



CONDENSED INTERIM CONSOLIDATED

QUARTERLY REPORT

of the Boryszew Capital Group

for the 3Q 2011

9th November 2011

SELECTED FINANCIAL DATA	in PLN'000		In EUR'000	
	01.01.2011 30.09.2011	01.01.2010 30.09.2010	01.01.2011 30.09.2011	01.01.2010 30.09.2010
Data for the interim condensed CONSOLIDATED financial statements				
Sales revenue	3 140 676	2 229 657	777 145	557 038
Operating profit (loss)	201 693	138 368	49 908	34 569
Net profit (loss) from operating activities	181 752	110 194	44 974	27 530
Gros profit (loss) before taxation	150 542	88 893	37 251	22 208
Net profit (loss)	156 520	96 995	38 730	24 232
Net profit (loss) from continued operations	-5 978	-8 102	-1 479	-2 024
Net profit (loss) from discontinued operations	147 938	87 506	36 607	21 862
Total income	-21 765	13 626	-5 386	3 404
Net cash flows from operating activities	-43 740	42 330	-10 823	10 575
Net cash flows from investing activities	46 983	-52 318	11 626	-13 071
Net cash flows from financing activities	-18 522	3 638	-4 583	909
Total net cash flows	1 894 468 038	366 475 198	1 894 468 038	366 475 198
Weighted average number of shares	3 140 676	2 229 657	777 145	557 038
Diluted earnings (loss) per ordinary share (in PLN/EUR)	0.06	0.16	0.01	0.04
state at:	30.09.2011	31.12.2010	30.09.2011	31.12.2010
Assets	2 853 096	2 340 460	646 785	590 980
Non-current liabilities	295 216	242 150	66 924	61 144
Current liabilities	1 202 761	967 318	272 661	244 254
Equity	1 355 119	1 130 992	307 200	285 582
Equity attributable to equity holders of the parent	833 501	615 022	188 951	155 297
Share capital	234 807	121 972	53 230	30 799
Number of shares	2 256 715 692	376 119 282	2 256 715 692	376 119 282
Book value per share of the parent (in PLN/EUR)	0.37	1.64	0.08	0.41

CONSOLIDATED INCOME STATEMENT

	From 01.01.2011 to 30.09.2011	From 01.07.2011 to 30.09.2011	From 01.01.2010 to 30.09.2010	From 01.07.2010 to 30.09.2010
Continuing operations				
Revenue from sales of products	2 663 677	919 498	1 824 018	706 307
Revenue from sales of goods and materials	471 591	156 331	397 501	124 675
Total revenue from sales	3 135 268	1 075 829	2 221 519	830 982
Cost of products sold	2 369 977	824 505	1 652 418	627 398
Value of goods and materials sold	441 844	143 014	340 349	109 412
Cost of products, goods and materials sold	2 811 821	967 519	1 992 767	736 810
Gross profit (loss) on sales	323 447	108 310	228 752	94 172
Selling expenses	49 886	19 161	38 209	15 674
General and administrative costs	144 701	50 655	96 558	32 813
Other operating revenue	98 196	36 548	71 103	27 150
Other operating expenses	24 469	11 517	25 011	5 859
Net profit (loss) from disposal of shares in subordinated entities	-	-	1 305	-1 208
Operating profit (loss)	202 587	63 525	141 382	65 768
Financial revenue	32 926	14 643	15 533	2 423
Financial expenses	47 460	20 530	38 373	10 765
Financial operations result	-14 534	-5 887	-22 840	-8 342
Profit (loss) before tax	188 053	57 638	118 542	57 426
Income tax	31 533	7 722	21 547	12 654
Net profit (loss) from continuing operations	156 520	49 916	96 995	44 772
Gros profit (loss) from discontinued operations	-6 301	-327	-8 348	-829
Income tax	-323	-12	-246	-449
Net profit (loss) from discontinued operations	-5 978	-315	-8 102	-380
Net profit (loss) attributable to:	150 542	49 601	88 893	44 392
Equity holders of the parent	108 723	38 671	61 019	31 550
Minority shareholders	41 819	10 930	27 874	12 842

	From 01.01.2011 to 30.09.2011	From 01.07.2011 to 30.09.2011	From 01.01.2010 to 30.09.2010	From 01.07.2010 to 30.09.2010
Continuing operations				
Net profit (loss)	150 542	49 601	88 893	44 392
Other income in capitals				
Exchange differences on translation of foreign operations	10 949	11 413	1 039	-2 644
Financial assets available to sell	-201	-154	138	210
Hedging accounting	-14 826	-9 390	-3 133	2 663
Payment to shareholders due to change from Preferred shares to ordinary shares	-674	-	-	-
Costs of shares issue	-707	-	-	-
Income tax from elements of remaining income, total (+/-)	2 855	1 813	569	-546
Remaining income after taxation	-2 604	3 682	-1 387	-317
equity holders of the parent	1 711	5 947	-574	-22
minority shareholders	-4 315	-2 265	-813	-295
Total income, attributable to:	147 938	53 283	87 506	44 075
<i>Equity holders of the parent</i>	<i>110 434</i>	<i>44 618</i>	<i>60 445</i>	<i>31 528</i>
<i>Minority shareholders</i>	<i>37 504</i>	<i>8 665</i>	<i>27 061</i>	<i>12 547</i>
Method of fixing profit for share				
Net profit/loss attributable to equity holders of the parent	108 723	38 671	61 019	31 550
Total income to equity holders of the parent	110 434	44 618	60 445	31 528
Number of shares entitled to dividend	2 256 715 692	2 256 715 692	376 119 282	376 119 282
Profit per one share (PLN)	0.05	0.02	0.16	0.08
Weighted average number of shares	1 894 468 038	2 256 715 692	366 475 198	376 119 282
Diluted profit/loss per one share (PLN)	0.06	0.02	0.17	0. 08
Total income per one share	0.05	0.02	0.16	0.08

	From 01.01.2011 to 30.09.2011	From 01.07.2011 to 30.09.2011	From 01.01.2010 to 30.09.2010	From 01.07.2010 to 30.09.2010
Discontinued operations				
Revenue from sales of products	4 067	1 302	7 235	1 285
Revenue from sales of goods and materials	1 341	502	903	143
Total revenue from sales	5 408	1 804	8 138	1 428
Cost of sold products	3 318	1 111	6 395	1 173
Value of goods and materials sold	685	273	755	111
Cost of products, goods and materials sold	4 003	1 384	7 150	1 284
Gross profit (loss) on sales	1 405	420	988	144
Selling expenses	-	-	492	-
General and administrative costs	358	98	913	-
Other operating revenue	7 255	3 678	14 522	5 666
Other operating expenses	9 196	2 578	17 119	4 937
Operating profit (loss)	-894	1 422	-3 014	873
Financial revenue	492	395	566	396
Financial expenses	5 899	2 144	5 900	2 098
Financial activities result	-5 407	-1 749	-5 334	-1 702
Profit (loss) before tax	-6 301	-327	-8 348	-829
Income tax	-323	-12	-246	-449
Net profit (loss)	-5 978	-315	-8 102	-380
Attributable to:				
Equity holders of the parent	-2 125	-218	-3 251	58
Minority shareholders	-3 853	-97	-4 851	-438
Profit (loss) from discontinued operations per share				
Net profit/loss	-2 125	-3 251	-218	58
Number of shares	2 256 715 692	376 119 282	2 256 715 692	376 119 282
Profit (loss) per 1 share	0.00	-0.01	0.00	0.00

CONSOLIDATED BALANCE SHEET
PREPARED AS OF 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	<u>30/09/2011</u>	<u>31/12/2010</u>
ASSETS		
Non-current assets		
Property, plant and equipment	959 684	902 978
Investment property	106 588	73 180
Goodwill	42 943	23 464
Intangible assets	103 263	98 968
Stakes and shares in controlled entities	17 782	16 778
Available-for-sale financial assets	7 948	4 470
Deferred tax assets	-	37 321
Commercial receivables	-	308
Other assets	28 175	99
	<hr/>	<hr/>
Total non-current assets	1 267 300	1 157 566
Current assets		
Inventories	596 666	407 289
Trade and other receivables	798 061	585 598
Short-term available-for-sale financial assets	5 632	474
Derivative financial instruments	13 342	7 745
Current tax assets	2 584	1 269
Other assets	18 389	9 030
Cash and cash equivalents	65 101	82 052
	<hr/>	<hr/>
Total current assets	1 499 775	1 093 457
Held-for-sale assets	86 021	89 437
	<hr/>	<hr/>
Total assets	2 853 096	2 340 460

CONSOLIDATED BALANCE SHEET (cont.)

	30/09/2011	31/12/2010
EQUITY AND LIABILITIES		
Equity		
Share capital	234 807	121 972
Supplementary capital due to issue of shares above their face value	24 435	24 435
Capital related to hedge accounting	-4 838	1 100
Capital from assets valuation	488	651
Exchange differences on translation of controlled entities	12 522	3 329
Retained earnings, including:	566 087	463 535
<i>Current year retained earnings</i>	108 723	87 438
Total equity	833 501	615 022
Equity attributable to minority shareholders	521 618	515 970
Total equity	1 355 119	1 130 992
Long-term liabilities		
Long-term bank credits and other liabilities due to external financing	178 677	144 500
Deferred tax provisions	84 589	77 101
Provisions on fringe benefits	6 999	6 700
Other long-term provisions	14 732	6 975
Other liabilities	10 219	6 874
Total long-term liabilities and provisions	295 216	242 150
Short-term liabilities		
Long-term bank credits and other liabilities due to external financing	527 649	474 282
Trade and other liabilities	551 257	405 869
Derivative financial instruments	27 959	10 305
Current tax liabilities	9 438	710
Provisions on fringe benefits	7 267	5 900
Other short-term provisions	22 619	25 142
Deferred incomes	3 511	1 243
Total short-term liabilities and provisions	1 149 700	923 451
Liabilities related to held-for-sale assets	53 061	43 867
Total liabilities	1 497 977	1 209 468
Total equity and liabilities	2 853 096	2 340 460

CONSOLIDATED STATEMENT OF CASH FLOWS

	From 01.01.2011 to 30.09.2011	From 01.01.2010 to 30.09.2010
Cash flows from operating activities		
Profit (loss) before tax	181 752	110 194
Adjustements:	-203 517	-96 568
Amortization/depreciation	79 527	57 634
(Positive)/negative net exchange differences	5 781	-1 413
Interest from financial liabilities (credits, loans, bonds)	32 289	28 430
Dividends due to share in profits	-608	-1 034
Profit/loss on investing activities	-19 237	-18 606
Change in the balance of receivables (apart from long-term loans)	-212 856	-179 524
Change in inventories	-189 377	-6 009
Change in liabilities (apart from financial liabilities)	148 710	70 536
Change in inventories (apart from deferred tax)	723	-17 308
Other items	-47 955	-21 914
Income tax paid (returnem)	-514	-7 360
Net cash generated on operating activities	-21 765	13 626
Cash flows from investing activities		
Proceeds	15 481	116 688
Proceeds from disposal of fixed capital and intangible assets	10 354	31 852
Proceeds from disposal of shares and stakes in Boryszew Group's entities	4 519	83 305
Dividends received	608	1 034
Other proceeds from investing operations	-	497
Expenditures	59 221	74 358
Purchase of tangible fixed assets	47 845	70 361
Purchase of stakes and shares in Boryszew Group's entities	11 376	-
Other investment expenses	-	3 997
Net cash generated from investing activities	-43 740	42 330
Cash flows from financing activities		
Proceeds	226 689	223 106
Net proceeds from issue of shares	112 835	31 344
Proceeds from credit facilities	200 930	191 762
Proceeds from loans	3 742	-
Proceeds from disposal of financial assets	430	-
Adjustements of credits due to purchase of new entities	-91 248	-
Expenditures	179 706	275 424
Purchase of treasury shares	4 925	33 053
Dividends paid	20 248	95
Repayment of credit facilities and loans	120 088	210 974
Interest paid	32 289	26 942
Payments arising from finance leases	775	775
Other financial expenses	1 381	3 585
Net cash generated on financing activities	46 983	-52 318
Change of net cash	-18 522	3 638
Exchange differences on translation of foreign operations	22	-213
Balance sheet change of cash	-18 500	3 425
Opening balance of cash	82 052	51 476
Cash of purchased/disposed entities	1 549	-
Change of cash from discontinued operations	-	-683
Closing balance of cash	65 101	54 218

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Supplementa ry capital due to issue of shares above their face value	Capital related to hedge accounting	Capital from actualization of assets revaluation	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to shareholders of the parent	Minority shareholders capitals	Total
As at 1.01.2011	121 972	24 435	1 100	651	3 329	463 535	615 022	515 970	1 130 992
Revaluation of hedging instruments			-5 938				-5 938	-6 071	-12 009
Change of fair value of assets available to sell				-163			-163		-163
Exchange rates differences					9 193		9 193	1 756	10 949
Payments to shareholders due to change of preferred shares to ordinary						-674	-674		-674
Costs of shares issue						-707	-707		-707
Profit / loss for 3 quarters 2011						108 723	108 723	41 819	150 542
Total incomes for 3 quarters 2011	-	-	-5 938	-163	9 193	107 342	110 434	37 504	147 938
Proceeds from shares issue	112 835						112 835		112 835
Dividend payment								-20 248	-20 248
Change of share in IPX CG due to disposal of IPX shares with no lost of control effects						-4 790	-4 790	-11 608	-16 398
As at 30.09.2011	234 807	24 435	-4 838	488	12 522	566 087	833 501	521 618	1 355 119

	Share capital	Supplementa ry capital due to issue of shares above their face value	Capital related to hedge accounting	Capital from actualization of assets revaluation	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to shareholders of the parent	Minority shareholders capitals	Total
As at 1.01.2010	15 404	24 435	2 811	560	5 293	369 425	417 928	477 746	895 674
Revaluation of hedging instruments			-1 711				-1 711	-1 342	-3 053
Change of value of fair value of assets available to sell				91			91		91
Exchange rates differences					-1 964		-1 964	-1 334	-3 298
2010 profit / loss						87 438	87 438	32 487	119 925
Total 2010 income	-	-	-1 711	91	-1 964	456 863	453 279	29 811	483 090
Proceeds from shares issue	106 568						106 568		106 568
Dividend payment							-	-51	-51
Disposal of IPX shares with no lost of control effect						-6 440	-6 440	54 205	47 765
Change in ownership structure in IPX capital						13 112	13 112	-45 741	-32 629
As At 31.12.2010	121 972	24 435	1 100	651	3 329	463 535	615 022	515 970	1 130 992

	Share capital	Supplementa ry capital due to issue of shares above their face value	Capital related to hedge accounting	Capital from actualization of assets revaluation	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to shareholders of the parent	Minority shareholders capitals	Total
As At 1.01.2010	15 404	24 435	2 811	560	5 293	369 425	417 928	477 746	895 674
Revaluation of hedging instruments			-1 179				-1 179	-1 359	-2 538
Change of value of fair value of assets available to sell				112			112		112
Exchange rates differences					493		493	546	1 039
Profit for 3 quarters 2010						61 019	61 019	27 874	88 893
Total income for 3 quarters 2010			-1 179	112	493	61 019	60 445	27 061	87 506
Proceeds from shares issue	31 344						31 344		31 344
Disposal of IPX shares with no lost of control effect			-334		-619	-19 431	-20 384	35 893	15 509
As at 30.09.2010	46 748	24 435	1 298	672	5 167	411 013	489 333	540 700	1 030 033



INTERIM CONDENSED QUARTERLY REPORT

of Boryszew S.A.

for the third quarter of 2011

INCOME STATEMENT

	From 01.01.2011 to 30.09.2011	From 01.07.2011 to 30.09.2011	From 01.01.2010 to 30.09.2010	From 01.07.2010 to 30.09.2010
Continuing operations				
Revenue from sales of products	378 406	120 747	122 514	84 996
Revenue from sales of goods and materials	13 500	6 463	5 003	1 645
Total revenue from sales	391 906	127 210	127 517	86 641
Cost of products sold	317 767	102 005	93 656	67 196
Value of goods and materials sold	10 863	5 654	4 572	1 161
Cost of products, goods and materials sold	328 630	107 659	98 228	68 357
Gross profit (loss) on sales	63 276	19 551	29 289	18 284
Selling expenses	9 452	2 676	2 813	2 062
General and administrative costs	30 937	9 539	20 795	8 143
Other operating revenue	81 196	7 270	73 990	46 466
Other operating expenses	13 567	8 707	4 238	-2 065
Operating profit (loss)	90 516	5 899	75 433	56 610
Financial revenue	27 309	17 798	1 608	-7 296
Financial expenses	12 352	4 600	14 391	5 143
Financial operations result	14 957	13 198	-12 783	-12 439
Profit (loss) before tax	105 473	19 097	62 650	44 171
Income tax	10 415	2 591	5 751	6 783
Net profit (loss) from continuing operations	95 058	16 506	56 899	37 388
Other incomes in capitals				
Financial assets available to sell	-201	-154	138	210
Payment for shareholders due to change preferred shares to ordinary shares	-674	-	-	-
Costs of shares issue	-707	-	-	-
Income tax from elements of remaining income, total (+/-)	38	29	-26	-40
Remaining income after taxation	-1 544	-125	112	170
Total income	93 514	16 381	57 011	37 558
Method of fixing profit for share				
Net profit (in PLN thousand)	95 058	16 506	56 899	37 388
Total income	93 514	16 381	57 011	37 558
Number of shares	2 256 715 692	376 119 282	2 256 715 692	376 119 282
Profit per 1 share	0.04	0.01	0.15	0.10
Weighted average number of shares	1 894 468 038	366 475 198	2 256 715 692	376 119 282
Diluted profit / loss per 1 share	0.05	0.01	0.16	0.10

BALANCE SHEET
PREPARED AS OF 30 SEPTEMBER 2011 AND 31 DECEMBER 2010

	<u>30/09/2011</u>	<u>31/12/2010</u>
ASSETS		
Non-current assets		
Property, plant and equipment	86 154	91 002
Investment property	90 548	65 159
Intangibles assets	340	368
Stakes and shares in controlled entities	349 565	331 397
Available-for-sale financial assets	414	3
Deferred tax assets	11 163	20 712
Trade and other receivables	4	67
Total non-current assets	538 188	508 708
Current assets		
Inventories	59 467	37 853
Trade and other receivables	335 573	126 401
Available-for-sale financial assets	272	474
Other assets	2 572	2 181
Cash and cash equivalents	3 020	10 097
Total current assets	400 904	177 006
Available-to-sell assets	411	492
TOTAL ASSETS	939 503	686 206
	<u>30/09/2011</u>	<u>31/12/2010</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	234 807	121 972
Supplementary capital due to issue of shares above their face value	22 346	22 346
Capital from revaluation of assets	488	651
Retained earnings	212 904	177 175
Current year profit / loss	95 058	37 110
Total equity	565 603	359 254
Long-term liabilities		
Loans and bank credit facilities	181 741	203 491
Liabilities due to fringe benefits	1 016	1 069
Other provisions	459	459
Other liabilities	-	69
Total long-term liabilities and provisions	183 216	205 088
Short-term liabilities		
Loans and bank credit facilities	113 325	77 742
Trade and other liabilities	72 684	41 893
Liabilities due to fringe benefits	1 990	1 516
Other provisions	449	591
Deferred incomes	2 236	122
Total current liabilities	190 684	121 864
Total liabilities	373 900	326 952
TOTAL EQUITY AND LIABILITIES	939 503	686 206

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2011 AND FOR 2010, RESPECTIVELY

	For 9 months ended 30/09/2011	For 9 months ended 30/09/2010
Cash flows from operating activities		
Profit (loss) before tax	105 473	62 650
Adjustments:	-246 839	-145 296
Amortization	8 568	2 425
(Positive)/negative net exchange differences	0	0
Interest from financial liabilities (credits, loans, bonds)	12 265	14 006
Profit / loss from financial assets	-410	-
Dividends due to share in profits	-31 242	-9 440
Profit/loss on investing activities	-40 419	-31 568
Change in the balance of trade and other receivables	-206 293	-90 892
Change in the balance of inventories	-21 614	-28 542
Change in the balance of trade and other liabilities	30 722	23 739
Change in the balance of provisions	2 002	-3 000
Other expenses	-418	-22 030
Net cash generated on operating activities	-141 366	-82 646
Cash flows from investing operations		
Proceeds	43 729	85 727
Proceeds from disposal of property, plant and equipment and intangibles	14 600	10 036
Proceeds from disposal of stakes and shares in CG entities	622	66 265
Proceeds from dividend	28 426	9 426
Other proceeds from investing operations	81	-
Expenditures	22 052	45 617
Purchase of tangible and intangible assets	3 619	45 617
Purchase of stakes and shares in CG entities	18 433	-
Net cash generated on investing activities	21 677	40 110
Cash flows from financing activities		
	131 634	144 151
Proceeds		
Net proceeds from issue of shares and other securities	112 835	31 344
Proceeds from credits	11 332	112 807
Proceeds from loans	212	-
Proceeds from issue of debt securities and others	7 255	-
Expenditures	19 022	94 976
Expenditures due to dividend and other payments to owners	674	-
Repayment of credit facilities and loans	0	79 469
Buy-back of debt securities	0	1 501
Interest paid	12 265	14 006
Payments arising from finance leases	4 966	-
Purchase of assets available to sell	410	-
Other expenditures	707	-
Net cash generated on financing activities	112 612	49 175
Change of balance of net cash	-7 077	6 639
Balance sheet change of cash	-7 077	17 174
Rate exchange differences from cash – closing balance	-	-6
Opening balance of cash	10 097	1 758
Closing balance of cash	3 020	8 391

STATEMENT OF CHANGES IN EQUITY

	Share capital	Supplementary capital due to issue of shares above their face value	Capital related to revaluation	Retained earnings	Total
Balance as at 1 January 2011	121 972	22 346	651	214 285	359 254
Change of fair value of available-to-sell assets			-163		-163
Profit for three quarters 2011				95 058	95 058
Payment for shareholders due to change preferred shares to ordinary				-674	-674
Costs of shares issue	112 835			-707	112 128
Total income for the three quarters of 2011	112 835	-	-163	94677	206 349
Balance as at 30 September 2011	234 807	22 346	488	307 962	565 603

	Share capital	Supplementary capital due to issue of shares above their face value	Capital related to revaluation	Retained earnings	Total
Balance as of 1 January 2010	15 404	22 346	560	177 173	215 483
Change of fair value of available-to-sell assets			91		91
Income for 2010				37110	37110
Total income for 2010	0	0	91	37110	37201
Proceeds from shares issue	106 568				106 568
Other					
Balance as at 31 December 2010	121 972	22 346	651	214 285	359 254

	Share capital	Supplementary capital due to issue of shares above their face value	Capital related to revaluation	Retained earnings	Total
Balance as of 1 January 2010	15 404	22 346	560	177 173	215 483
Change of fair value of available-to-sell assets			112		112
Proceeds from share issue	31 344				31 344
Profit/loss for three quarters 2010				56 900	56 900
Total income for the three quarters of 2010	31 344	-	112	56 900	88 355
Balance as at 30 September 2010	46 748	22 346	672	234 073	303 839