating expenses	8 498	6 509
Profit (loss) from operating activity	24 549	17 102
Financial revenues	6 007	3 087
Financial expenses	11 150	6 060
Financial profit/loss	-5 143	-2 973
Profit before income tax	19 406	14 129
Income tax	3 183	2 653
Net profit	16 223	11 476
Other income recognized in equity		
Other income recognized in equity, to be transferred to profit and loss account		
Financial assets available for sale	-372	-115
Hedge accounting	-1 048	-73
Income tax	270	36
Income recognized in equity, not to be transferred to profit and loss account	-	-
Income recognized in equity	-1 150	-152
Total comprehensive income	15 073	11 324
	-	-
Net profit (PLN thousand)	16 223	11 476
Number of ordinary share *)	234 900 000	215 671 570
Earnings/loss per share (PLN)	0,07	0,05

*) The above number of shares do not include shares bought by the Group in the Programme of taking in of treasury shares

**Boryszew S.A.**

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

*all amounts in PLN th. unless otherwise stated***STATEMENT OF FINANCIAL POSITION**

	As at 31.03.2015	As at 31.12.2014
ASSETS		
Non-current assets		
Tangible fixed assets	217 044	217 142
Investment property	82 456	82 760
Intangible assets	10 475	10 234
Shares in related parties	338 808	338 808
Financial investments	33 203	10 324
Accounts receivable and other assets	261 085	253 297
Other assets	1 058	1 247
Total fixed assets	944 129	913 812
Current assets		
Inventory	188 390	173 552
Trade receivables and other receivables	314 521	280 662
Short-term financial assets	25 068	29 868
Derivative financial instruments	201	735
Current tax assets	-	-
Other assets	16 120	5 394
Cash and cash equivalents	14 198	23 920
Total current assets	558 498	514 131
Assets classified as held for sale	234	234
Total assets	1 502 861	1 428 177

**Boryszew S.A.**

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

all amounts in PLN th. unless otherwise stated

	As at 31.03.2015	As at 31.12.2014
LIABILITIES AND EQUITY		
Equity		
Share capital	248 906	248 906
Own shares	(35 248)	(34 673)
Share premium	112 346	112 346
Hedge accounting capital	-213	636
Capital reserve on translating employee payables	(167)	(167)
Revaluation reserve	(329)	(28)
Retained earnings	288 069	246 298
Profit of the year	16 223	25 548
Total equity	613 364	598 866
Long-term liabilities		
Bank credits, loans, bonds	48 580	35 180
Lease liabilities	43 020	42 602
Payables on perpetual usufruct of investment land	37 398	37 813
Deferred tax provision	17 342	16 465
Employee benefit provisions	2 617	2 596
Other provisions	5 168	5 205
Deferred income	3 958	4 150
Total long-term liabilities	158 083	144 011
Short-term liabilities		
Bank credits, loans, bonds	427 874	409 157
Lease liabilities	24 500	19 823
Trade payables and other liabilities	267 790	245 990
Derivative financial instruments	257	0
Employee benefit provisions	6 070	5 392
Other provisions	1 666	1 666
Deferred income	3 257	3 272
Total short-term liabilities	731 414	685 300
Total liabilities	889 497	829 311
Total equity and liabilities	1 502 861	1 428 177

**Boryszew S.A.**

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

*all amounts in PLN th. unless otherwise stated***CASH FLOW STATEMENT**

	01.01.2015 - 31.03. 2015	01.01.2014 - 31.03. 2014
<i>Cash flows from operating activities</i>		
Profit (loss) before income tax	19 406	14 129
Adjustments for (+/-)	(29 239)	(27 387)
Depreciation / amortisation	6 066	5 693
Interest on financial liabilities	3 889	(1 010)
Profit (loss) on financial assets	-	-
Dividends from share in profit	(782)	-
Profit (loss) on investment activity	-	902
Change in receivables	(32 520)	(64 636)
Change in inventories	(14 838)	(7 917)
Change in liabilities	23 196	34 377
Change in provisions and accruals	(11 585)	(4 348)
Other items	(2 665)	9 552
Income tax paid (refunded)	-	-
Net cash from operating activities	(9 833)	(13 258)
<i>Cash flows from investment activities</i>		
Revenues on fixed assets disposal	-	237
Revenues from disposal of shares in capital group entities	-	-
Revenues from dividend	782	-
Revenues from granted long-term loans	-	-
Expenses on acquisition of fixed assets	(6 209)	(2 657)
Acquisition of shares in capital group entities	-	(921)
Granted long-term loans	(9 127)	(9 705)
Other investment expenses	(12 451)	0
Net cash from investing activities	(27 005)	(13 046)
<i>Cash flows from financial activities</i>		
Net incomes on issue of shares	-	-
Proceeds from credits	30 973	39 218
Proceeds from received loans	1 144	-
Proceeds from issue of debt and other securities	-	-
Other financial income	-	-
Share buyback expense	(575)	-
Loans repaid	-	(8 450)
Repayment of borrowings	-	(44)
Repayment of debt securities	-	-
Interest paid on loans, bonds.	(3 889)	(3 797)
Payment of liabilities under finance lease agreements	(537)	-
Net cash from financing activities	27 116	26 927
Net change in cash	(9 722)	623
Cash at the beginning of the business year	23 920	28 835
Cash at the end of the business year	14 198	29 458

**Boryszew S.A.**

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

*all amounts in PLN th. unless otherwise stated***STATEMENT ON CHANGES IN EQUITY**

	Share capital	Treasury share	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Retained earnings	Total equity
As at 01.01.2015	248 906	(34 673)	112 346	636	(28)	(167)	271 846	598 866
Valuation of hedge instruments				-849				-849
Change of fair value of assets available to sell					(301)			(301)
Net profit for 1 quarters 2015							16 223	16 223
Total comprehensive income for 1 quarters 2015				-849	(301)	0	16 223	15 073
Nabycie akcji własnych		(575)						(575)
As at 31.03.2015	248 906	(35 248)	112 346	(213)	(329)	(167)	288 069	613 364

	Share capital	Treasury share	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Retained earnings	Total equity
As at 01.01.2014	228 906	(30 322)	22 346	(246)	618	270	245 975	467 547
Valuation of hedge instruments				(59)				(59)
Change of fair value of assets available to sell					(93)			(93)
Net profit for 1 quarters 2014							11 476	11 476
Total comprehensive income for 1 quarters 2014	-	-	-	(59)	(93)	0	11 476	11 324
As at 31.03.2014	228 906	(30 322)	22 346	(305)	525	270	257 451	478 871



Boryszew S.A.

Condensed quarterly financial statement for 1Q 2015

prepared in compliance with IFRS adopted by the European Union (EU)

all amounts in PLN th. unless otherwise stated

Consolidated financial statements of Boryszew Capital Group for the period from 1 January to 31 March 2015 have been signed at the headquarters of the 14 May 2015.

The consolidated financial statements are presented by the Management Board of Boryszew:

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.