



**STALEXPORT AUTOSTRADY S.A.**

**MANAGEMENT BOARD'S REPORT  
ON THE ACTIVITIES  
OF THE GROUP  
IN 2013**

Mysłowice, 5 March, 2014

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## Definitions and abbreviations

The table below presents the definitions of abbreviations used in this Report.

ADT	Average Daily Traffic
AMSA	Autostrada Mazowsze S.A. in liquidation with its registered office in Katowice
ASPI	Autostrade per l'Italia S.p.A. with its registered office in Rome (Italy)
Atlantia	Atlantia S.p.A. with its registered office in Rome (Italy)
Financing Banks	Portigon AG (London Branch), Polski Bank Przedsiębiorczości S.A., DEPFA Bank Plc, KfW IPEX-Bank GmbH and Bank Polska Kasa Opieki S.A.
Biuro Centrum	Biuro Centrum Sp. z o.o. with its registered office in Katowice
Deloitte	Deloitte Polska Spółka z ograniczoną odpowiedzialnością Sp.k. (formerly Deloitte Audyt Sp. z o.o.) with its registered office in Warszawa Al. Jana Pawła II nr 19, entered on the list of entities authorised to audit financial statements kept by the National Chamber of Statutory Auditors under No. 73
GDDKiA	General Directorate of National Roads and Motorways
GPW	Warsaw Stock Exchange
Capital Group, Stalexport Autostrady Group, Group	Stalexport Autostrady S.A. Group in Mysłowice
KSH	The Polish Code of Commercial Partnerships and Companies
Independent Engineer	Jacobs Polska Sp. z o.o.
PPP	Public Private Partnership
SAD	Stalexport Autostrada Dolnośląska S.A. with its registered office in Katowice
SAM, Concessionaire	Stalexport Autostrada Małopolska S.A. with its registered office in Mysłowice
Report	Management Board's Report on the Activities of Stalexport Autostrady S.A. Group in 2013
Stalexport Autoroute	Stalexport Autoroute S.a.r.l. with its registered office in Luxembourg
Stalexport Autostrady, Company	Stalexport Autostrady S.A. with its registered office in Mysłowice
Concession Agreement	The Concession Agreement dated 19 September 1997 on building through conversion of the A4 motorway section: Katowice (Murckowska Junction, 340.2 km) – Kraków (Balice Junction, 401.1 km) to the toll motorway standards and motorway operation on this section, including amendments made based on the appendices, the rights and obligations under which were transferred, in whole, from Stalexport Autostrady to SAM on 26 July 2004.
Project Loan Agreement	Loan Agreement dated 28 December 2005, entered into between SAM and the banks, i.e. WESTLB BANK POLSKA S.A., Warszawa, WESTLB AG (London Branch), DEPFA BANK PLC, Dublin, Ireland, KfW Frankfurt, Germany and BANK BPH SPÓŁKA AKCYJNA, Warszawa. The objective of the Loan Agreement was to grant the loan of PLN 380 million to finance the A4 toll motorway project on the Katowice-Kraków section (i.e. to finance the construction works of Stage IIa and to refinance the construction works of Stage I).
VIA4	VIA4 Spółka Akcyjna with its registered office in Mysłowice
GM	General Meeting

## 1. Letter from the President of the Management Board of Stalexport Autostrady

Dear Sir/Madam,

Dear Shareholders,

I am very proud to provide you with the Management Board's Report on the Activities of Stalexport Autostrady Group in 2013, which recorded revenue of PLN 206.5 million and profit of PLN 62.4 million.

Last year, the Group generated revenue from the collection of toll for using the A4 Katowice-Krakow motorway in the amount of PLN 202.3 million, i.e. by 13.1% higher than in 2012. These results were achieved mainly due to the significantly increased traffic on the motorway, which was by 10.5% higher as compared to 2012 – by approximately 11% higher in the case of cars and by 8.6% higher in the case of lorries.

The separate result achieved by Stalexport Autostrady S.A., which generated over PLN 3 million of profit last year, as compared to the loss recorded in 2012, also deserves attention.

Financial performance of Stalexport Autostrady Group was also due to a significant reduction in administrative expenses, which was due to the reorganisation of the Group's structure carried out in 2012 and continued in 2013. The effect of the reorganisation consisted in relocating Stalexport Autostrady S.A.'s registered office from Katowice to Mysłowice. The said change was registered on 17 May 2013.

Last year, further decisions were taken as far as organisational changes making the Group's structure more orderly are concerned. Namely, it was decided to liquidate Autostrada Mazowsze S.A. and to merge Stalexport Autostrada Dolnośląska S.A. with Stalexport Autostrady S.A. (the Acquiring Company).

For Stalexport Autostrada Małopolska S.A., the concessionaire of the A4 Katowice-Kraków motorway, 2013 was another year of investing in projects aimed at improving the travellers' comfort and protecting the inhabitants of the housing estates located in the vicinity of the motorway.

Due to a high level of traffic along the motorway section administered by our Company, a programme aimed at improving the flow capacity of the Toll Collection Plazas (TCP) in Mysłowice and Balice has been implemented. The investment shall ensure increased pace of services provided to the motorway users. Each plaza has been widened by 4 additional service lanes. Both plazas on the concession section of the A4 motorway shall have nine service lanes for each traffic direction.

The Replacement of the Toll Collection Equipment project is being implemented. This project shall make it possible to introduce new, faster payment methods, e.g. using contactless bank cards, proximity cards for regular motorway users, fuel cards and fleet cards. Additionally, unmanned lanes with external card readers shall be launched.

Nevertheless, the problem of interoperability of our toll collection system with the system used on roads with the national electronic toll collection system has not been resolved so far. According to the information communicated by the Ministry of Infrastructure and Development, in 2012, works were started on the legislative changes, the introduction of which shall enable launching the interoperability. Relevant amendments shall have to be introduced to the agreement with the toll motorway concessionaires. It is our priority to make it possible for the drivers using the developing network of motorways in Poland to travel comfortably using a single on-board unit. For this reason, on a number of occasions, we emphasised our readiness to continue the negotiations regarding this matter with the public party.

Apart from the investments aimed at faster service at the toll collection gates, in 2013, we were engaged in a number of other investments, including those related to environmental protection. Noise screens were erected along over 1.5 km section. Currently, the total length of the noise screens erected by the concessionaire of the A4 Katowice-Kraków motorway exceeds 13.5 km. In 2014, further 2.5 km of noise screens shall be

erected. Furthermore, the modernisation of the motorway water drainage system in the Silesia Province was commenced.

Further investments referred to in the Concession Agreement shall be prepared: extension of the Mysłowice Junction, rebuilding of the Rudno Junction and Byczyna Junction as well as construction of additional rest areas. Additionally, resurfacing has been planned, in 2014 along the sections of the total length of approximately 13 km. The above-mentioned works shall not result in significant traffic hindrances as two lanes shall remain operational for each traffic direction.

Obviously, we carry out routine maintenance of the motorway. In 2013, VIA4 S.A. operator company modernised its fleet of vehicles designed for, among others, winter motorway maintenance by purchasing two modern trucks with snowplows and salt spreaders. At this moment, the operator company has 10 such vehicles at its disposal.

I would like to encourage you to read the financial statements of Stalexport Autostrady Group as well as the Management Board's Report on the Activities of the Group in 2013.

I would also like to thank the Shareholders for their interest in our projects and capital market analysts for favourable rating of our business, as reflected in the increased market value of Stalexport Autostrady in 2013.

Furthermore, I would like to thank the Supervisory Board for fruitful cooperation, support and guidance. Finally, I would like to thank all employees of the Group. Without their everyday commitment, creativity and professionalism, it would be impossible for us to get this far.

I believe that you shall find this Report interesting and exhaustive. Stay in touch with us. All your suggestions and ideas are welcome.

Enjoy the reading.

Yours sincerely,

President of the Management Board

Director General

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/Emil Wąsacz/

2. Basic information on Stalexport Autostrady Group

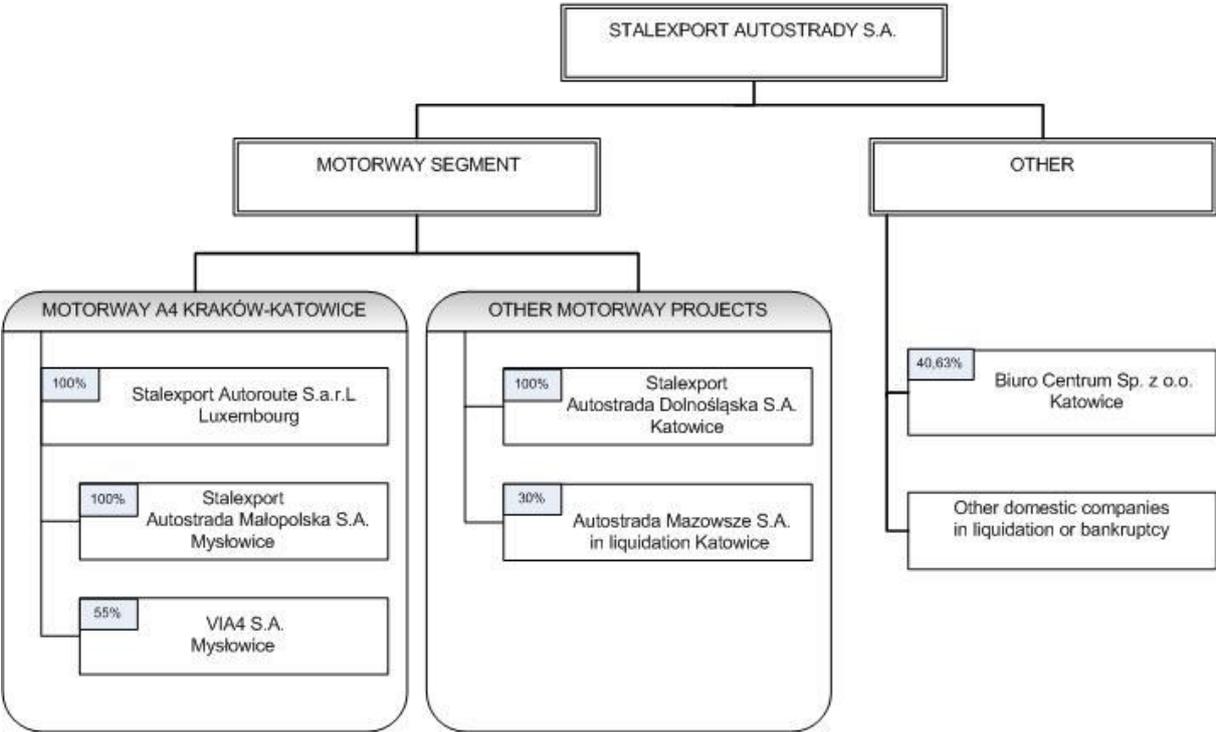
At present, the operations of the Company and entities belonging to its Group focus primarily on activities related to motorways. They include the following:

- (i) operation and maintenance of the Katowice-Kraków section of the A4 motorway. The activities are conducted by SAM and VIA4 through the special purpose holding: Stalexport Autoroute;
- (ii) participation in selected tenders for the construction and/or operation of other motorway sections.

Additionally, owing to the fact that Stalexport Autostrady Group co-owns the office building in the centre of Katowice, it provides services related to leasing office and parking space. These activities are carried out by the Company itself, as the owner of the property, as well as by its affiliate Biuro Centrum Sp. z o.o., as the property managing entity.

The chart below presents the organizational structure of Stalexport Autostrady Group broken down into: (i) core area of activities, i.e. the motorway segment, and (ii) other activities.

Figure 1 Organisational chart of Stalexport Autostrady Group as at 31 December 2013



Source: internal analysis

The table below includes basic consolidated data of Stalexport Autostrady Group as well as separate data regarding the three major entities belonging to the Group, i.e. Stalexport Autostrady, SAM and VIA4. Apart from the results achieved by the said companies in 2013, for the purpose of comparison, we also included the results achieved by the companies in the corresponding period of the previous year, whereas for the balance sheet data, we presented the figures as at 31 December 2012.

Table 1 Basic financial data of selected entities from the Group [figures in PLN '000]

Balance sheet data	Group		Stalexport Autostrady		SAM		VIA4	
	31.12.13	31.12.12	31.12.13	31.12.12	31.12.13	31.12.12	31.12.13	31.12.12
Non-current assets	1,063,618	1,116,603	83,066	83,841	1,048,293	1,101,811	9,823	8,464
Current assets	183,727	179,093	123,586	131,434	49,820	35,196	9,758	10,570
Equity (total)	248,510	186,491	195,866	192,857	110,788	51,038	8,264	8,862
Non-current liabilities	870,763	962,722	1,025	7,949	869,580	954,541	5,975	5,173
Current liabilities	128,072	146,483	9,761	14,469	117,746	131,428	5,342	4,999
Net debt	87,850	199,547	-103,488	-78,094	198,357	284,994	7,700	5,254
Performance data	2013	2012	2013	2012	2013	2012	2013	2012
Revenue on sales	206,499	185,507	3,762	3,826	202,548	178,826	35,166	33,753
Gross profit on sales	140,578	95,060	326	623	123,226	76,583	15,914	16,099
EBITDA	163,693	138,616	-2,411	-5,062	154,095	130,834	12,271	12,942
EBIT	115,202	66,059	-3,074	-5,796	107,513	59,996	11,057	11,971
Net financial income/expenses	-35,819	-47,755	6,186	4,880	-36,664	-46,870	-397	-284
Net result	62,435	12,879	3,112	-965	55,957	10,218	8,584	9,430
EBIT margin	56%	36%	-82%	-151%	53%	34%	31%	35%
ROE	25%	7%	2%	-1%	51%	20%	104%	106%

EBITDA = EBIT + depreciation and amortisation + provision for resurfacing

EBIT margin = EBIT / Revenue on sales

Net debt = financial liabilities – financial assets – cash in hand and cash equivalents

Source: internal analysis

## 2.1. Stalexport Autostrady

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**41-404 Mysłowice**  
**Phone: +(48) 32 762 75 45**  
**Fax: +(48) 32 762 75 56**

### Management Board:

Emil Wąsacz – President of the Management Board, Director General

Mariusz Serwa – Vice-president of the Management Board, CFO

### KRS [National Court Register]: 000016854

Katowice-Wschód District Court in Katowice, 8th Business Department of the National Court Register  
 NIP [VAT No.]: 634-013-42-11  
 REGON [National Official Business Register No.]: 271936361

Stalexport Autostrady (formerly STALEXPORT S.A.) commenced its operations on 1 January 1963 as Przedsiębiorstwo Handlu Zagranicznego "Stalexport." It specialised in exporting and importing steel products as well as importing raw materials for the Polish steel industry. In 1993, the Company was transformed into a Company wholly owned by the State Treasury and privatised, while as of 26 October 1994, the shares of the Company have been listed on GPW.

In 1997, Stalexport Autostrady won a tender process and was granted a concession to construct, adapt and operate Katowice-Kraków section (61 km long) of the A4 toll motorway for the period of 30 years (in 2004, the concession was transferred to an entity established solely for this purpose, namely Stalexport Autostrada Małopolska S.A.). The activities of the Company focused on two main areas, i.e. motorway services and commercial activities in the steel industry.

Since the middle of 2006, the Company has been part of the Italian Atlantia Group. At the moment, Atlantia Group manages a network of approximately 5,000 km of toll motorways in Italy, Brazil, Chile, India and in Poland, and it is an automatic motorway toll collection system leader. Atlantia is listed on the stock exchange in Milan and its market value amounts to approximately EUR 13.5 billion as at 31 December 2013.

The strategic investor made it possible for Stalexport Autostrady to acquire in total PLN 269,700 thousand in cash as a result of the share capital increase. At the first stage, the funds were earmarked for the completion of financial restructuring while the remaining funds are allocated to covering the Company's own contribution into the planned motorway projects. One of the elements of the restructuring process

Share capital: PLN  
185,446,517.25 (paid in full)  
www.stalexport-autostrady.pl

included the spin-off and disposal of the steel operations. Since 1 October 2007, the Company has focused only on activities related to the construction and operation of toll motorways as well as on the lease of the office space in the office building at ul. Mickiewicza 29 in Katowice, which is co-owned by the Company and in which the Company's registered office had been located until 17 May 2013.

In 2011, the shareholders decided to reduce the share capital of Stalexport Autostrady to the amount of PLN 185,446,517.25 to cover the uncovered losses brought forward reported in the balance sheet. In this way, the period in the Company's history related to its commercial activity was definitely closed.

## 2.2. Entities covered by the consolidation and the methods of their consolidation

Stalexport Autostrady is the parent company and it draws up the consolidated financial statements. The entities covered by the consolidation as at 31 December 2013, except for the parent entity, have been described in the following table.

**Table 2 Companies covered by the consolidation as at 31 December 2013 (apart from the Company)**

Company name	Registered office	Main activities	Status of the company	Share in the capital and the total no. of votes	Control taken/Acquired on	Consolidation method
Stalexport Autoroute S.a r.l.	Luxembourg	Management activity	Subsidiary	100%	2005	Full
Stalexport Autostrada Małopolska S.A.	Mysłowice	Construction and operation of the motorway	Subsidiary	100%*	1998	Full
VIA4 S.A.	Mysłowice	Operation on the motorway	Subsidiary	55%*	1998	Full
Stalexport Autostrada Dolnośląska S.A.	Katowice	Construction and operation of the motorway	Subsidiary	100%	1997	Full
Autostrada Mazowsze S.A. In liquidation	Katowice	Construction and operation of the motorway	Associate	30%	2007	Ownership right
Biuro Centrum Sp. z o.o.	Katowice	Management of real estate	Associate	40.63%**	1994	Ownership right
Stalexport Wielkopolska Sp. z o.o. in bankruptcy***	Komorniki	Inactive	Subsidiary	97.96%	1990	-
Petrostal S.A. in liquidation***	Warszawa	Inactive	Subsidiary	100%	2005	-

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

\*\* between 5 December 2007 and 5 June 2012, Biuro Centrum Sp. z o.o. had the status of a subsidiary

\*\*\* the entities not covered by the consolidation due to the limitations in exercising control

Source: internal analysis

### 2.3. Description of other companies of Stalexport Autostrady Group

#### 2.3.1. Stalexport Autoroute S.a.r.l

**412F, route d'Esch  
L-1471 Luxembourg**

Registered under No. B 113660

in Registre de Commerce et  
des Sociétés de Luxembourg

Share capital: EUR 56,149,500

Ownership structure: 100% –  
Stalexport Autostrady

Stalexport Autoroute was registered on 30 December 2005. Establishing this entity was one of the prerequisites for SAM to reach the financial close, namely conclude a long-term loan agreement with a consortium of banks. On the basis of the aforementioned loan agreement, the Group acquired PLN 360,000 thousand, which was necessary to finance the modernisation of the road surface and the bridge structures of the A4 motorway along Katowice-Kraków section.

Apart from holding shares in SAM as well as in VIA4 for the purpose of appropriate implementation of the securities package (pledge on shares) for the Project Loan Agreement, the entity does not conduct any operational activities .

#### 2.3.2. Stalexport Autostrada Małopolska S.A.

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**Management Board:**

Emil Wąsacz – President of the  
Management Board

Mariusz Serwa – Vice-  
president of the Management  
Board, CFO

Paweł Kocot – Member of  
Management Board

**KRS [National Court Register]:  
0000026895**

Katowice-Wschód District  
Court in Katowice, 8th  
Business Department of the  
National Court Register

NIP [VAT No.]: 634-22-62-054

REGON [National Official  
Business Register No.]:  
273796214

Share capital:  
PLN 66,753,000  
(paid in full)

Ownership structure:  
100% – Stalexport Autostrady  
(through Stalexport Autoroute)

[www.autostrada-a4.pl](http://www.autostrada-a4.pl)

SAM was established on the basis of the notarial deed of 19 December 1997 as a company which at that time was intended as a special purpose vehicle in the project based on management of the A4 motorway along Katowice-Kraków section. Therefore, the activities provided for in the Company's Statutes include management of motorway projects as well as all the tasks resulting from the applicable Concession Agreement, which encompasses management of construction, adaptation to the requirements of a toll motorway and operation of the A4 motorway Katowice-Kraków section (the aforementioned concession was initially granted to Stalexport Autostrady, later to be transferred to SAM pursuant to the decision of the Minister of Infrastructure of 28 July 2004).

Pursuant to the Concession Agreement, SAM was authorised to collect lease fees and toll for using the motorway. In line with the provisions of the Agreement, the entity is, on the other hand, obliged to provide continuous maintenance of the motorway and continue other necessary investment activities.

On 21 March 2005, Annexe 5 to the Concession Agreement was signed and upon signing all appendices – on 17 October 2005 – the agreement came into force. This way, in December 2005, the Company achieved the financial close in the form of a long-term loan allocated to refinancing of Stage I, implemented by Stalexport Autostrady, as well as to further financing of the investment works as provided for in the Concession Agreement.

On 7 September 2011, SAM share capital was increased by PLN 37,200,000, i.e. from PLN 29,553,000 to PLN 66,753,000 through issue of 37,200 new ordinary registered shares of D series with a nominal value of PLN 1,000 PLN each. All new D series shares were acquired by Stalexport Autostrady against a contribution in cash. Having registered the above-mentioned increase, Stalexport Autostrady held 37,200 shares of SAM, representing 55.73% in the SAM share capital and 55.56% of votes at SAM General Meetings. All the above-mentioned SAM shares were subsequently contributed in-kind by Stalexport Autostrady to Stalexport Autoroute.

On 3 January 2012, both parties to the Concession Agreement signed Annexe 6. The purpose of the conclusion of Annexe 6 was to modify the scope of the subject of the Concession Agreement and to limit the scope of responsibilities of SAM in relation to the section encompassing the "Murckowska" junction.

SAM finances its operations with the revenue generated from toll collection, lease fees and with proceeds from the concluded Project Loan Agreement. Based on the Loan Agreement entered into in December 2005 with the Financing Banks, SAM received external financing up to the amount of PLN 380 million for the implementation of the prepared investment programme. Having paid successive principal instalments in 2013, as at 31 December 2013, the nominal value of the loan amounted to almost PLN 254 million.

Selected financial data of SAM has been presented in the table at the beginning of this Section.

### 2.3.3. VIA4 S.A.

**ul. Piaskowa 20**  
**41-404 Mysłowice**  
**Phone: +(48) 32 762 73 50**  
**Fax: +(48) 32 762 73 55**

**Management Board:**

Henry Skiba – President of the Management Board  
Mieczysław Skołyżyński – Vice-president of the Management Board

**KRS [National Court Register]:**  
**0000162861**

Katowice-Wschód District Court in Katowice, 8th Business Department of the National Court Register

NIP [VAT No.]: 634-22-98-951  
REGON [National Official Business Register No.]: 276194390

Share capital:  
PLN 500,000  
(paid in full)

Ownership structure:  
55% – Stalexport Autostrady  
(through Stalexport Autoroute)

45% – Egis Road Operation S.A.  
(France)

VIA4 (formerly Stalexport Transroute Autostrada S.A.) was established on the basis of the notarial deed of 14 May 1998. The activities of VIA4 are related to the operation of the A4 toll motorway along the Katowice-Kraków section. The entity renders its services to its only customer, namely SAM, which is the managing entity with respect to this motorway section pursuant to the Concession Agreement. For its services, the entity receives lump-sum remuneration, the value of which depends mainly on the level of traffic on the motorway and the inflation rate.

The main tasks performed by VIA4 comprise the services of continuous operation and maintenance of the A4 toll motorway section (Katowice-Kraków), including the following: (i) operation of the toll collection system; (ii) management of motorway traffic; (iii) maintenance of the facilities of the motorway in proper technical condition; (iv) comprehensive maintenance of the entire motorway lane; (v) winter maintenance of the motorway; (vi) management and consulting, in particular with respect to future renovations and renewal of the road surface and projects related to improving the standard of the road.

Moreover, VIA4 executes the following tasks related to safety and road traffic which are equally important: (i) 24/7 motorway patrols which in cooperation with the Motorway Management Centre ensure quick incidents detection; (ii) operation of the SOS telephone system alongside the motorway lane; (iii) cooperation with the police and other services with the objective to maintain the motorway's throughput in the case of collisions, accidents or other incidents.

Selected financial data of VIA4 has been presented in the table at the beginning of this Section.

### 2.3.4. Stalexport Autostrada Dolnośląska S.A.

**ul. Mickiewicza 29**  
**40-085 Katowice**  
**Phone: +(48) 32 207 21 56**  
**Fax: +(48) 32 207 21 46**

**Management Board:**

Jacek Karolak – President of the Management Board

**KRS [National Court Register]:**

SAD was established on the basis of the notarial deed of 2 July 1997. The main area of operations of SAD was winning and managing motorway projects as well as participation in selected tenders and construction and/or operation projects for subsequent motorway sections. According to the current plans of the road administration, similar projects will be executed based on another formula. Therefore, the Management Board of Stalexport Autostrady as well as the Management Board of SAD decided to initiate the process of merger of both companies. The merger will be carried out pursuant to Article 492 § 1(1) of the Polish Code of Commercial

**0000066811**

Katowice-Wschód District  
Court in Katowice, 8th  
Business Department of the  
National Court Register

NIP [VAT No.]: 634-22-45-392  
REGON [National Official  
Business Register No.]:  
273710840

Share capital: PLN 10,000,000  
(paid in full)

Ownership structure:  
100% – Stalexport Autostrady

www. sadsa.pl

Partnerships and Companies through a transfer of the whole property of the company being acquired (SAD) to the acquiring company, i.e. Stalexport Autostrady. Allowing for the fact that Stalexport Autostrady owns 100% shares in the share capital of SAD, the merger will take place pursuant to Article 515 § 1 of the Polish Code of Commercial Partnerships and Companies with no increase in the share capital of the acquiring company.

The main purpose of the planned merger is to arrange the Group's structure. Thanks to the merger, the organisational structures will be simplified, which will translate into reduced costs of activity of the whole Group. The merger of both companies will result in financial savings in the administration area as selected tasks currently carried out by SAD will be carried out directly by Stalexport Autostrady.

**2.3.5. Autostrada Mazowsze S.A. in liquidation**

**ul. Mickiewicza 29  
40-085 Katowice  
Phone: +(48) 32 207 21 56  
Fax: +(48) 32 207 21 46**

**KRS [National Court Register]:  
0000293547**

Katowice-Wschód District  
Court in Katowice, 8th  
Business Department of the  
National Court Register

**Liquidator: Grażyna Durbas**

NIP [VAT No.]: 634-26-58-065  
REGON [National Official  
Business Register No.]:  
240781106

Share capital: PLN 20,000,000,  
including

PLN 12,655,000 paid in cash

Ownership structure:  
70% – Atlantia S.p.A.  
30% – Stalexport Autostrady

AMSA was established on the basis of the notarial deed of 6 November 2007 as a special purpose vehicle set up by the consortium of SAD and Atlantia for the purposes of the tender procedure held by GDDKiA with the objective to select the entity which would enter into the contract for construction and operation of the Stryków-Konotopa section of the A2 motorway. The negotiations with GDDKiA on agreeing the detailed provisions of the draft contract ended with reaching no agreement.

After the public party has withdrawn from the A2 motorway construction on the Stryków-Konotopa section under PPP, AMSA took part in the tender for the National Toll Collection System.

As there were no new projects in which the Company could participate, on 11 April 2013, the Annual General Meeting of Autostrada Mazowsze S.A. adopted a resolution to liquidate the Company.

**2.3.6. Biuro Centrum Sp. z o.o.**

**ul. Mickiewicza 29  
40-085 Katowice  
Phone: +(48) 32 207 22 08  
Fax: +(48) 32 207 22 00**

**Management Board:**

Józef Brol – President of the  
Management Board  
Andrzej Kluba – Vice-president  
of the Management Board

**KRS [National Court Register]:**

Biuro Centrum was established on the basis of the notarial deed of 9 June 1994.

The main area of operations of Biuro Centrum is related to administration and maintenance of the office and conference building in Katowice, ul. Mickiewicza 29, co-owned by Stalexport Autostrady (40.46%) and Węglokoks S.A. (59.54%).

Biuro Centrum guarantees high standards and professionalism in all services concerning property management and maintenance. It provides modern organisational, technical and office facilities.

The supplementary activities of Biuro Centrum include catering services in

**0000087037**

Katowice-Wschód District  
Court in Katowice, 8th  
Business Department of the  
National Court Register

NIP [VAT No.]: 634-10-03422  
REGON [National Official  
Business Register No.]:  
272254793

Share capital:  
PLN 80,000  
(paid in full)

Ownership structure:  
59.37% – WĘGLOKOKS S.A  
40.63% – Stalexport  
Autostrady

[www.biurocentrum.com.pl](http://www.biurocentrum.com.pl)

“Restauracja pod wieżami” restaurant run by the Company as well as comprehensive services provided for the conference centre.

To make the structure of ownership in the real property reflect the structure of ownership in Biuro Centrum, in 2011, Węglkokoks S.A. offered to purchase 54 shares in Biuro Centrum from Stalexport Autostrady. On 23 March 2012, the agreement for sale of the above-mentioned shares was signed. On 5 June 2012, the last of the two conditions specified in the above sale agreement was met and the shareholder structure in Biuro Centrum is as follows: Stalexport Autostrady – 40.63%, Węglkokoks S.A. – 59.37% (prior to 5 June 2012, the Company owned 74.4% and Węglkokoks S.A. owned 25.6%).

### 3. Significant information for assessment of Stalexport Autostrady Group's financial and material position, financial results and changes thereof as well as significant information for assessment of the capacity to meet commitments on the part of the Issuer and its Group

#### 3.1. Presentation of financial results

The following table includes basic financial results of Stalexport Autostrady Group generated in 2013 along with comparative data for the previous year.

**Table 3 Selected items from the statement of comprehensive income of Stalexport Autostrady Group in 2013 and 2012 – consolidated**

'000 PLN	2013	2012	Variation
Revenue on sales	206,499	185,507	11%
Cost of sales	-65,921	-90,447	-27%
<b>Gross profit on sales</b>	<b>140,578</b>	<b>95,060</b>	<b>48%</b>
Other operating income	5,376	3,333	61%
General administrative expenses	-30,396	-31,995	-5%
Other operating expenses	-356	-339	5%
<b>Profit/(Loss) from operating activities (EBIT)</b>	<b>115,202</b>	<b>66,059</b>	<b>74%</b>
Financial income	15,786	21,542	-27%
Financial expenses	-51,605	-69,297	-26%
<b>Net financial expense</b>	<b>-35,819</b>	<b>-47,755</b>	<b>-25%</b>
Share in the result of associated companies	60	-160	-
<b>Profit (Loss) before income tax</b>	<b>79,443</b>	<b>18,144</b>	<b>338%</b>
Income tax	-17,008	-5,265	223%
<b>Net profit (loss)</b>	<b>62,435</b>	<b>12,879</b>	<b>385%</b>

Source: internal analysis

As a result of the business activity run in 2013, Stalexport Autostrady Group generated net consolidated profit in the amount of PLN 62,435 thousand, which represents a 385% increase as compared to the previous year. The said increase results from increased profit on operating activity. Changes in the structure of costs and revenue have been described in the following items of this Report.

#### 3.1.1. Amount and structure of operating revenue

Financial results of Stalexport Autostrady Group are mainly shaped by the Group's motorway activity based on management and operation of the toll section of the A4 Katowice-Kraków motorway. The above-mentioned activity is executed by SAM's subsidiary under the executed Concession Agreement which shall remain in force until 2027.

The traffic intensity along the concession section of the motorway – particularly as far as lorries are concerned – largely depends on the rate of the economic development, which is indicated by the gross domestic product level (GDP).

In 2013, the Average Daily Traffic (ADT) on the concession section of the A4 Katowice-Kraków motorway amounted to 31,645 vehicles and was higher by 10.5% than the traffic level recorded in 2012 (28,630 vehicles). In 2013, the revenue on toll amounted to PLN 202,251 thousand, representing an increase of 13.1% as compared to 2012 (net PLN 178,826 thousand).

As far as cars are concerned, the Average Daily Traffic increased from 23,979 vehicles in 2012 to 26,596 vehicles in 2013 (a 10.9% increase). Net revenue from toll on cars in 2013 amounted to PLN 140,012 thousand, which represents an increase of 15.5% as compared to 2012 (PLN 121,262 thousand). A greater dynamics of growth in revenue from toll collection in relation to the increase in the Average Daily Traffic of cars is mainly due to two reasons, namely: i) a higher toll rate for this vehicle category (a lower toll rate was in force in the first two months of 2012) and ii) changes in the method of revenue recognition in the period in question (in 2012, part of the traffic generated by frequent, i.e. subscription, users was recognised as revenue at the moment of selling subscription coupons, that is as early as in 2011, which affected the amount of recognised revenue in 2012, while in 2013, the entire traffic generated by frequent users was recognised as revenue in this period).

As far as lorries are concerned, the Average Daily Traffic increased by approximately 8.6%, i.e. from 4,651 vehicles in 2012 to 5,050 vehicles in 2013. Net revenue from toll on lorries in 2013 amounted to PLN 62,239 thousand, which represents an increase of 8.1% as compared to 2012 (PLN 57,565 thousand). A slight difference between the dynamics of growth of toll revenue as compared to the dynamics of growth of the Average Daily Traffic is due to the change in the structure of vehicle category (various toll rates apply depending on the category) and to the fact that 2012 was a leap year (1 more day of revenue).

The following tables present the Average Daily Traffic and net revenue on toll collection in 2013 as compared to 2012, including the dynamics of the item.

**Table 4 Average Daily Traffic (ADT)**

ADT	2013	2012	Variation
Cars	26,596	23,979	10.9%
Lorries	5,050	4,651	8.6%
<b>Total</b>	<b>31,645</b>	<b>28,630</b>	<b>10.5%</b>

Source: internal analysis

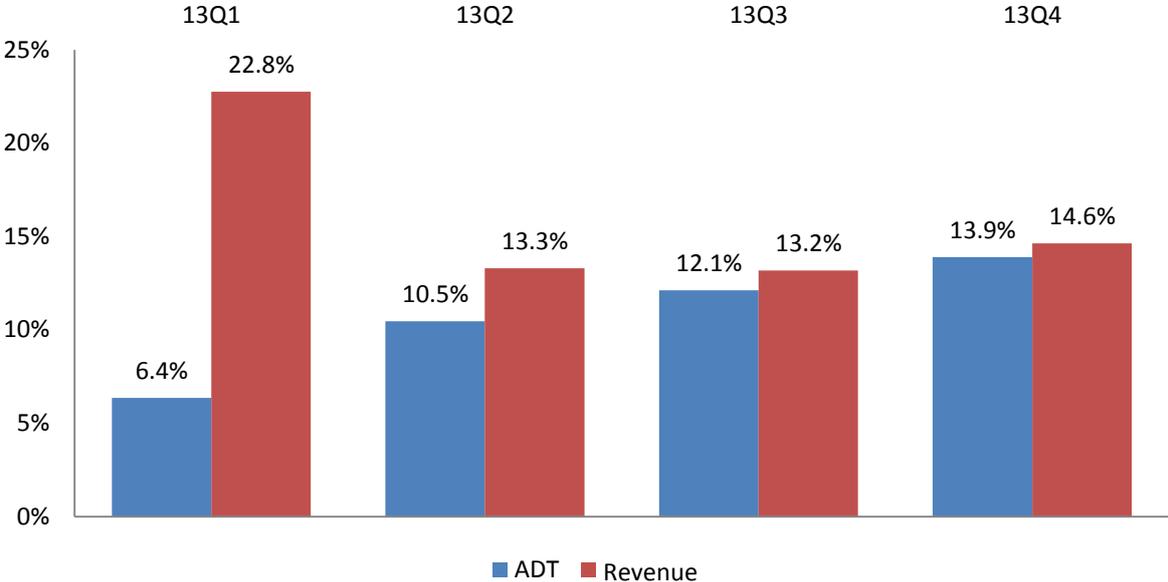
**Table 5 Net revenue on toll collection**

['000 PLN]	2013	2012	Variation
Cars	140,012	121,262	15.5%
Lorries	62,239	57,565	8.1%
<b>Total</b>	<b>202,251</b>	<b>178,826</b>	<b>13.1%</b>

Source: internal analysis

The following figures represent ADT and revenue on toll collection variations in 2013 as compared to 2012 on a quarterly basis, separately for cars and lorries.

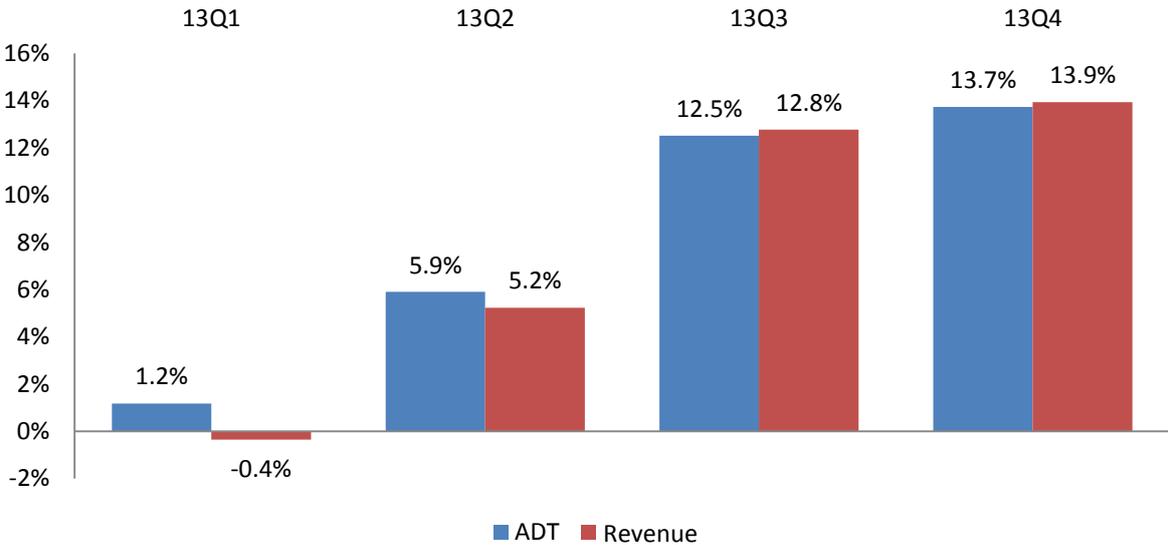
Figure 2 Variations in terms of ADT as well as revenue on toll collection for cars in 2013 as compared to 2012 (quarter to quarter of the previous year)



Source: internal analysis

The evident variation in the dynamics of revenue for the first quarter as compared to the revenue dynamics in the subsequent quarters results from the change in the toll rate on 1 March 2012 (in contrast to the remaining part of 2012 and the whole 2013, the new toll rate did not apply in the greater part of Q1 2012) as well as recognition of part of the revenue in another period.

Figure 3 Variations in terms of ADT as well as revenue on toll collection for lorries in 2013 as compared to 2012 (quarter to quarter of the previous year)



Source: internal analysis

The variation of ADT and revenue dynamics in particular quarters of 2013 is minor and results from the change in the traffic category structure and in payment forms for lorries as well as the fact that 2012 was a leap year (1 more day of revenue in Q1).

Apart from the toll collection, the Group generated additional revenue on sale related to the use of the motorway in the amount of PLN 878 thousand, including PLN 299 thousand on the account of unused subscription coupons valid through 31 December 2013 and PLN 389 thousand on the account of the damages for the infrastructure elements destroyed by the motorway users.

Apart from the motorway activity, Stalexport Autostrady Group's revenue on sale in the amount of PLN 3,370 thousand was from the lease of office space and from IT services provided in the building located at ul. Mickiewicza 29 in Katowice. For comparison, in 2012, in addition to the above revenue, Stalexport Autostrady Group generated revenue from real property management as well. However, due to the sale of the controlling interest in Biuro Centrum (facility manager), as of 1 June 2012, revenue of this company is not consolidated under the full method in the financial statements of the Group. In consequence, compared to 2012, in 2013, the amount of revenue unrelated to the motorway activity decreased by 44.3%. When comparing exclusively the revenue on the lease of space and IT services, the figure in 2013 would be similar to that recorded in 2012.

Additionally, in 2013, the Group generated other operating income in the amount of PLN 5,376 thousand, which included, among others, revenue on lease of rest areas (PLN 3,132 thousand), release of the part of the provision related to the dispute with CTL Maczki Bór Sp. z o.o. (PLN 1,013 thousand), release of the receivables write-offs (PLN 157 thousand), interest on trade receivables (PLN 231 thousand) as well as profit on sale of fixed assets and intangible assets (PLN 195 thousand).

### 3.1.2. Amount and structure of operating expenses

In 2013, operating expenses of Stalexport Autostrady Group amounted to PLN 96,673 thousand and were lower by 21% than the corresponding figure from the previous year (PLN 122,781 thousand).

In 2013, operating expenses included the following:

- cost of sales in the amount of PLN 65,921 thousand. The value of this particular group of costs was lower by approximately 27% than the corresponding figure from the previous year (PLN 90,447 thousand) mainly due to the decrease in the cost of establishment related to the creation of provisions for resurfacing (a decrease by PLN 24,628 thousand);
- general administrative expenses in the amount of PLN 30,396 thousand, which were lower by 5% than those incurred in the previous year (PLN 31,995 thousand), which resulted from the completion, in 2013, of the process of consolidation of the managerial and functional positions within the existing structure of the Group;
- other expenses amounting to PLN 356 thousand, which were slightly higher than those incurred in the previous year (PLN 339 thousand in 2012).

### 3.1.3. Financial operations

In 2013, the Group generated a negative balance on financial activities in the amount of PLN 35,819 thousand, i.e. generated financial income (PLN 15,786 thousand) was lower than the incurred financial expenses (PLN 51,605 thousand). The financial income was mainly influenced by the interest on the bank deposits amounting to PLN 15,559 thousand as well as the positive exchange rate difference in the amount of PLN 226 thousand.

While financial expenses were mainly influenced by the discount on liabilities and provisions in the total amount of PLN 26,987 thousand, of which: (i) PLN 14,752 thousand pertained to the provision for Stage 2 investment works on the A4 motorway; (ii) PLN 9,361 thousand pertained to the liability towards the State Treasury on the account of the concession payment; and (iii) PLN 2,874 thousand pertained to the provision for the A4 motorway resurfacing.

Significant items of other financial expenses included the following: loan interest and commissions (PLN 17,725 thousand), interest on the liability towards the State Treasury on the account of the guarantee towards the State Treasury (PLN 692 thousand), loss on the transactions concluded by SAM as security of variations of the interest rate (PLN 3,705 thousand) as well as investment revaluation write-offs in the total amount of PLN 1,633 thousand (with relation to the decrease in the fair value of the shares of IDEON S.A. and BDM S.A.).

At this point, it needs emphasising that in line with the International Accounting Standards as well as the International Financial Reporting Standards, both the subordinated debt towards the State Treasury on the account of the loan granted by the European Bank for Reconstruction and Development as well as the provisions created for resurfacing are reported by the Capital Group in the financial statements in their current values. Therefore, the figure reflects the nominal value of a given liability or an expected expenditure discounted as at the day the financial statements are prepared on using the market interest rate.

### 3.2. Material and financial position

The following table includes a synthetic balance sheet of the Group as well as its structure as at 31 December 2013. For comparison purpose, the figures reflecting particular items and their structure for 2012 have been included too.

**Table 6 Synthetic statement of the financial standing of Stalexport Autostrady Group as at 31 December 2012 and 31 December 2013 – consolidated data**

'000 PLN			Dynamics	Structure	
	31.12.2013	31.12.2012	2013/2012	31.12.2013	31.12.2012
Non-current assets	1,063,618	1,116,603	-5%	85%	86%
Current assets	183,727	179,093	3%	15%	14%
Equity	248,510	186,491	33%	20%	15%
Non-current liabilities	870,763	962,722	-10%	70%	74%
Current liabilities	128,072	146,483	-13%	10%	11%
<b>Balance sheet total</b>	<b>1,247,345</b>	<b>1,295,696</b>	<b>-4%</b>	<b>100%</b>	<b>100%</b>

Source: internal analysis

#### (i) ASSETS

Intangible assets, the value of which at the end of 2013 reached PLN 608,861 thousand and included virtually exclusively completed and scheduled investments along the concession section of the A4 motorway (concession intangible asset), were the major constituent of non-current assets.

In 2013, the value of long-term investments reached PLN 320,024 thousand, whereas in 2012 the corresponding figure was PLN 264,409 thousand. This resulted mainly from the increase, by PLN 55,616 thousand, in the value of cash allocated by Stalexport Autostrada Małopolska to deposit/reserve accounts created in line with the provisions of the Concession Agreement for the purpose of completion of the tasks provided for in the Agreement (mainly financing of the investment scheme being implemented).

Deferred income tax assets, the value of which at the end of 2013 decreased to PLN 104,355 thousand, constituted another significant element of non-current assets. The item included deferred tax assets related to,

among others, fixed assets as well as the created provisions compensated by the deferred income provision related to, mainly, concession intangible assets.

Cash (PLN 169,535 thousand), the value of which increased by PLN 28,033 thousand in comparison with the corresponding figure at the end of 2012, was the major item within the structure of current assets. Trade receivables (PLN 10,057 thousand), which increased by PLN 625 thousand, were another significant element of current assets. The value of short-term investments in the amount of PLN 1,789 thousand decreased by PLN 24,297 thousand as compared to 2012 due to the completion of the process of withdrawal from the investment funds initiated in 2012.

(ii) LIABILITIES

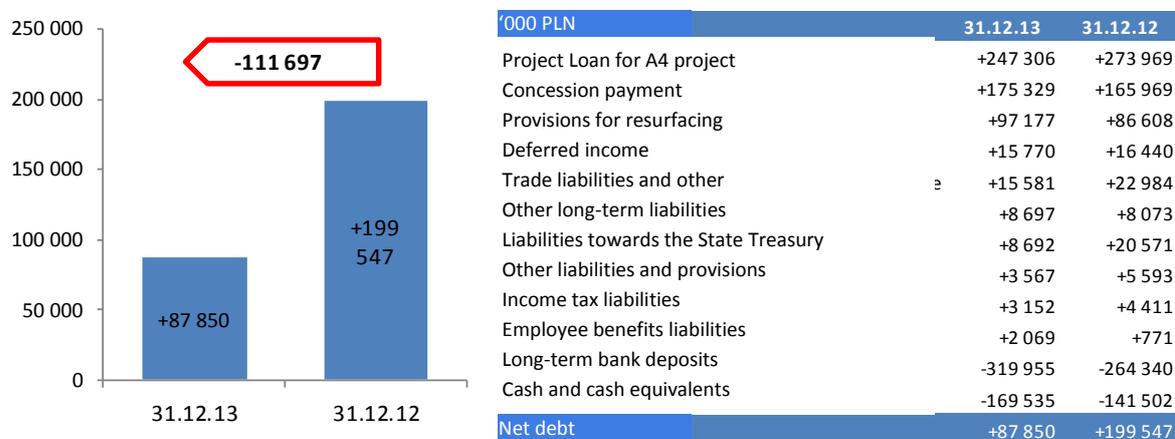
As at 31 December 2013, total liabilities and provisions of the Group amounted to PLN 998,835 thousand, of which 87% represented long-term items. Main liabilities and provisions:

- PLN 247,306 thousand on the account of the bank loan (including charged interest as well as prepaid financing costs) for financing of the investments located on the managed section of the A4 motorway;
- PLN 175,329 thousand of liabilities towards the State Treasury on the account of the concession indicated in the Group's balance sheet in the current value (discounted);
- PLN 8,692 thousand of liabilities towards the State Treasury on the account of the guarantees provided by the Stalexport Autostrady for Huta Ostrowiec S.A. (currently in bankruptcy);
- PLN 409,871 thousand of provision for capital expenditure under Stage II of the investments being completed along the managed section of the A4 motorway;
- PLN 97,177 thousand on the account of the provision created for the scheduled motorway resurfacing operation;
- PLN 8,297 thousand on the account of trade liabilities.

(iii) NET DEBT

In 2013, a significant reduction in the debt amount was recorded accompanied by an increase in the Group's current assets, which resulted in reduced net debt in the amount of PLN 87,850 thousand. The following section includes a detailed method of calculation of the ratio as well as its value during the period 2012-2013.

Figure 4 Net debt of the Group at the end of 2012 and 2013 [in '000 PLN]



Source: internal analysis

(iv) CAPITAL EXPENDITURES

Capital expenditures incurred by the Group in 2013 amounted to PLN 29,003 thousand and included mainly construction works carried out along the managed section of the A4 Katowice-Kraków motorway, i.e. completed contracts for the repair of 22 motorway bridges, widening of the Toll Collection Plaza in Brzęczkowice, erection of noise screens and the A4 motorway drainage system. Other capital expenditure of the Group pertains mainly to the purchase of the equipment required for the purpose of motorway maintenance as well as the replacement of the toll collection equipment. The above mentioned capital expenditures include also the cost of the Independent Engineer and design cost.

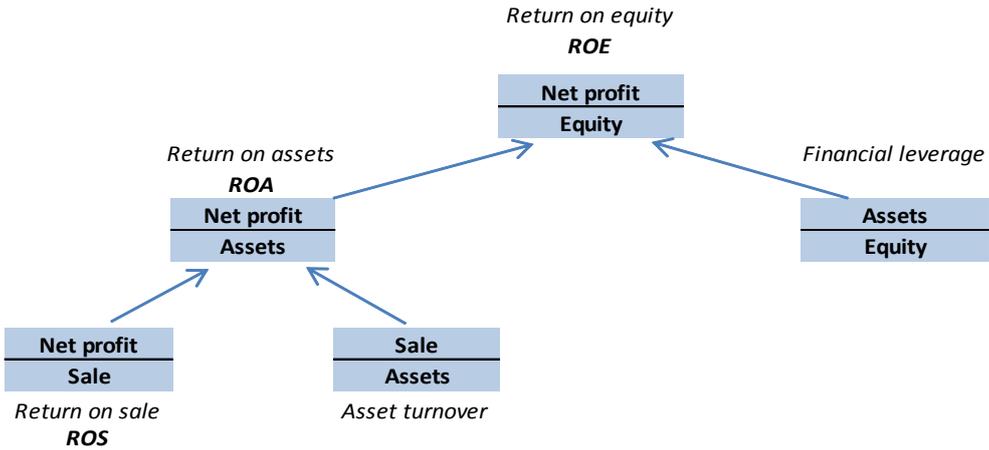
All the above-mentioned investments of the Group were allowed for in the capital expenditure budget for 2013 and had been approved by the Supervisory Boards of particular entities incorporated in the Group. At this point, it needs emphasising that financing of the investments resulting from the Concession Agreement has been secured with Company’s own funds which come from the operation of the Katowice-Kraków section of the A4 motorway as well as the Project Loan Agreement entered into in December 2005 with the bank consortium. At the end of 2013, the par value of the bank loan amounted to PLN 253,767 thousand.

3.3. Financial analysis according to the Du Pont method

The methodology of the analysis carried out in line with the Du Pont method is based on the assumption that the profitability and growth rate of a given company depend mainly on the efficiency of operating management, investment management as well as the financing strategy.

The starting point for the following analysis is the assessment of equity turnover identified based on ROE being the basic value measure (calculated as net profit to equity capital ratio). Subsequently, ROE was decomposed, which allowed extending the analysis to cover the following areas: return on sale, asset management and finances management.

Figure 5 Diagram of financial analysis according to the Du Pont method



Source: internal analysis based on Sierpińska M., Jachna T. 2000: *Ocena przedsiębiorstwa wg standardów światowych*  
 From the Du Pont model it results that ROE value depends on the level of generated margins (ROS) as well as Asset Turnover and the level of use of Financial Leverage. The following table presents a calculation of ROE as well as the ratios affecting the annual rate of return on equity.

Table 7 Return on equity, including decomposition of the ratio – calculation for the period 2011-2013

Ratio	2013	2012	2011
Return on equity (ROE)	25.1%	6.9%	5.9%
Return on assets (ROA)	5.0%	1.0%	0.8%
Net return on sale (ROS)	30,2%	6.9%	5.9%
Asset Turnover	0.17	0.14	0.13
Financial Leverage	5.0	6.9	7.6

*ROE = net profit/equity*

*ROA = net profit/total assets*

*ROS = net profit/revenue on sale*

*Financial leverage = total assets/equity*

Source: internal analysis

In the case of the Group, ROE is profoundly affected by ROS which in the analysed period amounted to 30.2%. In 2013, the increase in the ratio was related to the 12% increase in the Group's revenue as well as the 24% decrease in the Group's operating expenses. ROE level is also affected by the level of applied Financial Leverage which makes it possible for a company to own property considerably in excess of its equity. In the case of the Group, the gearing ratio decreased from 7.6 at the end of 2011 to 6.9 at the end of 2012, whereas now it is 5.0. The decrease of the ratio in 2013 is a combined effect of repayment of liabilities as well as generated net profit in the current period.

Revenues of the Group are characterised by fairly high stability and predictability which result from a long-term agreement for management of the toll section of the A4 Katowice-Kraków motorway. The business activity allows generating relatively high margin (which facilitates appropriate loan service), which has been confirmed by sales margin of over 50% (68.1% in 2013) as well as EBIT of over 30% (55.8% in 2013). The increase in EBIT margin recorded in 2013 as compared to 2012 results from the previously referred to revenue increase as well as the reduced costs of the created provision for resurfacing.

Table 8 Profitability of Stalexport Autostrady Group in the period 2011-2013 on particular levels of its activity

Ratio	2013	2012	2011
Sales margin	68.1%	51.2%	55.0%
EBITDA margin	79.3%	74.7%	69.1%
EBIT margin	55.8%	35.6%	35.2%

*Sales margin = gross profit on sale/revenue on sale*

*EBITDA = (income on operating activity excluding depreciation and provision for resurfacing)/revenue on sale*

*EBIT margin = operating profit/revenue on sale*

Source: internal analysis

Asset Turnover ratio is one of the factors, which, apart from ROS and efficiency of finances management, affects ROE. It reflects efficiency of the Company's Management Board investment policy as well as performance of particular items of assets.

Asset Turnover analysis was carried out for the Group based on the ratios included in the following table.

Table 9 Stalexport Autostrada Group performance ratios during the period 2011-2013

Ratio	2013	2012	2011
Asset Turnover	0.17	0.14	0.13
Working Capital Turnover	3.71	5.69	8.85
Receivables Turnover	21.89	19.67	14.07
Liabilities Turnover	0.21	0.17	0.15

*Asset Turnover = revenue on sale/total assets*

*Working Capital Turnover = revenue on sale/(current assets - liabilities and current provisions)*

*Receivables Turnover = revenue on sale/receivables*

*Liabilities Turnover = revenue on sale/liabilities*

Source: internal analysis

In the whole analysed period, the Asset Turnover ratio increased from 0.13 in 2011 to 0.17 in 2013. In the same period, Working Capital Turnover decreased, which resulted mainly from the increase in net current assets resulting from a significant reduction in short-term debt of the Group.

The analysis of liquidity and debt ratios included in the following table allows assessing risk levels related to repayment of current liabilities. The first two ratios juxtapose current liabilities and current assets which can be used for the purpose of repayment of the liabilities. The other ratios reflect debts of the Group.

Table 10 Stalexport Autostrada Group liquidity and debt ratios during the period 2011-2013

Ratio	2013	2012	2011
Current liquidity	1.43	1.22	1.10
Fast liquidity	1.41	1.21	1.09
Asset debt ratio	0.80	0.86	0.87
Equity debts	4.02	5.95	6.62
Long-term debts	3.50	5.16	5.49

*Current liquidity = current assets/current liabilities*

*Fast liquidity = (receivables + securities + cash)/current liabilities*

*Asset debt ratio = liabilities/total assets*

*Equity debts =liabilities/equity*

*Long-term debts = long-term liabilities/equity*

*Receivables, stock and liabilities figures as at the end of each year were taken into account in order to calculate the above-mentioned ratios.*

Source: internal analysis

In the analysed period, the liquidity ratios were close to or exceeded 1, which is widely considered a safe level, whereas the debt ratios decreased, which resulted from repayment of the bank loan liabilities as well as the liabilities towards the State Treasury.

#### 4. Analysis of the core business of the Group

Taking into account the present condition of the road infrastructure and development needs, the Ministry of Infrastructure developed the “Programme for Construction of National Roads for the Years 2011-2015” (hereinafter the “Programme”). This document defines the objectives and investment priorities of the public party, throughout the programming period. The Programme execution has been planned for 5 years, whereas the physical and financial programming for the period of 3 years (2011-2013). Therefore, the Programme includes a detailed list of projects whose execution was to be commenced before 2013 and the amount of funds allocated in the National Road Fund and the State budget for this purpose. The “Programme for Construction of National Roads for the Years 2011-2015” was adopted by the Council of Ministers, by enactment, on 25 January 2011.

In line with the enactment referred to above, the total amount of expenditures for the years 2010-2015, in relation to the projects whose execution was to be commenced before 2013, included in the Programme, estimated as at 13 October 2010, was to amount to PLN 82.8 billion.

At the beginning of 2014, the EU funds for the period 2014-2020 were allocated. On the basis of, *inter alia*, these funds, the government updated the road infrastructure construction programme. As recently declared, the public party does not currently plan to construct motorways under the public-private partnership. However, it does not exclude the delegation of the operator’s tasks based on the “Maintain the Standard” formula.

As the policy of the public party changes frequently, the Company plans to analyse the situation on this market on the date-to-date basis.

If any new invitation to public tender being of interest to Stalexport Autostrady is issued, it shall be analysed by the Company and if it is positively verified and meets the strategic objectives of the Group, the Company shall decide to participate in such a tender.

The Company also considers the option of equity investment in some of the existing concession projects in Poland if another participant of the projects is ready to quit the project or if one of the consortiums looks for additional capital support.

Moreover, bearing in mind a high level of public debt and budget deficit, one should not overlook the possibility of infrastructure privatisation, also as regards motorways currently under the management of the public party. The experience of Italy and France in this respect shows that such a step allows for a rapid reduction in the public debt and for speeding up the process of infrastructure development, with the standards of safety and quality met. This issue, however, has not yet entered the public debate.

## 5. Other information on Stalexport Autostrady Group

### 5.1. Information on contracts significant for the Group's operating activity, including contracts between the shareholders as well as insurance and cooperation contracts the Company is aware of

In the reporting period and by the date of this Report, no contracts significant for the Group's operating activity have been entered into.

### 5.2. Information on changes in organisational or capital relations of the Group with other entities

- **On 14 January 2013**, the Management Board of Stalexport Autostrady received from Kairos Investment Management Spa with its registered office in Milan a notification about a decrease in the total number of votes at the General Meeting of the Company below 5%. According to this notification, as a result of the sale of 2,300,000 shares of Stalexport Autostrady on 10 January 2013, Kairos Investment Management Spa holds 10,783,506 shares of the Company and the same number of votes at GMs of Stalexport Autostrady, which constitutes 4.36% in the share capital of the Company and in the total number of votes at GMs of Stalexport Autostrady through the following funds:
  - a) Kairos Focus Fund Ltd. – 2,820,000 shares (1.14% in the share capital of the Company and in the total number of votes at GMs),
  - b) Kairos Centauro – 7,963,506 shares (3.22% in the share capital of the Company and in the total number of votes at GMs).
- **On 11 April 2013**, the Ordinary General Meeting of Autostrada Mazowsze S.A. adopted a resolution to liquidate the Company. Ms Grażyna Durbas was appointed a liquidator.
- **On 28 November 2013**, a plan was adopted to merge Stalexport Autostrady (acquiring company) with the subsidiary Stalexport Autostrada Dolnośląska S.A. with its registered office in Katowice (company being acquired). The companies shall be merged pursuant to article 492 § 1(1), article 515 § 1 and article 516 § 6 of the Act of 15 September 2000 – the Polish Code of Commercial Partnerships and Companies (Dz. U. [Journal of Laws] of 2000, No. 94, item 1037, as amended), i.e. by transferring all assets of the company being acquired to the acquiring company without increasing the share capital of the acquiring company. Pursuant to article 516 § 5 of the Polish Code of Commercial Partnerships and Companies, in connection with article 516 § 6 of this Code, the Management Board's report referred to in article 501 of the Code and a written expert's opinion referred to in article 503 § 1 of the Code shall not be drawn up in relation to the above-mentioned merger plan.

There were no other similar changes in the reporting period and by the date of this Report.

### 5.3. Description of transactions with affiliated companies and information on transactions concluded by the Company or its subsidiaries with affiliated companies on the terms different than market terms

#### (i) Transaction with affiliated companies for the single or total transaction value exceeding in the financial year the amount of EUR 500,000

In the case of the Company, in the financial year, there were two transactions meeting the above-mentioned criteria:

- In 2013, Stalexport Autostrady was incurring costs as per maintenance cost estimates and estimates for investments related to the safety and functioning of the office facility located in Katowice at ul. Mickiewicza 29. All of the above-mentioned expenses were covered by the agency of Biuro Centrum and their total amount on the part of Stalexport Autostrady was PLN 2,756 thousand. It is the equivalent of approximately EUR 665 thousand (based on the National Bank of Poland's average exchange rate as at 31 December 2013).

- In 2013, Stalexport Autoroute transferred (in instalments) to Stalexport Autostrady a dividend in the total amount of PLN 5,150 thousand, which is the equivalent of approximately EUR 1,242 thousand (based on the National Bank of Poland's average exchange rate as at 31 December 2013).

**(ii) Information on transactions concluded by the Company or its subsidiaries with affiliated companies on terms different than market terms**

All transactions concluded by Stalexport Autostrady or its subsidiaries with affiliated companies were carried out on the market terms. However, the Management Board of Stalexport Autostrady would like to draw the attention to six significant contracts entered into by its subsidiaries with the affiliated companies. They are as follows:

- **Operation and Maintenance Agreement** which was initially entered into in 1998 by and between Stalexport Autostrady and VIA4. The current agreement was entered into by and between **SAM and VIA4** on 22 March 2006. The Maintenance and Operation Agreement was entered into for the period of the Concession Agreement (until 2027) and its scope includes clearly defined works connected with A4 concession project, including toll collection services and current maintenance and operation of the motorway (including winter maintenance). The contractual level of operator's remuneration in the period of the Agreement in a long-term separates the risk of impact of the frequent market price changes on maintenance and operation costs and ensures continuity of services and operation throughout many years of investment project execution. In 2013, the value of the transactions between SAM and VIA4 resulting from the above-mentioned Agreement amounted to PLN 34,428 thousand. Considering the specificity and the scope of the above-mentioned Agreement and very limited market for that type of services, it is difficult to compare the provisions of the Operation and Maintenance Agreement to the terms which may be provided on the so-called free market. Nevertheless, in the opinion of the Company's Management Board, the above-mentioned Agreement was entered into on the market terms and its provisions do not differ from the terms which might be provided if it was signed with an entity not belonging to the Group.
- **Contract No. F2b-1-2009 entered into by and between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o.** (these entities are members of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) **for the repair of 22 bridges on the A4 motorway.** The selection of the contractor for this Contract was based on the two-stage tendering procedure, the conditions of which were agreed with GDDKiA (pursuant to the provisions of the Concession Agreement, the Concessionaire selects each contractor by means of a tender and GDDKiA has a right to verify the tendering criteria and conditions before announcing each of the tenders) and with the Financing Banks. The notice of invitation to tender was published in the Official Journal of the European Union – Supplement to the Official Journal of the European Union No. TED-publication 2009/S123-179334-PL of 1 July 2009. In response to the announcement, the following companies submitted the prequalification application: (i) Budimex Dromex S.A., (ii) WARBUD S.A., (iii) the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o., and (iv) Sinohydro Corporation Ltd. from China. The following companies completed the prequalification stage and submitted the final offers: (i) Budimex Dromex S.A.; (ii) WARBUD S.A. and (iii) the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. As a result of the tendering procedure which included the assessment of the quality and price criteria, the offer submitted by the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. was considered the most beneficial and this entity was selected as a contractor. The initial value of contractual works amounted to net PLN 103,194 thousand. The work commencement order was issued on 22 December 2009. Taking into consideration the procedure for the selection of the entity to execute Contract No. F2b-1-2009, in the opinion of the Company's Management Board its terms should be deemed market terms. As at the end of the third quarter of 2013, all additional works under the Variation Orders were completed. There will be no additional payments associated with this Contract. When performing the

works, SAM learned that it was necessary to repair and strengthen the supports of the M48 flyover. According to SAM, this repair is a repair of a latent defect of this flyover under the provisions of the Concession Agreement. SAM lodged a claim against GDDKiA and sustains this claim for the payment of compensation for the repair of latent defects in the supports of the above-mentioned flyover. Works related to the repair of latent defects in the above-mentioned flyover shall not be included as additional works in Contract No. F2b-1-2009 and shall be covered by a separate tender procedure. The total net value of the confirmed amounts due to the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. was PLN 115,340 thousand and the value of transactions in 2013 was PLN 4,449 thousand.

- **Contract entered into by and between SAM and Pavimental Polska Sp. z o.o.** (this entity is a member of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) **for the extension of the Toll Collection Plaza in Brzęczkowice (351+660 km).** The subject of this Contract was the construction of 4 additional toll collection lanes, including toll collection booths on concrete islands and road strips at the Toll Collection Plaza entry and exit. The contractor for this Contract was selected on the basis of an inquiry and price negotiations carried out on the basis of the received reply. The scope of works and the applied procedure were accepted by the Independent Engineer. In the opinion of the Company's Management Board, the above-mentioned Contract was entered into on the market terms and its terms do not differ from the terms which might be provided if it was signed with an entity not belonging to the Group. The works related to the expansion of the Toll Collection Plaza in Brzęczkowice commenced on 22 May 2012 and the contracted works were completed on time, i.e. on 23 December 2012. By the end of 2013, the net value of works invoiced by Pavimental Polska Sp. z o.o. on the account of this Contract amounted to PLN 12,141 thousand.
  
- **Contract entered into by and between SAM and Autostrade-Tech S.p.A.** (this entity is a member of Atlantia Group which holds 100% of shares of Autostrade-Tech S.p.A.) **for the Replacement of the Toll Collection Equipment (RTCE).** The contractor for this Contract was selected on the basis of the established tendering procedures. On 31 May 2012, SAM sent invitations to tender to the selected companies. By the deadline (i.e. by 10 July 2012), the offers from the following two companies were submitted: (i) Autostrade-Tech S.p.A. and (ii) Egis Project S.A. As a result of the tender committee works with the participation of the Independent Engineer, the offer of Autostrade Tech S.p.A. was deemed the best. The Contract with this company was entered into on 14 September 2012 upon the approval of the Financing Banks. The Contract is being implemented based on the "Design&Build" formula. The Contract price, pursuant to the terms and conditions of the Contract, depends on the choice made by SAM as regards the functioning and interoperability of the Electronic Toll Collection (ETC) system (which is part of the RTCE Contract) with the National Toll Collection System operating on the public road network managed by GDDKiA (the so-called interoperability options). Depending on the selected interoperability option, the initial Contract value was from PLN 15,397 thousand and PLN 15,862 thousand. To ensure full compliance of the scope of the RTCE Contract with the current stage of the extension of both Toll Collection Plazas and the state of negotiations between the Concessionaire and the public party, it was necessary to issue a Variation Order as regards the interoperability. In the opinion of the Company's Management Board, the above-mentioned Contract was entered into on the market terms and its terms do not differ from the terms which might be provided if it was signed with an entity not belonging to the Group. The works related to the RTCE Contract commenced on 22 October 2012 and by the end of the third quarter of 2013 the contractor met the obligations required at the mobilisation stage. In the fourth quarter, the design stage was completed and factory tests of the equipment to be installed under the Contract as well as acceptance tests of the first toll collection lanes were carried out. In 2013, the net value of works invoiced by Autostrade-Tech S.p.A. on the account of this Contract amounted to PLN 1,764 thousand.

- **Contract entered into by and between SAM and Pavimental Polska Sp. z o.o.** (this entity is a member of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) **for the extension of the Toll Collection Plaza in Balice.** This was the Contract for the construction of two additional lanes on the north side and one lane on the south side. Such a solution was due to the lack of the consent of Balice International Airport to transfer the land necessary to extend the Toll Collection Plaza in Balice on the south side. Therefore, the Toll Collection Plaza was extended within a limited scope. The contractor for this Contract was selected on the basis of an inquiry and price negotiations carried out on the basis of the received reply. Finally, the works in question shall be performed for a lump-sum fee in the amount of PLN 8,395 thousand. The scope of works and the applied procedure were accepted by the Independent Engineer. In the opinion of the Company's Management Board, the above-mentioned Contract was entered into on the market terms and its terms do not differ from the terms which might be provided if it was signed with an entity not belonging to the Group. The works related to the expansion of the Toll Collection Plaza in Balice commenced on 23 November 2012 and the contracted works were completed on time, i.e. in September 2013. In the fourth quarter of 2013, as specified in the issued Variation Order, the contractor performed the necessary additional works for the amount of PLN 250 thousand. In 2013, the net value of works invoiced by Pavimental Polska Sp. z o.o. on the account of this Contract amounted to PLN 8,645 thousand.
- **Contract No. F2b-4-2013 entered into by and between SAM and the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o.** (these entities are members of Atlantia Group which holds 99.6% of shares of Pavimental S.p.A., i.e. the sole shareholder of Pavimental Polska Sp. z o.o.) **for the rebuilding of the A-4 motorway water drainage system for 11 catchment areas in the Silesia Province.** The selection of the contractor for this Contract was based on the two-stage tendering procedure, the conditions of which were agreed with GDDKiA (pursuant to the provisions of the Concession Agreement, the Concessionaire selects each contractor by means of a tender and GDDKiA has a right to verify the tendering criteria and conditions before announcing each of the tenders) and with the Financing Banks. The notice of invitation to tender was published on 22 April 2013. The tender dossier was provided to five prospective tenderers. By the deadline, i.e. by 5 June 2013, only one offer submitted by the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. was received. Having opened and having verified the offer, the tender committee found it to be valid and complete. It was also found that the amount offered for the execution of the Contract is higher than the value specified in the investor's cost estimate. Upon an analysis of the offer components carried out by members of the tender committee and upon negotiations with the consortium, the Contract value was finally reduced and approved in the amount of PLN 19,803 thousand. The Contract was entered into on 26 July 2013. The work commencement order was issued on 3 September 2013 and the time for the performance of works under this Contract is 450 days from this date. Taking into consideration the procedure for the selection of the entity to execute Contract No. F2b-4-2013, in the opinion of the Company's Management Board its terms should be deemed market terms. In the fourth quarter of 2013, the consortium completed the mobilisation stage and thus it was possible for the consortium of Pavimental S.p.A. and Pavimental Polska Sp. z o.o. to issue an interim invoice for the net amount of PLN 892 thousand.

#### 5.4. [Information regarding contracts on credits and loans incurred and revoked in the financial year](#)

Throughout 2013, the Company, similarly to other entities of the Group, did not raise any credits or loans. No credit or loan agreement was terminated within the said period.

5.5. Information on loans granted in the financial year, in particular loans granted to the affiliated companies

In 2013, the Company, similarly to other entities of the Group, did not grant any loans to the affiliated companies or entities not belonging to the Group.

5.6. Information on guarantees granted and received in the financial year, in particular guarantees granted to the affiliated companies

Throughout 2013, the Company, similarly to other entities of the Group, did not grant nor received any guarantees.

As at the end of 2013, the Company has a contingent liability under the performance guarantee towards another Group company, i.e. VIA4, in the amount of PLN 17,098 thousand. The Company receives remuneration on this account.

5.7. Information on issuance of securities including the description of the usage of the proceeds of the issue by the Company

In 2013, the Company did not issue any securities.

5.8. Explanation of differences between the financial results presented in the annual report and previously published financial result forecasts for the financial year

The company did not publish any financial result forecasts for 2013.

5.9. Evaluation of funds management, including in particular the Company's ability to pay off its liabilities and determination of potential threats and actions taken by Stalexport Autostrady Group or actions it intends to take in order to prevent these threats

Currently, there are no threats related to liquidity. Cash held by Stalexport Autostrady and the bank loan granted to SAM (with a nominal value of approximately PLN 254 million as at the end of 2013) are sufficient to pay off the liabilities and can be used to finance the investment program on motorway and future motorway projects as well. Currently, free funds are invested via bank deposits. These investments generate additional financial income. According to the financial model, the proceeds from toll collection at the concession section of the A4 Katowice-Kraków motorway will be the source of repayment of the bank loan.

5.10. Investment plans feasibility assessment

Based on the value of owned assets (including funds from the bank loan) as well as the estimated cash flows from operating activity, it may be concluded that completion of the investment works identified in the Concession Agreement on the part of the Group within the applicable deadlines is not threatened.

Detailed information on the construction works being currently completed can be found in Section 3.2. of the Report (Material and financial position).

5.11. Assessment of the factors and unusual events affecting the operation results in the reporting period and the description of the impact of these factors or unusual events on the achieved result

As there were objective grounds to expect a decrease in the value of IDEON S.A.'s and BDM S.A.'s shares, i.e. a decrease in the fair value (market value) of these financial assets as compared to the value as at the end of

2012, in 2013, the Company recognised additional revaluation write-offs in the amount of PLN 1,174 thousand and PLN 438 thousand respectively.

Additional information regarding this matter is available in Section 3 of this Report (Stalexport Autostrady – Financial analysis).

5.12. Description of the external and internal factors significant for the Company's and the Group's development and perspectives for the business development

Detailed information was presented in the following Sections of this document:

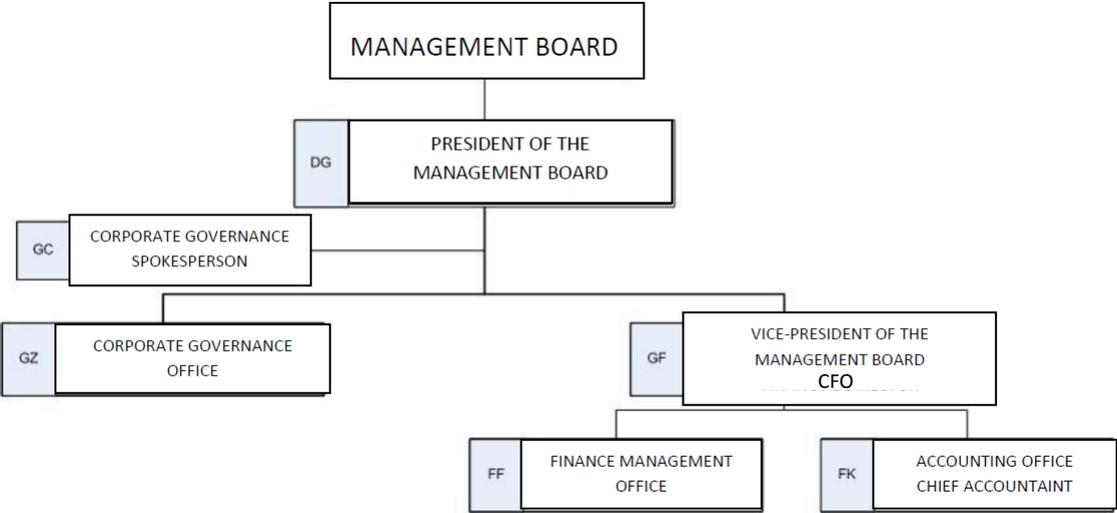
- Section 3 of the Report (Significant information for the assessment of Stalexport Autostrady Group's financial and material position, financial results and changes thereof);
- Section 4 of the Report (Analysis of the core business of the Group);
- Section 6 of the Report (Perspectives for development and major risks and threats; description of the external and internal factors significant for development of Stalexport Autostrady Group).

5.13. Changes to the basic principles for the Company's management and essential information for assessment of the employment situation of Stalexport Autostrady Group

(i) Organisational structure of Stalexport Autostrady

In 2013, there were no changes to the Company's organisational structure which is presented in the figure below.

Figure 6 Organisational structure of Stalexport Autostrady as at 31 December 2013



Source: Company's documents

Furthermore, as at 31 December 2013, a decrease in the number of employees to 22 (6% FTE) was recorded as compared to 31 December 2012, when there were 23 employees (7% FTE).

The number of employees was reduced due to the consolidation of the position of the Vice-president of the Management Board of Stalexport Autostrady and the Vice-president of the Management Board of SAM as at 1 January 2013.

The organisational structure of the Group as well as the description of its entities were presented in Section 2 of the Report.

**(ii) Employment in the Group**

As at 31 December 2013, Stalexport Autostrady Group employed 265 employees, including 5 executive officers (members of Management Boards) and 18 middle management employees (directors and managers). For comparison, as at 31 December 2012, Stalexport Autostrady Group employed 258 employees, including 5 executive officers (members of Management Boards) and 20 middle management employees (directors and managers).

The 2.7% increase in the number of employees recorded in 2013 results from additional employees employed by the operator company (VIA4) due to the increased traffic as compared to the previous year.

**5.14. Information regarding the agreements between the Company and the managing persons providing for compensation if they resign or are made redundant without valid reason or if they are recalled or dismissed because of Company's merger by takeover**

The contracts with persons being in 2013 members of the Management Board provide for the following:

- in the case of Emil Wąsacz – a 6-month severance pay in the case of recalling before the end of the term of office;
- in the case of Mariusz Serwa – 6-month remuneration in the case of termination of the contract by the Company, excluding termination for reasons attributable to the managing person.

**5.15. Changes in the line-up of the individuals responsible for management of and supervision over of the Company and the Group within the reporting period**

**Stalexport Autostrady**

Changes in the line-up of the individuals responsible for management of and supervision over the Company have been described in item 7.12.

**SAM**

Within the reporting period, there were no changes in the line-up of the Management Board and the Supervisory Board of SAM.

**VIA 4**

Within the reporting period, the Management Board and Supervisory Board of VIA4 worked in an unchanged line-up.

**SAD**

Within the reporting period, there were no changes in the line-up of the Management Board and the Supervisory Board of SAD.

**AMSA**

Within the reporting period, the Supervisory Board of AMSA worked in an unchanged line-up. However, on 11 April 2013, the General Meeting of AMSA passed the resolution to liquidate Autostrada Mazowsze S.A. and appointed Ms Grażyna Durbas as a liquidator of the Company.

**BIURO CENTRUM**

Within the reporting period, there were no changes in the line-up of the Management Board and the Supervisory Board of Biuro Centrum.

5.16. Remuneration of the managing and supervising persons of Stalexport Autostrady

Pursuant to the Statutes of Stalexport Autostrady, the rules for the Management Board members' remuneration payment are defined by the Supervisory Board. In 2013, the total remuneration paid to the Company's managing persons, i.e. members of the Management Board, amounted to PLN 905 thousand. The total remuneration of the Company's managing persons received for being a member of the subsidiaries' governing bodies in the same period amounted to PLN 1,023 thousand. The detailed information regarding the amount of remuneration of the Company's managing persons in 2013 is presented in the table below.

**Table 11 Remuneration paid in 2013 to the Company's managing persons [figures in '000 PLN]**

No.	Name and surname	Position in the Company	Remuneration, rewards or profit amounts paid within the Company	Remuneration amounts received for being a member of the subsidiaries' governing bodies	TOTAL
1.	Emil Wąsacz	President of the Management Board Director General	748	569	1,317
2.	Mariusz Serwa	Vice-president of the Management Board CFO	157	454	611
<b>x</b>	<b>TOTAL</b>		<b>905</b>	<b>1,023</b>	<b>1,928</b>

Source: internal analysis

The remuneration amounts presented in the table above include the payment of the amount of PLN 155 thousand on the account of an annual bonus paid out in 2013 and concerning 2012, which was included in the provision created for 2012, and payment of the amount of PLN 90 thousand on the account of a special award.

The provision for the Management Board's bonuses for 2013 in the amount of PLN 199 thousand and the provision of the payment of the three-year incentive plan covering the period between January 2013 and December 2015 in the amount of PLN 994 thousand were entered into books for 2013.

Pursuant to the Statutes of Stalexport Autostrady, the rules for the Supervisory Board members' remuneration payment are defined by the General Meeting.

In 2013, the total remuneration of the members of the Supervisory Board amounted to PLN 63 thousand. The detailed information regarding the amount of the remuneration paid to individual persons serving as members of the Supervisory Board of Stalexport Autostrady in this period are presented in the table below.

**Table 12 Remuneration paid in 2013 to the members of the Company's Supervisory Board [figures in '000 PLN]**

No.	Name and surname	Position in the Supervisory Board of Stalexport Autostrady	Remuneration amount
1.	Roberto Mengucci	Chairman	did not receive remuneration
2.	Aleksander Galos	Vice-chairman	34
3.	Michelangelo Damasco	Secretary	did not receive remuneration
4.	Nicolo Caffo	Member	did not receive remuneration
5.	Stefano Cusmai	Member	did not receive remuneration
6.	Tadeusz Włudyka	Member	29
7.	Costantino Ivoi	Member	did not receive remuneration
8.	Pietro La Barbera	Member	did not receive remuneration
	<b>Total</b>		<b>63</b>

Source: internal analysis

There are no incentive or bonus programmes based on the Company's capital, including programmes based on senior bonds, convertible bonds, warrants (in cash, in kind or any other form), paid, due or potentially due to the Company's managing and supervising persons.

5.17. [The Company's shares and the affiliated companies' shares held by persons managing and supervising Stalexport Autostrady Group](#)

The number and nominal value of Stalexport Autostrady's shares held by the persons managing and supervising the Group is provided based on declarations of these persons. The situation, as at 31 December 2013, is shown in the table below.

**Table 13 The number and nominal value of Stalexport Autostrady's shares held by persons managing and supervising the Company and the Group (as at 31 December 2013 and as at the date of this Report)**

No.	Name and surname	Number of shares [units]	Nominal value [in PLN]
1.	Emil Wąsacz	59,000	44,250.00
2.	Katarzyna Bijak	2,000	1,500.00

Source: internal analysis based on declarations made by the persons managing and supervising the Company

Persons managing and supervising Stalexport Autostrady do not hold any shares in affiliated companies.

5.18. [Information on the agreements known to the Company \(also including those entered into after the balance sheet date\), which in the future may result in changes in proportions of the shares held by the existing shareholders and bondholders](#)

The Company is not aware of other agreements which may result in changes in proportions of the shares held by the existing shareholders.

5.19. [Information on the control system regarding employee share schemes](#)

No employee share schemes apply to Stalexport Autostrady or other companies of the Group.

5.20. [Date of entering into contract with an entity authorised to audit financial statements and consolidated financial statements for the period of the contract, as well as the total amount of remuneration for the separate and consolidated audit in a given financial year](#)

**(i) Stalexport Autostrady**

In accordance with the powers stipulated in the Statutes of the Company, the Supervisory Board entrusted the audit of the financial statements and consolidated financial statements of Stalexport Autostrady Group for 2013 to Deloitte. Deloitte is entered into the list of entities authorised to audit financial statements under No. 73.

On 13 July 2012, the Company entered into an agreement with Deloitte for the audit and review of the financial statements in the period 2012-2013.

The total Deloitte's remuneration for the audit and review of the financial statements for 2013 shall amount to net PLN 105 thousand, including the works related to the following:

- review of the interim separate and consolidated financial statements of Stalexport Autostrady for the period of 6 months ended on 30 June 2013 – PLN 31.5 thousand;
- audit of the annual separate and consolidated financial statements of the Company for 2013 – PLN 73.5 thousand.

The limit for additional costs subject to reimbursement was agreed to be 5%.

The total Deloitte's remuneration for the audit and review of the financial statements for 2012 amounted to net PLN 105 thousand including the works related to the following:

- review of the interim separate and consolidated financial statements of Stalexport Autostrady for the period of 6 months ended on 30 June 2012 – PLN 31.5 thousand;
- audit of the annual separate and consolidated financial statements of the Company for 2012 – PLN 73.5 thousand.

The limit for additional costs subject to reimbursement was agreed to be 5%. and the actual additional costs amounted to PLN 5 thousand.

**(ii) SAM**

In line with the scope of authority set in the Statutes of SAM, the Company's Supervisory Board commissioned Deloitte to audit the financial statements of SAM for 2013. On 12 July 2012, SAM entered into an agreement with Deloitte for the audit and review of the financial statements in the period 2012-2013.

Total net remuneration payable to Deloitte for the said audit and review of the financial statements for 2013 was set at PLN 77.5 thousand, including for the works related to:

- review of the interim financial statements for the period of 6 months ended on 30 June 2013 – PLN 31 thousand;
- audit of the annual financial statements for 2012 – PLN 46.5 thousand.

The limit of additional costs subject to reimbursement was agreed to be 5%.

Total net remuneration payable to Deloitte for the said audit and review of the financial statements for 2012 amounted to PLN 77.5 thousand, including for the works related to:

- review of the interim financial statements for the period of 6 months ended on 30 June 2012 – PLN 31 thousand;
- audit of the annual financial statements for 2012 – PLN 46.5 thousand.

The limit of additional costs subject to reimbursement was agreed to be 5%.

**(iii) VIA4**

In line with the scope of authority set in the Statutes of VIA4, the Company's Supervisory Board commissioned Deloitte to audit the financial statements of VIA4 for 2013. On 11 July 2012, VIA4 entered into an agreement with Deloitte for the audit of the financial statements in the period 2012-2013.

Total net remuneration payable to Deloitte for the said audit of the financial statements for 2013 was set at PLN 92.7 thousand, including for the works related to:

- audit of the interim financial statements for the period of 6 months ended on 30 June 2013 – PLN 37 thousand;
- audit of the annual financial statements for 2013 – PLN 55.7 thousand.

The limit of additional costs subject to reimbursement was agreed to be 5%.

Total net remuneration payable to Deloitte for the said audit of the financial statements for 2012 amounted to PLN 92.7 thousand, including for the works related to:

- audit of the interim financial statements for the period of 6 months ended on 30 June 2012 – PLN 37 thousand;
- audit of the annual financial statements for 2012 – PLN 55.7 thousand.

The limit for additional costs subject to reimbursement was agreed to be 5% and the actual additional costs amounted to PLN 4.6 thousand.

**(iv) Biuro Centrum**

In line with the scope of authority set in the Statutes of Biuro Centrum, the Company's Supervisory Board commissioned Kancelaria Biegłych Rewidentów REWIDO Sp. z o.o. with its registered office in Katowice (40-119), ul. Dobra 13 (hereinafter referred to as "REWIDO"), to audit the financial statements of Biuro Centrum for 2013. The agreement for the audit of the separate financial statements of Biuro Centrum for 2013 was entered into on 18 November 2013. The agreement provided for net remuneration in the amount of PLN 7,000 payable to REWIDO on the account of the audit.

Additionally, the Supervisory Board of Biuro Centrum commissioned REWIDO to audit the Company's financial statements for 2012 and the agreement for the audit of the separate financial statements was entered into on 18 October 2012. REWIDO received net remuneration in the amount of PLN 7,000 for the audit.

**(v) SAD**

In line with the authority vested in the Supervisory Board pursuant to the Statutes of SAD, the Supervisory Board commissioned Deloitte to audit the Company's financial statements for the period 2012-2013. The agreement for the audit of the above-mentioned financial statements of SAD was entered into on 14 December 2012. For the audit of the separate financial statements for 2013, Deloitte shall receive remuneration in the net amount of PLN 4,400. The limit of additional costs subject to reimbursement was agreed to be 5%.

For the audit of the financial statements of SAD for 2012, Deloitte received PLN 4,400 and PLN 220 as reimbursement of additional costs.

**(vi) AMSA**

Due to the agreed on liquidation of the Company, the financial statements of AMSA for 2013 shall not be audited (no such requirement).

In line with the authority vested in the Supervisory Board pursuant to the Statutes of AMSA, the Board commissioned Deloitte to audit the Company's financial statements for 2012. The agreement for the audit of the financial statements of AMSA for 2012 was entered into on 19 November 2012. Deloitte received net remuneration in the amount of PLN 4,620 for the audit, including PLN 220 as reimbursement of additional costs.

**5.21. [Information on proceedings before the court, authority competent for the arbitration proceedings or public administration authority](#)**

The Company is not a party to any proceedings before the common or arbitration court of law or public administration authority in matters in the case of which the value of the subject of the dispute exceeds the amount constituting at least 10% of the Company's equity. It concerns both individual litigations and all litigations conducted by the Company or against the Company.

The remaining entities of the Group are not a party to any proceedings before the common or arbitration court of law or public administration authority in matters in the case of which the value of the subject of the dispute exceeds the amount constituting at least 10% of their equity.

## 6. Perspectives for development and major risks and threats; description of the external and internal factors significant for development of Stalexport Autostrady Group

### 6.1. Growth prospects

In recent years, the Company has participated in tenders related to the construction, management and operation of toll motorways. The Road Construction Programme is a potential market for the Company and the Group companies. However, it should be emphasised that the road infrastructure area is a sector heavily dependent on the State regulator. Thus, the number of tenders related to the projects interesting for the Company and possibility of their implementation under the PPP formula is the consequence of the public side's policy on road construction and the national budget. Prospects for external growth of Stalexport Autostrady are related to possible implementation of potential motorway projects described in Section 4 of this Report.

As far as internal growth is concerned, the Group makes and shall continue to make efforts to improve the quality of services provided to the motorway users by extending the Toll Collection Plazas and by the currently executed project of replacement of toll collection equipment, which shall make it possible for the customers to pay for using the motorway by diversified means of payment. These efforts are intended to improve the flow capacity of the Toll Collection Plazas and to shorten the transaction time. Additionally, the public side conducts legislative works related to the possible interoperability between the viaTOLL electronic toll collection system and the toll collection managed by the companies being parties to the contracts for construction and operation of toll motorways. Thanks to the planned solutions, vehicles equipped with on-board viaTOLL devices would be able to drive the national roads already covered with the viaTOLL system as well as future motorways managed by the aforesaid companies. The Group is expecting further details regarding the solutions planned by the public side.

### 6.2. Description of major risks and threats, the external and internal factors significant for development of Stalexport Autostrady Group and risk prevention methods

Major risks and threats and the external and internal factors significant for the operation of Stalexport Autostrady may be divided into two basic groups related to the following:

- **A4 Katowice-Kraków project under execution**

Within this scope, the risks as well as the economic and financial factors related to the general economic situation and current situation on the construction work market, as well as the risks of political and legal nature prevail.

The **economic situation** in Poland has an impact mainly on the number of vehicles using the A4 motorway (this factor affects mainly the truck traffic) and thus on the level of revenue from toll collection generated by the Concessionaire. The Group mitigates this risk by means of adequate (optimal) price policy and by taking actions aiming at the improvement of the customer service quality by the extension of the toll collection plazas on the motorway section managed by the Group and replacing toll collection equipment (currently executed), which shall make it possible for the customers to pay for using the motorway by diversified means of payment.

As far as the **construction work market** is concerned, the economic boom period increases the prices of construction services and decreases the efficiency of the A4 Katowice-Kraków project, whereas in the economic crisis period the Group may negotiate more beneficial conditions for the execution of necessary works, thus more funds remain at the disposal of the shareholders. The Company makes efforts to mitigate the risk within

this area by active management, as authorised under the Concession Agreement, of the schedule of planned and carried out construction works.

Institutional and legal instability of the environment regulating the infrastructure sector in Poland is the main factor from the **political and legal risk** group. By means of promotion of good practices and solutions aiming at creation of suitable legal framework for the execution of infrastructure projects and by active participation in a public debate regarding new legislative solutions, etc., the Company makes efforts to prevent these risks. This risk group includes also the potential efforts to change the existing law, which may affect the revenue or expense level of the A4 Katowice-Kraków project. It is worth emphasising that the Concession Agreement includes provisions which make it possible to claim damages from the State Treasury if the public party takes actions that adversely affect the profitability of the A4 Katowice-Kraków project.

Additional risks are also related to the decision of **Urząd Ochrony Konkurencji i Konsumenta** [Office of Competition and Consumer Protection] (hereinafter referred to as "UOKiK") of 2008, in which UOKiK stated that the practices of the Concessionaire infringed the competition by "charging unfair prices for using the toll section of the motorway in the amount specified in the price list, in spite of the repair works being carried out within this section, resulting in major traffic hindrances" and ordered to stop these practices. When performing repairs resulting in major traffic hindrances in the future, the Concessionaire should allow for the wording of the decision in the context of the policy applicable to identification of the toll rates.

▪ **Lease of the office space and investment of the owned funds**

Within this scope, the risks related to the economic situation and investment climate, as well as the risk of the market interest rate shall be mentioned.

The **economic situation** in Poland directly affects the office space lease market and thus the size of the unoccupied (unleased) space and the rent rates. The Company mitigates this risk by the application of a flexible price policy and by making other efforts to increase the attractiveness of the office space and to improve the user safety. Furthermore, the Company makes constant efforts to win new lessees.

Owing to the revenue structure and the nature of the business, the financial results of the Company are subject to a relatively high **interest rate risk**. This risk is related to the changeability of the financial markets and manifests itself in changes in the money value. Stalexport Autostrady mitigates this risk by the diversification of the periods for which the funds for future motorway projects are invested.

## 7. Statement of the Management Board of Stalexport Autostrady on the Company's corporate governance rules

### 7.1. Introduction

Performing the duty stipulated in § 29(5) of the GPW Regulations and the resolution No. 1013/2007 of the GPW's Management Board of 11 December 2007 (regarding the scope and the structure of the report on the application of the corporate governance rules by listed companies) and the resolution No. 718/2009 of GPW's Management Board of 16 December 2009 (regarding the submission of the corporate governance reports by listed companies), the Management Board of Stalexport Autostrady publishes this statement on the Company's application of the corporate governance rules specified in "Good Practices of the Companies Listed on GPW" in the period from 1 January 2013 to the date of publishing the annual report for 2013.

### 7.2. Corporate governance rules the Company is subject to and its public availability

The Management Board of Stalexport Autostrady declares that the corporate governance rules the Company is subject to are publicly available on the following websites:

- the website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl));
- the website of Warsaw Stock Exchange ([www.corp-gov.gpw.pl](http://www.corp-gov.gpw.pl));
- the website of Stowarzyszenie Emitentów Giełdowych [Polish Association of Stock Exchange Issuers] ([www.seg.org.pl](http://www.seg.org.pl)).

### 7.3. Information on the scope in which the Company renounced the provisions of the above-mentioned corporate governance rules, identification of these provisions and explanation of the reasons for this renouncement

Pursuant to the resolution No. 1014/2007 of the GPW's Management Board of 11 December 2007 regarding partial exemption from the obligation to publish the report on the corporate governance rules applicable to the main market of GPW, the Management Board of Stalexport Autostrady, adhering to the rules specified in the Good Practices of the Companies Listed on GPW (DPSN), declares that in 2013 the Company did not broadcast the GMs over the Internet, but it recorded the GMs and published the recordings on its website. Furthermore, the Company notified with delay, i.e. on 11 February 2014, of the number of women and men being members of the Management Board and Supervisory Board of Stalexport Autostrady in two last years, as specified in DPSN (Section II (1)(2a)).

### 7.4. Description of the basic attributes of the Company's systems of internal control and risk management as regards drawing up of the unconsolidated and consolidated financial statements

The Management Board of Stalexport Autostrady is responsible for the system of internal control and its effectiveness. The system of internal control and risk management as regards drawing up of the financial statements involves the procedures for drawing up and approving the financial statements in force in Stalexport Autostrady. The system makes it possible to monitor the liabilities and to control the costs and the achieved results on the date-to-date basis. The financial data which is the basis for the financial statements and periodic reports comes from the accounting and financial system IMPULS into which the documents are entered in line with the Company's accounting policy based on the International Accounting Standards.

The financial statements are drawn up by the financial and accounting staff under the control of the Company's Chief Accountant and then verified by the Vice-president of the Management Board and CFO in cooperation with the Finance Management Director and their final wording is approved by the Management Board in a resolution.

The financial statements approved by the Management Board are verified by an independent auditor (chartered accountant) appointed by the Supervisory Board of the Company. Then, pursuant to § 18(2)(1) of the Company's Statutes, the Supervisory Board – following the recommendation of the Audit Committee, each year verifies whether the audited financial statements of the Company and the Group are consistent with the books and documents and whether they reflect the real situation, and notifies the shareholders of the results of this verification in its annual report.

The Company systematically monitors changes required under external laws and regulations concerning the stock exchange reporting requirements and it takes steps to implement them in advance.

**7.5. Shareholders holding directly or indirectly significant blocks of shares and the number of shares held by these shareholders, their percentage share in the share capital, the number of votes related to these shares and their percentage share in the total number of votes at the General Meeting of the Company**

The shareholders holding – according to the best knowledge of the Company – at least 5% of the total number of votes at the Stalexport Autostrady's GM are listed in the table below.

**Table 14 List of Stalexport Autostrady's shareholders holding significant blocks of the Company's shares (as at 31 December 2013 and as at the date of this Report)**

Company name	Number of ordinary bearer shares [units]	Share in share capital [%]	Number of votes at GM [units]	Share in the total number of votes at GM [%]
ASPI	149,923,463	60.63%	149,923,463	60.63%
ALTUS TFI S.A.	12,679,263	5.13%	12,679,263	5.13%

Source: internal analysis

**7.6. Holders of any shares giving the special control rights and description of these rights**

No shares of Stalexport Autostrady provide shareholders with the special control rights towards the Company.

**7.7. Information on all limitations regarding exercising the voting right, such as limitation of exercising the voting right by the holders of a specified part or number of votes, time limitations regarding exercising the voting rights or provisions under which, with the cooperation of the company, the capital rights related to the securities are separated from the ownership of the securities**

The shares of Stalexport Autostrady are not subject to any limitations as far as exercising the right to vote related to the shares is concerned.

**7.8. Information on all limitations regarding transferring the ownership rights to the Company's securities**

The shares of Stalexport Autostrady are not subject to any limitations as far as the transferring of the ownership rights is concerned.

**7.9. Description of the rules of appointing and recalling of the managing persons and their rights, in particular the right to decide on the issuance or buy out of shares**

Pursuant to § 10 of the Statutes of Stalexport Autostrady, the Management Board of the Company is composed of 1 to 3 persons. The President of the Management Board is appointed by the Supervisory Board and other

members of the Management Board are appointed by the Supervisory Board at the motion of the President of the Management Board.

The rights of the Management Board are specified in the Statutes of the Company, Regulations of the Management Board issued on the basis of these Statutes, Polish Code of Commercial Partnerships and Companies and other generally applicable laws. The Statutes of the Company and the Regulations of the Management Board form enclosures to this Report (**Enclosures No. 1 and No. 2**) and are also available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

#### 7.10. Description of the rules of amending the Statutes or the Articles of Association of the Company

The Statutes of the Company shall be amended as specified in the Polish Code of Commercial Partnerships and Companies. The Statutes do not stipulate otherwise in this respect, except for § 5(2) which concerns the material amendment to the objects of the Company. In such a case, the Statutes do not stipulate the necessity to buy out the shareholders that do not agree on the amendment.

#### 7.11. The General Meeting's rules of action and its basic powers and the description of the rights of shareholders and the way of exercising these rights, in particular the rules stipulated in the Regulations of the General Meeting if such Regulations were approved, provided that the information in this respect does not result directly from the law

The General Meetings of Stalexport Autostrady are held in line with the rules stipulated in the Polish Code of Commercial Partnerships and Companies, the Statutes and the Regulations of the General Meeting, and these rules do not differ from the rules which are applied by other companies listed on GPW. In particular, apart from the shareholders, the members of the Management Board and the Supervisory Board of the Company as well as the guests, including experts invited by the body convening the General Meeting, may attend the General Meeting. A representative of the chartered auditor of the Company attends the General Meetings whose agenda comprises financial matters of the Company and gives explanations during such Meetings.

GMs are convened in the manner and according to the rules stipulated in the commonly binding regulations. It means that the announcement on convening a GM is made in the current report and published at the website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)) not later than 26 days before the date of the General Meeting.

The shareholders that hold the shares of Stalexport Autostrady on the 16th day before the date of the GM, which is the record date, are entitled to take part in the GM. The basis for permitting a shareholder to attend the GM is putting a given shareholder on the list made available to the Company by Krajowy Depozyt Papierów Wartościowych S.A. [National Depository of Securities] (KDPW) not later than one week before the GM date.

The General Meetings are held in the Company's registered office and the detailed rules of its debate are specified in the Regulations of the General Meeting of Stalexport Autostrady adopted on 27 November 2002. The currently binding text of the Regulations of the General Meeting takes into account the amendments introduced in 2004, 2005, 2006 and 2010, and forms **Enclosure No. 3** to this Report. It is also available on the corporate website of Stalexport Autostrady. The amendments introduced in 2010 take into account the new rules for the organisation of the General Meetings of public (listed) joint stock companies, which were introduced on 3 August 2009 by amending the Polish Code of Commercial Partnerships and Companies of 5 December 2008 (Dz.U. of 2009, No. 2, item 28).

The above-mentioned Regulations specify in particular the scope of rights of shareholders (in relation to the most important right that is exercised by them, i.e. participation in the General Meeting) and the way these rights are exercised, the rules of appointing the Chairman of the General Meeting, the tasks of the Chairman of the General Meeting and his duties, the rules of appointing members of the Returning Committee and its

duties. In practice, the Returning Committee is not appointed according to the decision of the General Meeting, because the voting is carried out via a computer system of casting and counting the votes, and the printed results of voting are signed by the Chairman of the General Meeting pursuant to § 10a of the Regulations of the General Meetings.

Pursuant to § 24 of the Company's Statutes, the resolutions of the General Meeting are required in particular in the case of:

- 1) the approval, upon review, of the Management Board's Report on the Company's Activities and the financial statements for the previous financial year;
- 2) distribution of profit/covering losses;
- 3) acknowledgement of the fulfilment of duties by members of the Management Board and members of the Supervisory Board;
- 4) disposal and lease of the enterprise or its organised part and creating of a limited right in rem over them;
- 5) the issue of convertible bonds or senior bonds;
- 6) review and approval of the financial statements of Stalexport Autostrady Group;
- 7) amendment to the Company's Statutes, including the objects of the Company, share capital increase or decrease and redemption of shares;
- 8) material change of the objects of the Company;
- 9) dissolution and liquidation of the Company;
- 10) Company's merger, demerger and transformation;
- 11) appointing members of the Supervisory Board after their number has been determined for a given term of office and recalling these members of the Supervisory Board;
- 12) determining the remuneration rules for the appointed members of the Supervisory Board.

#### **7.12. The composition and its changes which took place in the last financial year and the description of the activity of the bodies managing, supervising or administering the Company and their committees**

##### **(i) Management Board**

Pursuant to § 10 of the Company's Statutes, the Management Board is composed of 1 to 3 persons. The President of the Management Board is appointed by the Supervisory Board and other members of the Management Board are appointed by the Supervisory Board at the motion of the President of the Management Board. Joint term of office of the Management Board's members lasts three successive years and their mandates expire on the day of holding the GM approving the financial statements for the last full financial year of performing the function of the Management Board's member.

In the reporting period, the composition of the Management Board didn't change and it was as follows:

1. Emil Wąsacz – President of the Management Board,
2. Mariusz Serwa – Vice-president of the Management Board.

##### **(ii) Supervisory Board**

Pursuant to § 14 of the Company's Statutes, the Supervisory Board is composed of 5 to 9 persons appointed for the joint term of office of three years. The General Management appoints and recalls members of Supervisory Board having first determined their number for a given term of office.

In the resolution No. 22, the General Meeting on 30 March 2010 decided that Stalexport Autostrady's Supervisory Board of the 7th term of office (2010-2012) shall be composed of eight members. Then, the General Meeting on 22 December 2010 in the Resolution No. 3 and the Ordinary General Meeting on 4 March 2012 in the Resolution No. 19 decided that the Supervisory Board of the 7th term of office (2010-2012) shall be composed of seven members.

Because of the end of the seventh term of the Supervisory Board, on 3 April 2013, the General Meeting (by passing the Resolution No. 21) decided that the Supervisory Board of the eighth term (2013-2015) shall also be composed of seven members.

In the period from 1 January 2013 to 3 April 2013, the Supervisory Board was composed of the following seven members:

1. Roberto Mengucci – Chairman,
2. Aleksander Galos – Vice-chairman,
3. Michelangelo Damasco – Secretary,
4. Nicolo Caffo,
5. Stefano Cusmai,
6. Costantino Ivoi,
7. Tadeusz Włudyka.

On 3 April 2013, the General Meeting of Stalexport Autostrady appointed the following Supervisory Board for the 8th term of office:

1. Roberto Mengucci,
2. Aleksander Galos
3. Michelangelo Damasco,
4. Nicolo Caffo,
5. Pietro La Barbera,
6. Costantino Ivoi,
7. Tadeusz Włudyka.

The Supervisory Board of the above line-up functioned until the end of the reporting period (and as at the date of this Report).

Aleksander Galos and Tadeusz Włudyka meet the criteria of independent members.

On 5 July 2013, the Supervisory Board had the following composition:

1. Roberto Mengucci – Chairman,
2. Aleksander Galos – Vice-chairman,
3. Michelangelo Damasco – Secretary.

On the same day, acting pursuant to § 25(2) of the Regulations of the Supervisory Board of Stalexport Autostrady and pursuant to Good Practices of the Companies Listed on GPW, including especially good practices for members of Supervisory Boards, the Supervisory Board appointed the Audit Committee and Remuneration Committee out of the Supervisory Board members.

As at the date of this Report, the Supervisory Board's committees had the following composition:

**1) Remuneration Committee:**

- Roberto Mengucci – Chairman,
- Aleksander Galos,
- Costantino Ivoi,
- Tadeusz Włudyka.

**2) Audit Committee:**

- Costantino Ivoi – Chairman,
- Aleksander Galos,

- Michelangelo Damasco.

The Supervisory Board acts pursuant to the law, including the Polish Code of Commercial Partnerships and Companies and the Statutes adopted by GM. Moreover, pursuant to the Company's Statutes, the Supervisory Board adopted its Regulations defining the course of proceedings. These Regulations form **Enclosure No. 4** to this Report and are also available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

The Supervisory Board's committees act pursuant to the Regulations adopted by the Supervisory Board. These Regulations form Enclosures to the Regulations of the Supervisory Board. They are also available on the corporate website of the Company ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

**(iii) Proxies**

Pursuant to Article 371 § 4 of the Polish Code of Commercial Partnerships and Companies, proxies are appointed by the Management Board. In the reporting period there were no proxies in the Company.

## 8. Summary

Summarising the presentation of the Report, we would like to emphasise that Stalexport Autostrady Group, operating in the motorway business, has sound financial basis that guarantees the stability of its business and provides opportunities for future implementation of usually very capital-consuming projects related to the construction and management of motorways.

Vice-president of the Management Board

CFO

.....

/Mariusz Serwa/

President of the Management Board

Director General

.....

/Emil Wąsacz/

Mysłowice, 5 March 2014

## 9. Statements

- 9.1. Statement of the Management Board setting forth that according to their best knowledge, the annual consolidated financial statements of the Company as well as the comparable data have been drawn up in line with the applicable accounting standards and they give a true and fair view of the Group's state of affairs and its financial position, and that the Management Board's Report on the Activities of the Group gives a true presentation of the Group's development, achievements and position, including the description of major risks

### Statement

We hereby state that according to our best knowledge, the annual consolidated financial statements of the Company for 2013 and comparable data have been drawn up in line with the applicable accounting standards and they give a true and fair view of Stalexport Autostrady Group's state of affairs and its financial result.

At the same time we also declare that the annual Management Board's Report on the Activities of Stalexport Autostrady gives a true presentation of the Group's development, achievements and position, including the description of major risks and threats.

Vice-president of the Management Board

CFO

.....

/Mariusz Serwa/

President of the Management Board

Director General

.....

/Emil Wąsacz/

Mysłowice, 5 March 2014

- 9.2. Management Board's statement according to which the entity authorised to audit financial statements, which performed the audit of the annual consolidated financial statement, was selected in accordance with the law and that the entity as well as the chartered auditors performing the task guarantee issuing an objective and independent opinion on the audited annual consolidated financial statements, in line with the applicable Polish law regulations and professional standards.

### Statement

We hereby state that Deloitte with its registered office in Warszawa, authorised to audit the financial statements, auditing the annual consolidated financial statements for 2013, has been appointed in accordance with the provisions of the law, i.e. pursuant to § 18(3)(8) of the Statutes of Stalexport Autostrady.

At the same time, we also declare that the above-mentioned entity and the chartered auditors conducting the audit have met the conditions regarding issuing impartial and independent opinion on the audited annual consolidated financial statements, in line with applicable provisions of the law and professional standards.

Vice-president of the Management Board

CFO

.....

/Mariusz Serwa/

President of the Management Board

Director General

.....

/Emil Wąsacz/

Mysłowice, 5 March 2014

## 10. Enclosures

Enclosure No. 1 Stalexport Autostrady's Statutes

Enclosure No. 2 Regulations of the Management Board of Stalexport Autostrady

Enclosure No. 3 Regulations of the General Meeting of Stalexport Autostrady

Enclosure No. 4 Regulations of the Supervisory Board of Stalexport Autostrady

Enclosure No. 5 Financial highlights of Stalexport Autostrady Group

The Statutes and the above-mentioned Regulations are also available on the corporate website of Stalexport Autostrady ([www.stalexport-autostrady.pl](http://www.stalexport-autostrady.pl)).

**Enclosure no 1**

**Stalexport Autostrady  
Joint Stock Company**

**STATUTES<sup>1</sup>**

**consolidated text determined by the SB's resolution No. 17 dated 5th July, 2013**

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<sup>1</sup> This document is a free translation of the Polish original. The binding Polish original should be referred to in matters of interpretation.

## **I. GENERAL PROVISIONS**

### §1

1. The Company's firm is Stalexport Autostrady Joint Stock Company.
2. The Company may use the abbreviation of the firm: Stalexport Autostrady S.A. and the graphic or verbal-graphic symbol that distinguishes it (logotype).

### §2

The city of Mysłowice is the seat of the Company.

### §3

*(deleted)*

### §4

The Company conducts its activity on the basis of this Statutes, the Code of commercial companies and other regulations in force.

## **II. THE SUBJECT OF THE COMPANY ACTIVITY**

### §5

1. The subject of the Company activity:

- 25.11.Z Manufacture of metal structures and parts of structures
- 26.30.Z Manufacture of Communications equipment
- 32.99.Z Other manufacturing n.e.c.
- 33.11.Z Repair of fabricated metal products
- 33.20.Z Installation of industrial machinery and equipment
- 38.31.Z Dismantling of wrecks
- 41.10.Z Development of building projects
- 41.20.Z Construction of residential and non-residential buildings
- 42.11.Z Construction of roads and motorways
- 42.12.Z Construction of railways and underground railways
- 42.13.Z Construction of bridges and tunnels
- 42.21.Z Construction of transmission pipelines and distribution systems
- 42.22.Z Construction of utility projects for electricity and telecommunications
- 42.91.Z Construction of water projects
- 42.99.Z Construction of other civil engineering projects n.e.c.
- 43.21.Z Electrical installation
- 43.29.Z Other construction installation
- 43.32.Z Joinery installation
- 43.91.Z Roofing activities
- 43.99.Z Other specialised construction activities n.e.c.
- 45.11.Z Sale of cars and light motor vehicles

45.19.Z Sale of other motor vehicles except motorcycles  
 46.13.Z Agents involved in the sale of timber and building materials  
 46.44.Z Wholesale of china and glassware and cleaning materials  
 46.51.Z Wholesale of computers, computer peripheral equipment and software  
 46.69.Z Wholesale of other machinery and equipment  
 46.72.Z Wholesale of metals and metal ores  
 46.73.Z Wholesale of wood, construction materials and sanitary equipment  
 46.74.Z Wholesale of hardware, plumbing and heating equipment and supplies  
 46.75.Z Wholesale of chemical products  
 46.76.Z Wholesale of other intermediate products  
 46.77.Z Wholesale of waste and scrap  
 46.90.Z Non-specialised wholesale trade  
 47.41.Z Sale of computer, peripheral units and software in specialized stores  
 47.42.Z Retail sale of telecommunications equipment in special stores  
 49.41.Z Freight transport by road  
 52.10.A Warehousing and storage of gaseous fuels  
 52.10.B Warehousing and storage of other goods  
 52.21.Z Service activities incidental to land transportation  
 52.24.C Cargo handling at other transshipment points  
 52.29.C Other transportation support activities  
 59.20.Z Sound recording and music publishing activities  
 61.30.Z Telecommunications activities  
 61.90.Z Other telecommunications activities  
 62.01.Z Computer programming activities  
 62.02.Z Computer consultancy activities  
 62.03.Z Computer facilities management activities  
 62.09.Z Other information technology and computer service activities  
 63.11.Z Data processing, hosting and related activities  
 63.12.Z Web portals  
 63.99.Z Other information service activities n.e.c.  
 64.20.Z Activities of holding companies  
 64.30.Z Trusts, funds and similar financial entities  
 64.91.Z Financial leasing  
 64.92.Z Other credit granting  
 64.99.Z Other financial service activities, except insurance and pension funding n.e.c.  
 66.19.Z Other activities auxiliary to financial services, except insurance and pension funding  
 68.10.Z Buying and selling of own real estate  
 68.20.Z Renting and operating of own or leased real estate  
 68.32.Z Management of real estate on a fee or contract basis  
 69.20.Z Accounting, bookkeeping and auditing activities; tax consultancy  
 70.10.Z Activities of head offices and holding companies except financial holdings  
 70.21.Z Public relations and communication activities  
 70.22.Z Business and other management consultancy activities  
 71.11.Z Architectural activities  
 71.12.Z Engineering activities and related technical consultancy  
 71.20.B Other technical testing and analysis  
 73.11.Z Advertising agencies

- 73.12.A Brokerage in the sale of time and space for advertising purposes on the radio and on the television
- 73.12.B Brokerage in the sale of space for advertising purposes in printed media
- 73.12.C Brokerage in the sale of time and space for advertising purposes in electronic media (the Internet)
- 73.12.D Brokerage in the sale of time and space for advertising purposes in other media
- 74.10.Z Specialised design activities
- 74.90.Z Other professional, scientific and technical activities n.e.c.
- 77.12.Z Renting and leasing of other motor vehicles except motorcycles
- 77.32.Z Renting and leasing of construction and civil engineering machinery and equipment
- 77.39.Z Renting and leasing of other machinery, equipment and tangible goods n.e.c.
- 77.40.Z Leasing of intellectual property and similar products, except copyrighted works
- 78.10.Z Activities of employment placement agencies
- 78.20.Z Temporary employment agency activities
- 78.30.Z Other human resources provision
- 81.10.Z Combined facilities support activities
- 82.11.Z Combined office administrative service activities
- 82.19.Z Photocopying, document preparation and other specialised office support activities
- 82.91.Z Activities of collection agencies and credit bureaus
- 82.99.Z Other business support service activities n.e.c.
- 85.60.Z Educational support activities
- 95.11.Z Repair of computer and peripheral equipment
- 95.12.Z Repair of Communications equipment

2. The General Meeting of Shareholders may pass a resolution on a significant change of the subject of the Company's activity also without buying out the shares of these shareholders who do not accept the change provided that such resolution is passed with the majority of two thirds of votes in the presence of the people who represent at least one half of the stock capital.

### **III. STOCK CAPITAL**

#### §6

The stock capital of the Company amounts to PLN 185,446,517.25 (one hundred eighty five million four hundred and forty six thousand five hundred seventeen zloty and twenty five).

#### §7

The stock capital of the Company is divided into 247,262,023 (two hundred forty seven million two hundred sixty two thousand twenty three) of ordinary bearer shares of a nominal value of PLN 0,75 (seventy five) each, including 8,341,030 (eight million three hundred forty one thousand thirty) shares of the A series with numbers from A 000,000,001 to A 008,341,030; 492,796 (four hundred ninety two thousand seven hundred ninety six) shares of the B series with numbers: from B 008,341,031 to B 008,833,826; 4,000,000 (four million) shares of the D series with numbers: from D 008,833,827 to D 012,833,826; 94,928,197 (ninety four million nine hundred twenty eight thousand one hundred ninety seven) shares of the E series with numbers: from E 12,833,827 to E 107,762,023; 50,000,000 (fifty million) shares of the F series with numbers: from F 107,762,024 to F 157,762,023; and 89,500,000

(eighty nine million five hundred thousand) share of the G series with numbers from G 157,762,024 to G 247,262,023.

All shares of the Company are bearer shares.

## §8

1. The Shares may be written off with the consent of a shareholder by means of the acquisition by a Company determined in the Resolution of General Meeting.
2. *(deleted)*
- 2.a *(deleted)*

## **IV. THE COMPANY'S AUTHORITIES**

### §9

The authorities of the Company are:

1. The Management Board of the Company.
2. The Supervisory Board.
3. The General Meeting.

### **A. THE MANAGEMENT BOARD OF THE COMPANY**

#### §10

1. The Management Board consists of 1 to 3 persons.
2. The Supervisory Board appoints the President of the Management Board and the Supervisory Board appoints the other members of the Management Board upon the motion of the President of the Management Board.
3. The joint term of office of the members of the Management Board lasts three consecutive years and their mandates expire on the day of the General Meeting approving the financial report for the last full turnover year of performing the function of the member of the Management Board.
4. *(deleted)*
5. The member of the Management Board can be recalled or suspended in his functions at any time by the Supervisory Board and also by the General Meeting.
6. A person who is a Polish citizen with a place of residence on the territory of the Republic of Poland can be appointed President of the Management Board.

#### §11

1. The Management Board conducts the matters of the Company and the right of the member of the Management Board to represent the Company concerns all judicial and extrajudicial actions of the company.
2. The Management Board makes its decisions in the form of resolutions or without resolutions being passed. The resolution form is required for decisions concerning:
  - 1) purchasing and selling real properties, and a part of them as well, and the perpetual usufruct or a part of it, with the reservation, that if the the value of the transaction exceeds five million PLN the approval of the Supervisory Board is required,

- 2) incurring liabilities, including credits, sureties, etc. the value of which exceeds one million PLN,
  - 3) *(deleted)*,
  - 4) convening general meetings and accepting draft resolutions for these meetings,
  - 5) proposing the Supervisory Board the selection of a chartered auditor,
  - 6) purchasing and selling the company shares or shares of other companies,
  - 7) creating a company branch or representation abroad,
  - 8) lay-offs,
  - 9) adopting an investment plan, selling and leasing the enterprise with a group of tangible and intangible assets, as well as transferring the usufruct rights.
3. The resolutions of the Management Board are passed with an absolute majority of votes and in case of an equal amount of votes, the vote of the President of the Management Board is the casting one.
  4. The Management Board may also adopt resolutions in all matters it deems material and essential, as long as they fall within the objects of the Company as well as its functioning.
  5. The resolutions of the Management Board are recorded and the minutes should include the agenda, the list of the present members of the Management Board, the list of votes cast in regard to the individual resolutions, distinct sentences and signatures of the present members of the Management Board.
  6. The Management Board may pass its own regulations. The Management Board regulations are approved by the Supervisory Board.

## §12

When the Management Board is numerous, the following persons are entitled to submit declarations on behalf of the Company:

- independently - the President of the Management Board,
- jointly - two members of the Management Board,
- or - the member of the Management Board with the proxy.

## §13

The remuneration and other terms of employing the members of the Management Board are determined by the Supervisory Board which concludes suitable contracts with them and also represents the Company in possible disputes with the members of the Management Board.

## **B. THE SUPERVISORY BOARD**

### §14

1. The Supervisory Board consists of 5 to 9 members including the Chairman and its deputy. The General Meeting decides about the number of members of the Supervisory Board for a given term.
2. The term of the Supervisory Board lasts three years. The mandates of the Supervisory Board's members expire on the day of the General Meeting approving the financial statements for the last full year of performing duties as a member of the Supervisory Board.
3. The Supervisory Board's members are appointed for a joint term. The mandate of a member of the Supervisory Board, appointed before the end of the term, expires simultaneously with the mandates of the other members of the Supervisory Board.

4. The General Meeting appoints and recalls the members of the Supervisory Board. The member of the Supervisory Board shall elect, from among its members, the Chairman of the Supervisory Board and at his request - the Deputy Chairman.
5. In the event of death or resignation of a member of the Supervisory Board is entitled to continue its work within a given term, unless the number of remaining members meet the rules provided by law. Passage 6 of §14 shall apply accordingly.
6. The Supervisory Board should comprise also the independent members, i.e. independent of any relations, which could have significant impact on the ability of an independent member to make impartial decisions.
7. Independency discussed in passage 6 should be understood as:
  - a) the lack of relations with the Company, i.e. the member of the Supervisory Board is not related with the Company or its subsidiary or associated companies by employment contract or any other civil law agreements resulting in its dependency,
  - b) lack of relations with shareholders possessing over 5% shares in equity capital, i.e. the member of the Supervisory Board:
    - is not related with the shareholder by the employment contract or by any civil law agreements resulting in its dependency;
    - does not serve on managing and supervising authorities of the entities which are the shareholders of the Company;
    - lack of relations with the members of the Company's Management Board. i.e. a member of the Supervisory Board is not the member of the closest family of any of the members of the Company's Management Board.

#### §15

1. The Supervisory Board on its first meeting elects in a secret voting the Chairman of the Supervisory Board, his deputy and its secretary and on the next meeting, in case there is such a need conducts supplementary elections.
2. The Chairman of the Supervisory Board or his deputy or a person indicated by the Chairman convenes the meetings of the Supervisory Board and presides at them. The Chairman of the Supervisory Board of the former term of office or a member of the Supervisory Board indicated by the Chairman convenes and opens the first meeting of the newly elected Supervisory Board and presides at it until choosing the Chairman of the Supervisory Board. Should the first meeting of the Supervisory Board not be convened as described above within 14 days from the day of the selection, any of the selected members of the Supervisory Board is entitled to convene it.
3. The Supervisory Board may recall the Chairman, his deputy or the Secretary of the Supervisory Board from the performed function in a secret voting.

#### §16

1. The Supervisory Board should convene meetings if necessary, however not less than three times during the turnover year.
2. The Chairman of the Supervisory Board or his deputy has the duty to convene the meeting of the Supervisory Board upon the request of the Management Board or a member of the Supervisory Board containing the proposed agenda within two weeks from the day of receiving the motion.

## §17

1. Taking into consideration the resolutions of section 2, the Supervisory Board passes resolutions with an absolute majority of votes, i.e. the number of votes exceeding half of the cast valid votes when at least half of the Supervisory Board's composition is represented.
2. The Supervisory Board passes its regulations which determine the mode of its proceedings in a detailed way.
3. The members of the Supervisory Board may take part in passing resolutions of the Supervisory Board, casting their vote in writing by hand of another member of the Supervisory Board with the exclusion of matters that are introduced to the agenda on the meeting of the Supervisory Board.
4. The members of the Supervisory Board may participate in passing resolutions casting their vote in a written course or by using means of direct remote communication under the condition of notifying all members of the Supervisory Board about the contents of the resolution draft.

## §18

1. The Supervisory Board permanently supervises the activity of the Company in all domains of its activity.
2. The Supervisory Board has, in particular, the following entitlements:
  - 1) to estimate the reports of the Management Board on the Company's activity and the financial report for the previous turnover year in the range of their conformity with the books and documents, as well as, with the real status,
  - 2) to estimate the motions of the Management Board concerning the profit distribution or loss coverage,
  - 3) to submit to the General Meeting an annual report, in writing, on the results of the estimates mentioned in point 1 and 2.
3. The Supervisory Board is also entitled to:
  - 1) to approve the regulations of the Management Board of the Company,
  - 2) to appoint and recall individual or all members of the Management Board (in a secret voting),
  - 3) to conclude contracts with the members of the management, including the establishment of the remuneration and other terms of performing the function of the member of the Management Board,
  - 4) to determine the remuneration for the member of the Supervisory Board delegated to a permanent individual supervision in case of entrusting this entitlement by the General Meeting,
  - 5) to suspend in functions - out of important reasons - individual or all members of the Management Board (in a secret voting),
  - 6) to delegate the members of the Supervisory Board to temporarily perform the functions of the members of the Management Board who are not able to perform their functions,
  - 7) to grant consent for reducing employment if it has a nature of the so called group dismissal according to the interpretation of proper regulations,
  - 8) to choose, upon the motion of the Management Board, an expert auditor in order to examine financial reports,
  - 9) to give consent to acquire and sell real estates, perpetual usufruct or a share in the real estate of a value exceeding five million PLN,

- 10) to grant the Management Board the consent for acquiring and taking over shares or stocks in other companies the single value of which exceeds one million PLN or 25% in the capital of such company,
- 11) to grant consent for setting up branch offices or representative offices abroad,
- 12) to approve the investment plan for the Company and the Stalexport Autostrady Capital Group,
- 13) to give an opinion on the resolutions presented by the Management Board on General Meetings,
- 14) to give consent to grant guarantees or warranties and also to contract other off- balance sheet liabilities, the single value of which exceeds five million PLN,
- 15) to give consent - on the motion of the Management Board - to issue the bonds other than convertible ones and with the priority rights,
- 16) on the motion of the Management Board - to give a consent to transfer the rights and duties resulting from licences and concessions granted the Company by appropriate bodies of administration,
- 17) on the motion of the Management Board - to give an opinion regarding the sale and leasing of the enterprises as well as tangible and intangible assets and making the right of perpetual usufruct on them,
- 18) on the motion of the Management Board - to give a consent to sell the shares in the subsidiary companies for which Stalexport Autostrady S.A. with the seat in Katowice, is the dominant company.

#### §19

1. The Supervisory Board carries out its duties collectively, it can, however, delegate its members to an independent performance of definite supervisory functions.
2. The members of the Supervisory Board perform their rights and duties personally.

### **C. THE GENERAL MEETING**

#### §20

1. The Ordinary General Meeting takes place in a period of 6 months after the passage of each turnover year.
2. The Extraordinary General Meeting may take place in any term when the organs or persons entitled to convene the general meetings acknowledge it as advisable maintaining the binding procedures.
3. The Management Board convenes the General Meeting.
4. The General Meeting shall be convened by publishing the announcement, at least twenty-six days before the date of the meeting, on the company's website and in the manner provided for publishing the current information, in accordance with the provisions of the Act on Public Offering and the conditions for introducing financial instruments to organized trading system and public companies.
5. The Supervisory Board has the right to convene an Ordinary General Meeting, if the Management Board does not convene it in the term defined in section 1 and Extraordinary General Meeting if convening it considers as necessary.
6. The shareholder or shareholders representing at least 1/20 of the stock capital may request to convene an Extraordinary General Meeting.

## §21

1. The General Meeting may pass resolutions only in matters covered by the agenda, unless the entire stock capital is represented and no one from the present members submits an objection in regard to passing the resolution.
2. Motions of an orderly nature and the motion on convening the Extraordinary General Meeting may be voted and resolutions in this range passed, despite the fact that they have not been placed on the agenda.
3. Taking off of the agenda or abandonment of examining the question put on the agenda, on motion of the shareholders, requires passing a resolution of the general meeting, after approval given beforehand by all present shareholders, who notified such motion, supported by 75% votes of the general meeting.

## §22

The General Meetings are held at the seat of the Company.

## §23

1. The General Meeting of Shareholders is opened by the Chairman of the Supervisory Board or his deputy or another member of the Supervisory Board - and in case when the members of the Supervisory Board are absent - the President of the Management Board or a person indicated in writing by the Management Board and next the chairman is chosen from among the persons entitled to participate in the General Meeting.
2. The General Meeting may pass its own regulations, determining the course of conducting the meetings in a detailed way.

## §24

1. The resolutions of the General Meeting of Shareholders require, in particular:
  - 1) the approval after considering the Management Board's report on the Company's activity and the financial report for the previous turnover year,
  - 2) the profit distribution or loss coverage,
  - 3) granting the members of the Management Board and the members of the Supervisory Board exoneration from duties performed by them,
  - 4) sale and lease of the enterprise or its organised part and setting up a limited property right upon them,
  - 5) the issue of convertible bonds or bonds with the priority right,
  - 6) consideration and approval of the financial statement of the Stalexport Autostrady Capital Group,
  - 7) the amendment of the Company's Statutes, including the subject of the Company's activity, increase or decrease of the stock capital and also the amortisation of shares,
  - 8) an essential change of the subject of the Company's activity,
  - 9) dissolution and liquidation of the Company,
  - 10) merging, dividing and transforming the Company,
  - 11) appointing members of the Supervisory Board after establishing earlier the number of its members for a given term of office and recalling them,

- 12) determining the remuneration principles for the appointed members of the Supervisory Board.

#### §25

An essential change of the subject of the Company's enterprise may take place without the duty to redeem shares with the observance of the adequate provisions of law.

### **V. THE COMPANY'S ECONOMY**

#### §26

The calendar year is the turnover year of the Company.

#### §27

1. The reserve capital is formed in order to cover losses up to the value no smaller than 1/3 of the stock capital;
2. The Company may form other reserve capitals for covering particular losses or expenditures.

#### §28

1. The shareholders have the right to a share in the profit indicated in the financial report unless the General Meeting passes a resolution in this subject;
2. The General Meeting determines the day of the dividend and the date of its payment.

### **VI. FINAL PROVISIONS**

#### §29

1. The Company publishes its announcements in the Judicial and Economic Monitor.
2. Moreover, every announcement of the Company should be posted up at the seat of the Company in places that are accessible to all employees.

**Enclosure no 2**

**REGULATIONS  
OF THE MANAGEMENT BOARD<sup>1</sup>**

**of Stalexport Autostrady  
Joint Stock Company**

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<sup>1</sup> This document is a free translation of the Polish original. The binding Polish original should be referred to in matters of interpretation.

**REGULATIONS<sup>2/3/4</sup>**  
**OF THE MANAGEMENT BOARD**

§1

The Regulations determines the organisation and activities of the Management Board of Stalexport Autostrady S.A.

§2

The Management Board conducts the matters of the Company and represents it, and all the matters which are not restricted for the statutory or legal competence of the Supervisory Board or the General Meeting of Shareholders, are within its competence.

§3

1. In case the Management Board is numerous - the Chairman - individually, two members of the Management Board jointly or a member of the Management Board together with a proxy - are entitled to submit declarations on behalf of the Company.
2. The Management Board may grant proxies.

§4

The Management Board conducts the matters of the Company collectively, and the resolutions of the Management Board form the judicial basis for carrying out the provisions of that acts of the internal law for all organizational units and the employees of the Company.

§5

1. Meetings of the Management Board are held once a month, if there is such a need.
2. Meetings of the Management Board are convened by the Chairman or when he is absent, by the member of the Management Board, appointed by the Chairman - out of his own initiative or on a written motion of each of the members of the Management Board.
3. Meetings of the Management Board are also convened out of the initiative of the Supervisory Board or it Chairman.
4. A meeting convened on motion of the Supervisory Board or a member of the Management Board should be held without delay but not later than within 7 days from the date of submitting the motion.

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<sup>2</sup> These regulations were passed - on the basis of §11 reg.5 of Statutes of STALEXPORT S.A. - by the Management Board of the Company on 13.03.2003 (resolution no. 32/2003) and approved by the Supervisory Board on 26.03.2003 (Resolution no 2/2003).

<sup>3</sup> §10 the Management Board of the Company on 15.04.2004 (resolution no. 26/2004). The change was approved by the Supervisory Board on 26.04.2004 (resolution no. 3/2004).

<sup>4</sup> Section 2 §7 deleted by the Management Board on 02.02.2010 (resolution no 10/2010). The change was approved by the Supervisory Board on 02.03.2010 (resolution no 2/2010).

## §6

1. A notification about convening a meeting of the Management Board should be such forwarded so as each member of the Management Board was informed about it in an adequate time.
2. The agenda should be enclosed to the notification about the meeting of the Management Board.
3. Participation of members of the Management Board in the meetings is obligatory.

## §7

1. The Management Board passes the resolutions in all matters which, according to it are crucial and important in the activity which constitutes the subject of the Company's enterprise and for functioning of the Company.
2. (deleted).
3. In case of justified absence of a member of the Management Board at the meeting, he may, in matters covered by the agenda, submit his standpoint in writing to the Management Board.

## §8

1. In justified cases, a resolution may be passed in a circular course, without holding the meeting of the Management Board.
2. In the remaining matters the current decisions are taken by individual members of the Management Board, according to the competence resulting from the Regulations of the Company's Organisation with maintaining the rule of the appropriate representation in case of need to submit declarations on the behalf of the Company.

## §9

1. To make resolutions of the Management Board valid, it is necessary to notify about the meeting all members of the Management Board.
2. The President of the Management Board or a member of the Management Board appointed by him, presides over the meetings of the Management Board.
3. Resolutions are passed by the absolute majority of votes, if there is an equal number of votes, the vote of the President of the Management Board is decisive.

## §10

1. The members of the Management Board observe the Best Practices accepted by the Company, in particular:

- will inform the Management Board if there is possibility of investing by them or concluding other profitable transaction connected with the subject of the Company activity,
  - will inform immediately the Supervisory Board about each conflict of interests which already occurred or is possible to occur, in connection with the function they perform.
2. In case of an inconsistency between the Company's business with a personal business of a member of the Management Board, his spouse, relatives and kinsmen, the member of the Management Board should restrain himself from taking part in deciding about such matters and he should demand that this be pointed out in the minutes.

#### §11

1. Other persons, invited by the President out of his own initiative or on motion of a member of the Management Board, may take part in the meetings of the Management Board.
2. A member of the Management Board has the right to object to the participation of persons from beyond the Management Board. The matter will be settled by the Management Board by means of adopting an adequate resolution.
3. All participants of the meeting are obliged to keep the meetings secret.

#### §12

Resolutions passed by the Management Board should contain the date and the number according to the order they are passed and a concise definition of their subject. Members of the Management Board, who pass the resolutions, sign them.

#### §13

1. The meetings of the Supervisory Board are entered on the minutes, signed by the members of the Management Board, present at the meeting as well as by the recorder.
2. Persons taking part in the meeting, the agenda, the subject of the passed resolutions, number of votes cast for particular resolutions and individual opinions and, in case a member of the Management Board is absent, the reasons of this absence should be enclosed in minutes.
3. The minutes are kept in the book of minutes of the Management Board meetings.

**Enclosure no 3**

**REGULATIONS OF THE GENERAL MEETING<sup>1</sup>**  
**of Stalexport Autostrady**  
**Joint Stock Company**

Consolidated text<sup>2</sup>

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<sup>1</sup> This document is a free translation of the Polish original. The binding Polish original should be referred to in matters of interpretation.

<sup>2</sup> Determined by the Supervisory Board's resolution no. 25/2010 dated on 15.04.2010.

## **Regulations<sup>3/4/5/6/7</sup> of the General Meeting**

### §1

The General Meeting, is the highest organ of authority of Stalexport Autostrady S.A. Convening and preparing the General Meeting is done according to the rules determined in the Commercial Companies Code and in the Charter of Stalexport Autostrady S.A.

### §2

1. The right to participate in General Meeting have only persons being shareholders 16 days before the date of the General Meeting.
2. The day of registration on the General Meeting is uniform for entitled persons/shareholders having bearer and inscribed shares.
3. The owners of inscribed shares and temporary certificates as well as lienors (pledgers) and the users, who have the right to vote if they are registered in share book on day of the registration on the General Meeting.

### §3

1. A list of shareholders authorized to participate in the General Meeting is made up and signed by the Management Board.
2. The list should include:
  - 1/ names and surnames (firm names) of shareholders or the name of the company authorized to participate,
  - 2/ place of their residence or company's seat,
  - 3/ number and type of shares and the number of votes they are entitled to.
3. The list should be displayed at the office of the Management Board of the Company for three working days immediately preceding the date fixed to hold the General Meeting.
4. Each shareholder may review the list of shareholders at the office of the Management Board and demand the duplicate of the list with the return of the costs of its preparation, or an electronic copy, indicating the email address to which the document is to be sent.

### §4

1. A shareholder has the right to participate in the General Meeting and has the right to vote personally or by a proxy. The power of attorney to participate in General Meeting should be made in the written or electronic form. The electronic form does not require to be signed by safe electronic signature verified by a valid qualified certificate.
2. *(deleted)*.

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<sup>3</sup> Passed by the Extraordinary General Meeting of Shareholders of STALEXPORT S.A. on 27.11.2002 (resolution no 6)

<sup>4</sup> Point 4 in § 23 was added by EGSM on 15.01.2004 (resolution no 9)

<sup>5</sup> Point 2 in § 11 was added by XII OGSM on 24.06.2005 (resolution no 23)

<sup>6</sup> Point 1 in § 6, point 2 in §10 and point 2 in §22 were changed by the EGSM on 20.10.2006 (resolution no 6)

<sup>7</sup> Changes made by the General Meeting of Stalexport Autostrady S.A. dated on 30.03.2010 r. (resolution no. 21). The changes concern: §1, §2, §3 point 4, §4 point 1 i 2 (deleted), §6 point.1, §14 point.1 and §23 point. 4

## §5

The General Meeting is opened by the Chairman of the Supervisory Board or by his deputy, in case that persons are absent – the President of the Management Board or a person pointed by the Management Board, then a chairman is chosen from amongst the persons entitled to participate in the General Meeting.

## §6

1. Each person entitled to participate in General Meeting Has the right to run for the Chairman of the General Meeting as well as to enter to the minutes the candidatures for the post of the Chairman of the General Meeting.
2. The proposed candidate is entered on the list after inserting the statement to the minutes that he agrees to run for the post.
3. The Chairman of the General Meeting is chosen by means of voting for each candidate separately in the alphabetical order in secret vote.
4. The person, who opens the General Meeting supervises the correctness of voting and announces its results.
5. The person from among the proposed candidates who agreed to run for the post and achieved the highest number of validly cast votes becomes the Chairman of the General Meeting.

## §7

1. The Chairman of the General Meeting directs the debate according to the agenda, law regulations and the provisions of these Regulations.
2. The duties of the Chairman of the General Meeting are particularly as follows:
  - 1) taking good care of an efficient and proper course of the agenda and voting,
  - 2) granting the right to speak,
  - 3) supervising the factual course of debates,
  - 4) issuing the adequate order regulations in the conference room,
  - 5) ordaining a break in the debates,
  - 6) ordaining voting and supervising it correct course and signing all documents containing the results of voting,
  - 7) supervising the exhaustion of the agenda,
  - 8) settling doubts resulting from the regulations.

## §8

1. The Chairman of the General Meeting immediately after the election, signs the attendance list containing the record of shareholders participating in the General Meeting specifying the number of shares each of them has and the number of votes they are entitled to.
2. The Management Board appoints persons to make up the attendance list.. The attendance list is made up on the basis of the shareholders list, referred to in § 3 of these regulations.
3. While making up the attendance list one should:
  - 1) check whether the shareholder is entitled to participate in the General Meeting,
  - 2) check the identity of the shareholder or his proxy on the basis of the identity card or another reliable document,
  - 3) check the correctness of the power of attorney which should then be enclosed to the

- 4) minutes of the General Meeting, obtain the signature of the shareholder or his proxy on the attendance list,
  - 5) give the shareholder or his proxy a suitable magnetic card for voting or another document that will be used for voting.
4. The Chairman of the meeting has to be addressed in case the entitlement to participate in the General Meeting is called off. The attendance list is displayed during the debates of the General Meeting all the time till it is closed. Persons who make up the attendance list are obliged to introduce, without delay, changes of the persons constituting the General Meeting and at the same time indicate the moment they occurred.
  5. At the motion of the shareholders, owing 1/10 of the equity represented at that General Meeting, the attendance list should be made up by the committee chosen for that purpose, including at least three persons, and the applicants have right to choose one member of the committee.

### §9

After electing and signing the attendance list, the Chairman of the General Meeting ascertains that the Meeting has been convened in a proper way and confirms its ability to pass resolutions, presents the agenda and ordains the election of the Scrutinizing Committee. When necessary, the Chairman of the General Meeting may appoint a person to perform the function of the Secretary of the Meeting who will help him.

### §10

1. The Scrutinizing Committee consisting of 3 to 5 members is chosen by the General Meeting by means of the absolute majority of votes cast in secret vote.
2. Each shareholder has the right to enter any number of candidates proposal to the minutes. The voting is carried out for each candidate separately in the alphabetical order. The indicated persons should give their consent to run in the elections. Those candidates who consecutively received the highest number of votes are considered chosen.
3. The Committee chooses the Chairman and the Secretary from among themselves.
4. The duty of the Committee is to supervise the correct course of voting and the computer service of voting, checking and estimating the results of voting and submitting them to the Chairman of the General Meeting and performing other duties connected with the voting procedure.
5. In case of noting an irregularity in the course of voting, the Committee is obliged to immediately inform the Chairman of the General Meeting and at the same time file motions as to the further procedure.
6. Documents containing the results of each voting are signed by all members of the Committee and the Chairman of the General Meeting.
7. The General Meeting may appoint other committees to perform indicated or commissioned functions in the same course as electing the Scrutinizing Committee.
8. Minutes are taken from the functions of the Committee. After being signed by the Chairman and the Secretary they are submitted to the Chairman of the General Meeting.

## §10a

In case the voting is carried out via the computer system of casting and counting the votes, the General Meeting may pass a resolution on not appointing the Scrutinizing Committee. In such case the print of the voting is signed by the Chairman of the General Meeting

## §11

1. The General Meeting may pass a resolution to cross out matters from the agenda, as well as to change the order of matters covered by the agenda.
2. Resolutions cannot be passed in subjects not covered by the agenda, unless the whole share capital is represented at the General Meeting and nobody from the present opposes passing the resolution.
3. Taking off of the agenda or abandonment of examining the question put on the agenda, on motion of the shareholders, requires passing a resolution of the general meeting, after approval given beforehand by all present shareholders, who notified such motion, supported by at least 75% votes of the general meeting.

## §12

1. After presenting each consecutive matter included on the agenda, the Chairman of the General Meeting opens the debate, granting the right to speak according to the order of submitted applications.
2. The Chairman of the General Meeting may grant the right to speak to all members of the Management Board and the Supervisory Board beyond the order.
3. The Chairman of the General Meeting may ordain to register applications for the discussion in writing, indicating the name and the surname.
4. In case there are too many applications for discussion over a definite point of the agenda, the Chairman of the General Meeting may submit a motion for voting whether to close the discussion over this point of debate or shorten the time of their speeches.

## §13

1. One has the right to speak only in matters covered by the approved agenda and being currently considered
2. While considering each point of agenda, each shareholder has the right to a one 5-minute speech and a 3-minute-retort.
3. The Chairman of the General Meeting has the right to rebuke the speaker, who strays from the point of discussion or exceeds the time limit determined in point 2. The Chairman may deprive of speech those speakers who do not comply with the remarks.

## §14

1. Each of the shareholders entitled to participate in General Meeting Has the right to ask questions on each item of the Agenda.
2. Members of the Company's authorities - each within his competences - are obliged to give profound answers and explanations to all questions asked.

## §15

1. Each shareholder has the right to submit suggestions of changes and supplements to projects of resolutions covered by the agenda of the debates of the General Meeting - till the discussion over a point of agenda covering the project of the resolution is closed.
2. These suggestions with a short justification should be submitted in writing - separately for each project of the resolution - indicating the name and surname (firm) of the shareholder, to the Chairman of the General Meeting personally. The suggestions of the amendments and supplements of the formal and language character may be submitted verbally with a short justification.

## §16

The Chairman of the General Meeting has the right to allow experts to speak, in particular the representatives of the expert auditor.

## §17

1. In formal matters the Chairman allows to speak beyond the order. A motion in a formal matter may be submitted by each shareholder.
2. The motions referring to the course of debating and voting are regarded to be motions in formal matters and in particular referring to:
  - 1) limitation, postponement or closing the discussion
  - 2) closing the list of speakers,
  - 3) limitation of the time of speeches,
  - 4) the way of conducting debates,
  - 5) ordaining a break in debates,
  - 6) the order of passing motions.
3. A discussion over formal motions should be opened immediately after they are submitted.
4. In a discussion over motions in formal matters only two speakers can rise to speak one for and one against the submitted motion, unless the General Meeting decides otherwise.
5. Immediately after the discussion, the Chairman of the General Meeting submits a motion in a formal matter for voting which is passed by the absolute majority of cast votes.

## §18

1. The General Meeting is valid no matter how many shares are represented at this Meeting except cases determined in the Commercial companies code.
2. The absolute majority of votes is necessary for the validity of the resolutions, except the cases determined in Commercial companies code and the Company's Charter.

## §19

A shareholder can vote neither personally nor by a proxy or as well as a proxy of another person over the resolutions concerning:

- his responsibility before the Company whatever the claim is, including granting the discharge,
- discharging from the liabilities towards the Company.
- disputes between him and the Company.

## §20

1. The votings have the form of open ballots.
2. A secret vote is ordained at elections and over motions to call off the members of the Company' s authorities or liquidators, to call the members of the Company' s authorities account, also in personal matters, as well as at the demand of even one of the present shareholders or represented at the General Meeting.

## §21

1. After closing the discussion over each point of the agenda, before starting to vote, the Chairman announces which motions were submitted and determines the order of voting. Voting over motions is carried out according to the order they are submitted.
2. The voting is carried out via a computer system of casting and counting voices, ensuring that casting votes at the amount corresponds to the number of owned shares as well as eliminating - in case of secret vote -the possibility of identifying the way of casting votes by individual shareholders, or in another way accepted by the organ convening the General Meeting or passed by the General Meeting.

## §22

1. Before starting the election to the Supervisory Board, the General Meeting on motion of the Chairman of the General Meeting determines the number of members of the Supervisory Board each time according to the Statutes of the Company.
2. Each shareholder has the right to propose any number of candidates for a member of the Supervisory Board. Each candidate is proposed orally to the minutes with a brief motivation.
3. The proposed candidate is registered on the list after he enters to the minutes a declaration orally or in writing, that he agrees to candidate.
4. The Chairman of the General Meeting makes the list of proposed candidates for members of the Supervisory Board in an alphabetical order. When the list is made public it is regarded as closed.

## §23

1. Elections to the Supervisory Board are carried out by secret vote for each candidate separately in an alphabetical order.
2. Those candidates are regarded to be chosen for members of the Supervisory Board who consecutively achieved the highest amount of votes and achieved the absolute majority of votes.
3. In case the candidates qualified to enter the Supervisory Board achieved an equal number of votes, the Chairman ordains complementary voting. This person is regarded to be chosen who achieved the highest amount of votes.
4. In case of choosing the members of the Supervisory Board – on the shareholders` motion - by voting by groups, it takes place on the basis of a separate attendance list, In a separate place, enabling the choice of the chairman of the meeting of a given group, as well as having a discussion and carrying out the election.

§24

When the course of the agenda is completed, the Chairman of the General Meeting announces the closure of the General Meeting.

§25

1. Resolutions of the General Meeting are entered on the minutes by a notary public under pain of being invalid.
2. The minutes are taken according to the contents of adequate regulations of the Commercial companies code.
3. The Management Board of the Company enters the duplicate of the minutes into the Minute-Book.
4. Shareholders have the right to review the Minute-Book, as well as to demand an issue of copies of resolutions certified by the Management Board.
5. Detailed minutes from the agenda are taken by the Secretary of the General Meeting provided he will be appointed by the Chairman of the General Meeting.

§26

Resolutions of the General Meeting may be appealed to the Court in the course and on conditions determined in art. 422 and subsequent ones of the Commercial companies code.

§27

Regulations of the Commercial companies code and the Statutes of the Company are applied in cases not settled by these Regulations.

§28

The Regulations as well as the amendments take effect beginning from the next General Meeting after the meeting at which the Regulations was passed or its amendments.

**Enclosure no 4**

**REGULATIONS OF THE SUPERVISORY BOARD<sup>1</sup>**

**of Stalexport Autostrady  
Joint Stock Company**

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<sup>1</sup> This document is a free translation of the Polish original. The binding Polish original should be referred to in matters of interpretation.

## **Regulations of the Supervisory Board**<sup>2/3/4/5/6/7/8/9</sup>

### **I. GENERAL PROVISIONS**

#### §1

The Supervisory Board acts on the basis determines, on the basis of the Company's Statutes, the resolutions of the General Meeting of Shareholders as well as on the law regulations in force, especially the Commercial Companies Code.

#### §2

The Supervisory Board permanently supervises the activity of the Company in all branches of its enterprise, and the detailed competences are determined in § 18 of the Company's Statutes.

#### §3

The Supervisory Board performs its tasks and duties at the meetings as well as, as determined in § 17 section 3 and 4 of the Company's Statutes, also by supervising and monitoring the Company's activities in its all domains.

### **II. COMPOSITION AND ELECTION OF THE SUPERVISORY BOARD**

#### §4

The Supervisory Board is composed of 5-9 members chosen in the way determined in the Company's Statutes, and performs its rights and duties personally.

#### §5

1. The joint term of the Supervisory Board lasts 3 years, simultaneously both the whole Board and each of its members may be dismissed by the General Meeting at any time.
2. The mandates of the members of the Supervisory Board expire:

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<sup>2</sup> Passed by the Supervisory Board on 07.08.2002 (resolution no 14/2002)

<sup>3</sup> Amended by the Supervisory Board on 07.06.2004 (resolution no 9/2004, amendments concern par. 5 passage 2 point 2b and par. 9 passage 1)

<sup>4</sup> Amended by the Supervisory Board on 06.07.2005 (resolution no 10/2005), amendments concern par 21 (reading of the first line was changed as well as point 12) and par. 25 ( point 2 was added)

<sup>5</sup> Amended by the Supervisory Board on 02.03.2007 (resolution no 9/2007) the change concerns § 25 point 2 (second sentence was added in point 2 – introducing the Regulations of Remuneration and Audit Committees).

<sup>6</sup> Amended by the Supervisory Board on 30.07.2009 (resolution no 16/2009) the change concerns § 25 point 2 (new wording and approval of the new Regulations of the Audit Committee of Supervisory Board of Stalexport Autostrady S.A.)

<sup>7</sup> Amended by the Supervisory Board on 02.03.2010 (resolution no 3/2010) the change concerns §3, §4, §8 point 1, §12 point 3 and §28.

<sup>8</sup> Amended by the Supervisory Board – resolution no 16/2011. The amendment refers to §13 and art.1 of the Regulations of the Audit Committee, which the enclosure no 2 to the Regulations of the Supervisory Board.

<sup>9</sup> Amended by the Supervisory Board – resolution no 11/2012. The amendment refers to §19 (§20 and §21 deleted).

- a) with the lapse of the term i.e. with a date of the General Meeting confirming the financial statement of the Company for the last turnover year of performing their duties,
- b) in case of resigning from the function,
- c) in case of dismissal by the General Meeting with a passing of the appropriate resolution,
- d) in case of death of the Board member.

#### §6

If the composition of the Supervisory Board is diminished during the term, the Chairman of the Board submits a motion to supplement the composition at the nearest General Meeting.

#### §7

On the first meeting of a new term of office, the Supervisory Board chooses from themselves, in secret voting, the Chairman, the Vice Chairman and the Secretary; on the subsequent meeting, in case of need, the complementary elections are held.

### **III. CONVENING THE MEETINGS AND CONDUCTING THE AGENDA**

#### §8

1. The Supervisory Board's meetings are held if necessary, but not less frequently than three times a turnover year.
2. It is the duty of the Chairman of the Supervisory Board or his deputy to convene the meeting of the Supervisory Board at the demand of the Management Board or the member of the Supervisory Board, including the proposed agenda within two weeks after submitting the motion.

#### §9

1. The notification of the Supervisory Board meeting together with the agenda should be sent at least 7 days before the planned date of the meeting, by means of registered mail or fax or by e-mail. The notification is effective if it is confirmed.  
In justified cases the Chairman of the Supervisory Board may shorten the above date.
2. The member of the Supervisory Board, not able to participate in the meeting, notifies the Chairman of the Supervisory Board by means of mail, phone, fax or e-mail of the cause of his absence, sent to the address of the Company's Office in Warsaw.
3. The Management Board is responsible for the distribution of the materials and their protection.

#### §10

1. The agenda of the meeting is determined by the person who convenes it, or by his authorisation, by the Board Secretary, including the motions to convene the meeting submitted according to § 8.2. of the Regulations.
2. The resolutions may be passed only in matters covered by the agenda, unless all members of the Board are present at the meeting and agree to supplement the agenda and to vote on the matter not included earlier in agenda.

## §11

1. The Chairman of the Supervisory Board directs the works of the Board, convenes the Board's meetings and presides over the convention. In case the Chairman is absent his duty is performed by his deputy.
2. The Chairman of the Supervisory Board of the previous term of office convenes and opens the first meeting of a newly chosen Board and he presides over it until the Chairman of the Supervisory Board of a new term office is chosen.

## §12

1. The Supervisory Board passes the resolutions by the absolute majority, i.e. the number of votes which exceeds half of the validly cast votes of at least half present composition of the Supervisory Board which was properly notified.
2. The members of the Supervisory Board may participate in passing resolutions by the Board, casting their votes in writing or through the other member of the Supervisory Board excluding the matters put on agenda at the meeting of the Board.
3. The voting is open. The secret voting is applied during elections and on motions to dismiss a member of the Management Board or the whole Management Board, to prosecute them, as well as in personal matter. Besides, the Board may resolve a secret voting in every matter by absolute majority of votes of the members present at the meeting.

## §13

The members of the Supervisory Board may participate in passing resolutions by the Board, casting their votes in writing or by means of direct distant communication provided that all members of the Board are notified of a resolution draft (circular course).

## §14

1. On the meetings despite resolutions the Supervisory Board also passes provisions such as: the opinions and motions for the General Meeting as well as the recommendations after the supervision actions for the Management Board.
2. While passing provisions the same rules are applied as while passing resolutions.

## §15

The meetings of the Supervisory Board are entered on the minutes. The minutes should record the date and the agenda of the meeting, names and surnames of the Board members present at the meeting as well as the persons invited; the statement that the Board has capacity to pass resolutions and that all members has been notified of the meeting; the numbers of votes cast during voting on individual provisions together with their tenors and dissenting judgement.

## §16

The minutes from the meeting are signed by all members of the Supervisory Board present at the meeting. Signing may take place at the subsequent meeting of the Board. The refusal to sign should be justified in writing.

## §17

1. The Supervisory Board is obliged to keep the minute-book.
2. The Supervisory Board keeps the separate resolutions-book which includes only the resolutions passed by the Board. The resolutions are signed by the Chairman of the Board or by his Deputy and the Secretary ( if need be - the member of the Board drawing up the minutes).
3. The Secretary of the Supervisory Board is responsible for drawing up the minutes, keeping the minutes-book and the resolutions book.

## §18

1. The President of the Management Board of the Company is invited to the Supervisory Board meetings and may participate in them.
2. The Chairman of the Supervisory Board may also invite other persons to the meeting of the Supervisory Board.
3. The Chairman of the Management Board may submit a motion to invite other members of the Management Board, proxies or attorneys at the individual points of the agenda. The decision in this matter is made by the Chairman of the Board or his deputy.

**IV. TASKS AND THE RANGE OF THE SUPERVISORY BOARD ACTIVITY**

## §19

1. The Supervisory Board permanently supervises the activity of the Company in all domains of its activity.
2. The Supervisory Board has, in particular, the following entitlements:
  - 1) to estimate the reports of the Management Board on the Company's activity and the financial report for the previous turnover year in the range of their conformity with the books and documents, as well as, with the real status,
  - 2) to estimate the motions of the Management Board concerning the profit distribution or loss coverage,
  - 3) to submit to the General Meeting an annual report, in writing, on the results of the estimates mentioned in point 1 and 2.
3. The Supervisory Board is also entitled to:
  - 1) to approve the regulations of the Management Board of the Company,
  - 2) to appoint and recall individual or all members of the Management Board (in a secret voting),
  - 3) to conclude contracts with the members of the management, including the establishment of the remuneration and other terms of performing the function of the member of the Management Board,
  - 4) to determine the remuneration for the member of the Supervisory Board delegated to a permanent individual supervision in case of entrusting this entitlement by the General Meeting,
  - 5) to suspend in functions - out of important reasons - individual or all members of the Management Board (in a secret voting),
  - 6) to delegate the members of the Supervisory Board to temporarily perform the functions of the members of the Management Board who are not able to perform their functions,

- 7) to grant consent for reducing employment if it has a nature of the so called group dismissal according to the interpretation of proper regulations,
- 8) to choose, upon the motion of the Management Board, an expert auditor in order to examine financial reports,
- 9) to give consent to acquire and sell real estates, perpetual usufruct or a share in the real estate of a value exceeding five million PLN,
- 10) to grant the Management Board the consent for acquiring and taking over shares or stocks in other companies the single value of which exceeds one million PLN or 25% in the capital of such company,
- 11) to grant consent for setting up branch offices or representative offices abroad,
- 12) to approve the investment plan for the Company and the Stalexport Autostrady Capital Group,
- 13) to give an opinion on the resolutions presented by the Management Board on General Meetings,
- 14) to give consent to grant guarantees or warranties and also to contract other off- balance sheet liabilities, the single value of which exceeds five million PLN,
- 15) to give consent - on the motion of the Management Board - to issue the bonds other than convertible ones and with the priority rights,
- 16) on the motion of the Management Board - to give a consent to transfer the rights and duties resulting from licences and concessions granted the Company by appropriate bodies of administration,
- 17) on the motion of the Management Board - to give an opinion regarding the sale and leasing of the enterprises as well as tangible and intangible assets and making the right of perpetual usufruct on them,
- 18) on the motion of the Management Board - to give a consent to sell the shares in the subsidiary companies for which Stalexport Autostrady S.A. with the seat in Katowice, is the dominant company.

#### §20

The Supervisory Board is entitled – through the Management Board which is obliged to conclude suitable agreements - to demand to perform for its needs, at the Company's expense, the expert's reports, analysis and other documents necessary to perform its statutory purposes.

#### §21

The members of the Supervisory Board has right to participate in the Management Board meetings.

#### §22

The Chairman of the Board is entitled - performing the resolutions of the Board – to demand that the meeting of the Management Board of the Company should be convened and particular problems be put on the agenda.

#### §23

1. The Supervisory Board or delegated, individual members of the Board have the right to supervise the full range of the Company's activity, and in particular:
  - a) to exam all documents of the Company,

- b) to demand the reports and explanations from the Management Board and the employees,
  - c) to verify the assets of the Company.
2. The Supervisory Board appoints, out of its members, the Management Board's Remuneration Committee and the Audit Committee, determining the tasks, rights and the modus operandi in their Regulations. The committees report to the Board on their annual activity, and their regulations are the enclosures to the Regulations of the Supervisory Board.

#### §24

The information undertaken by the members of the Supervisory Board in connection with the performance of their duties, is an official secret.

#### §25

1. The Supervisory Board may delegate its members to perform individual particular supervision.
2. The members of the Board delegated to perform supervision mentioned above, receive separate remuneration in the amount determined every time by the General Meeting, at the motion of the Board.

#### §26

The Supervisory Board is entitled to convene the Extraordinary General Meeting if the Management Board does not do so within the time period defined in the Statutes as well as the Extraordinary General Meeting insofar as it is deemed necessary

#### §27

The members of the Supervisory Board receive the remuneration in the amount and on principles resolved by the General Meeting.

#### §28

1. The costs of the Supervisory Board activity are covered by the Company.
2. The Supervisory Board uses the office rooms, devices and materials of the Company.
3. The administrative and technical service is provided by the Company.

#### §29

The regulations become effective from the date they are passed.

The Secretary  
of the Supervisory Board  
/-/ Michelangelo Damasco

The Chairman  
of the Supervisory Board  
/-/ Roberto Mengucci

## **Regulations<sup>8</sup> of the Remuneration Committee of the Supervisory Board of Stalexport Autostrady S.A.**

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### **1. General provisions**

The Remuneration Committee (hereafter called Committee) is an advisory body, subject to the Supervisory Board.

### **2. Composition of the Committee**

- 1) the Committee is appointed by the Supervisory Board and composed of the Supervisory Board members,
- 2) the Supervisory Board appoints the Chairman of the Committee (hereafter called „the Chairman”),
- 3) the Chairman directs the work of the Committee.

### **3. Rules of activity**

- 1) the meetings of the Remuneration Committee are held at its discretion,
- 2) the Chairman of the Committee may invite to the meetings of the Committee the members of the Supervisory Board or of the Management Board, the employees of the Company or other persons,
- 3) the Committee takes decisions by the simple majority. In case of equal number of votes, the conclusive vote belongs to the Chairman,
- 4) the members of the Committee may participate in the meetings of the Committee and vote personally, or by means of direct distant communication,
- 5) the meetings of the Remuneration Committee are convened by the Chairman. The information on the meeting must be delivered to the members of the Committee, at least 5 days before the meeting, and if there is a need, not later than one day before the meeting,
- 6) the Chairman may appoint the secretary of the Committee, the task of which will be, in particular, preparing the agenda, arranging the distributions of the documents and drawing up the minutes of the meetings of the Committee.

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<sup>8</sup> *Approved by the resolution no 9/2007 dated 02.03.2007 in regard to the changes in the Regulations of the Supervisory Board of STALEXPORT S.A.*

#### **4. The tasks of the Committee**

The task of the Committee is present to the Supervisory Board the recommendation of the principles and the remuneration amount of the Management Board members.

The detailed tasks of the Committee cover:

- 1) determining the terms of employment and remuneration of the members of the Management Board,
- 2) annual presenting to the Supervisory Board of the proposals of bonus tasks for the members of the Management Board as well as the criteria of assessment of their execution,
- 3) presenting to the Supervisory Board the recommendations concerning the amount of the bonus for the members of the Management Board,
- 4) drawing up an annual report on the activity of the Committee for the Supervisory Board.

#### **5. Powers of the Committee**

The Committee is entitled to:

- 1) examining any activity of the Company, essential from the viewpoint of the tasks of the Committee,
- 1) obtaining from the Management Board any information, experts' reports, reports and explanations, essential for the activity of the Committee.

**Regulations<sup>9/10</sup>  
of the Audit Committee of the Supervisory Board  
Stalexport Autostrady S.A.**

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§1

The Audit Committee consists of three members of the Supervisory Board – *appointed by the Supervisory Board* -. The Chairman is in charge of the Committee.

§2

The tasks of the Audit Committee, include in particular:

- 1) monitoring of financial reporting process of the Company,
- 2) monitoring of effectiveness of the internal control systems, the internal audit and risk management in the Company,
- 3) monitoring of financial audit,
- 4) monitoring of independence of auditor and entity authorized to audit financial statements, including other services provided for the Company,
- 5) recommending to the Supervisory Board the entity authorized to audit financial statements which will perform financial audit in the Company,
- 6) reviewing and analyzing the periodic and annual financial statements of the Company, both individual and consolidated ones, and next presenting the essential conclusions to Supervisory Board of the Company,
- 7) drawing up the annual report on the activity of the Committee for Supervisory Board.

§3

The Audit Committee is authorized in particular:

- 1) to examine the documentation of the Company regarding the matters and issues covered by the Committee's tasks, also to receive from the Management Board and through it, from the other employees of the Company any information and explanations concerning the issues covered by the Committee competence,

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<sup>9</sup> *Approved by the resolution no 16/2009 dated 30.07.2009 regarding the changes in the Regulations of the Supervisory Board and approving the Regulations of the Audit Committee.*

<sup>10</sup> *Amended by the Supervisory Board - resolution no 16/2011. The amendment refers to art.1 of the Regulations of the Audit Committee.*

- 2) to cooperate with auditors in the issues covered by the tasks of the Committee, including the following:
  - to receive from entity authorized to audit the financial statements of the Company (performing a financial statement audit in the Company), a declaration confirming its independence and also the independence of auditors,
  - to receive from the above entity a declaration of other services provided for the Company, such as tax consultancy, preparing the expert opinions or other services,
  - to receive from the aforementioned entity an information in writing on threats of independence of the entity authorized to audit financial statements and the action taken to limit such threats.

#### § 4

1. The Audit Committee holds regular meetings at least once a quarter prior to publication of financial statements by the Company.
2. The meetings of the Committee are convened by its Chairman, who duly informs the other members of the Committee about it, no later than five days before the date of the meeting, and exceptionally in urgent cases, one day before the meeting's date.
3. The Audit Committee takes the decisions by simple majority of votes with a reservation, that in case of casting the equal number of votes in favour and against, the Chairman has the final vote.
4. The Audit Committee performs its tasks at the meetings, however in justified cases it is acceptable to make a decision by means of direct distant communication such as phone, e-mail, etc.
5. The Chairman of the Audit Committee can designate other member of the Committee to take the responsibility for its organizational issues and to draw up the minutes of its meetings.

## Enclosure 5 - Financial highlights of Stalexport Autostrady Group

**Table 1 Financial data concerning the consolidated financial statements of Stalexport Autostrady Group for the year ended 31 December 2013**

		TPLN		TEUR
	2013	2012	2013	2012
Revenue	206 499	185 507	49 038	44 448
Results from operating activities	115 202	66 059	27 357	15 828
Profit before income tax	79 443	18 144	18 866	4 347
Profit for the period	62 435	12 879	14 827	3 086
Profit for the period attributable to owners of the Company	58 572	8 602	13 909	2 061
Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
Earnings attrib. to owners of the Company per 1 ordinary share (in PLN/EUR)	0,24	0,03	0,06	0,01
Diluted earnings attrib. to owners of the Company per 1 ordinary share (in PLN/EUR)	0,24	0,03	0,06	0,01
Net cash from operating activities	134 121	113 480	31 850	27 190
Net cash used in investing activities	(54 518)	(61 018)	(12 947)	(14 620)
Net cash from used in financing activities	(51 570)	(52 649)	(12 246)	(12 615)
	<b>31.12.2013</b>	<b>31.12.2012</b>	<b>31.12.2013</b>	<b>31.12.2012</b>
Total assets	1 247 345	1 295 696	300 768	316 936
Total non-current assets	1 063 618	1 116 603	256 467	273 128
Total current assets	183 727	179 093	44 301	43 807
Total liabilities	998 835	1 109 205	240 846	271 319
Total non-current liabilities	870 763	962 722	209 964	235 488
Total current liabilities	128 072	146 483	30 882	35 831
Total equity	248 510	186 491	59 922	45 617
Total equity attributable to owners of the Company	244 791	182 502	59 026	44 641
Non-controlling interest	3 719	3 989	897	976
Share capital	185 447	185 447	44 716	45 362

Source: own materials

*Selected financial data has been translated to Euro according to following rules:*

- items of the consolidated statement of comprehensive income and the consolidated statement of cash flows for the year 2013 and 2012 according to exchange rate, calculated as an average of average NBP exchange rates at the last day of every month comprising the accounting period, i.e. 4.2110 PLN/EUR and 4.1736 PLN/EUR respectively;*
- items of the consolidated statement of financial position according to average NBP exchange rate at the reporting date i.e. 4.1472 PLN/EUR at 31 December 2013 and 4.0882 PLN/EUR at 31 December 2012.*