
CONSOLIDATED

ANNUAL REPORT

of the Boryszew Capital Group

for the period from 1 January to 31 December 2011



Boryszew Capital Group

Consolidated annual report for the period from 1 January to 31 December 2011,
prepared in line with IFRS as endorsed by the European Union

CONSOLIDATED INCOME STATEMENT

	01.01.2011 31.12.2011	01.01.2010 31.12.2010
Continuing operations		
Revenue from sales of products	3 707 032	2 617 377
Revenue from sales of goods and materials	625 092	517 415
Total revenue from sales	4 332 124	3 134 792
Cost of products sold	3 282 995	2 355 363
Value of goods and materials sold	583 084	455 895
Cost of products, goods and materials sold	3 866 079	2 811 258
Gross profit (loss) on sales	466 045	323 534
Selling expenses	79 144	56 244
General and administrative costs	216 229	146 926
Other operating revenue	106 132	83 073
Other operating expenses	29 470	122 557
Net profit/loss from disposal of stakes and shares in subsidiaries	0	19 293
Operating profit (loss)	247 334	100 173
Financial revenue	38 612	30 219
Financial expenses	64 154	70 934
Financial operations result	-25 542	-40 715
Profit (loss) before tax	221 792	59 458
Income tax	21 974	14 093
Net profit (loss) from continuing operations	199 818	45 365
Discontinued operations		
Profit (loss) before tax	-6 987	-8 073
Income tax	-319	-344
Net profit (loss) from discontinued operations	-6 668	-7 729
Net profit (loss) from continuing and discontinued operations, attributable to:	193 150	37 636
Equity holders of the parent	141 254	5 149
Minority shareholders	51 896	32 487
Net profit (loss)	193 150	37 636
Other incomes in capitals		
Exchange rates differences from foreign operations	2 083	-3 298
Financial assets available to sell (stakes and shares)	-51	112
Hedging accounting	-4 549	-3 769
Income tax from elements of other incomes, total	874	695
Total other incomes after taxation:	-1 643	-6 260
Equity holders of the parent	-2 608	-3 584
Minority shareholders	965	-2 676
Total other incomes, attributable to:	191 507	31 376
Equity holders of the parent	138 646	1 565
Minority shareholders	52 861	29 811
Profit/loss per 1 share		
Net profit (loss) attributable to equity holders of the parent (in PLN)	141 254	5 149
No of shares entitled to dividend	2 201 634 699	1 128 357 846
Profit per 1 share	0.06	0.00
Weighted average number of shares	2 030 899 818	545 287 088
Diluted earnings (loss) per 1 share	0.07	0.01

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CONSOLIDATED INCOME STATEMENT - discontinued operations

	01.01.2011 31.12.2011	01.01.2010 31.12.2010
Revenue from sales of products	5 395	9 294
Revenue from sales of goods and materials	1 529	1 469
Total revenue from sales	6 924	10 763
Cost of sold products	4 429	8 279
Value of goods and materials sold	795	1 421
Cost of products, goods and materials sold	5 224	9 700
Gross profit (loss) on sales	1 700	1 063
Selling expenses	0	493
General and administrative costs	472	1 630
Other operating revenue	12 143	21 817
Other operating expenses	11 773	21 742
Operating profit (loss)	1 598	-985
Financial revenue	512	638
Financial expenses	9 097	7 726
Financial operations result	-8 585	-7 088
Profit (loss) before tax	-6 987	-8 073
Income tax	-319	-344
Net profit (loss) from continued operations, attributable to:	-6 668	-7 729
Equity holders of the parent	-1 600	-4 148
Minority shareholders	-5 068	-3 581
Profit (loss) from discontinued operations		
Net profit (loss)	-1 600	-4 148
Number of shares	2 201 634 699	1 128 357 846
Profit/loss per 1 shares	0.00	0.00

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CONSOLIDATED BALANCE SHEET

	31.12.2011	31.12.2010 converted data	01.01.2010 converted data
ASSETS			
Non-current assets			
Property, plant and equipment	998 398	910 377	815 409
Investment property	106 588	73 180	112 827
Goodwill	75 772	23 464	23 464
Intangible assets	23 846	18 912	20 298
Investments in controlled entities	22 748	16 778	24 034
Available-for-sale financial assets	7 915	4 470	529
Held-to-maturity financial assets	0	0	10 600
Deferred tax assets	49 582	37 321	46 191
Receivables and other non-current assets	687	308	810
Other assets	3 937	99	21
Total non-current assets	1 289 473	1 084 909	1 054 183
Current assets			
Inventories	599 011	406 499	341 127
Trade and other receivables	680 425	588 206	441 462
Available-for-sale financial assets	4 432	474	362
Held-to-maturity financial assets	0	0	5 946
Derivative financial instruments	7 484	7 745	10 711
Income tax receivables	5 091	1 269	1 710
Other assets	19 792	9 030	2 891
Cash and cash equivalents	88 007	82 052	51 476
Total current assets	1 404 242	1 095 275	855 685
Held-for-sale assets	24 960	31 183	39 218
Total assets	2 718 675	2 211 367	1 949 086

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	31.12.2011	31.12.2010 converted data	01.01.2010 converted data
EQUITY AND LIABILITIES			
Equity			
Share capital	234 807	121 972	15 404
Treasury shares	-38 927	0	0
Supplementary capital due to issue of shares above their face value	24 435	24 435	24 435
Capital related to hedge accounting	-698	1 100	2 811
Capital due to revaluation of assets	610	651	560
Exchange differences on translation of controlled entities	2 560	3 329	5 293
Retained earnings, including:	470 404	362 805	350 984
Net profit of the equity holders of the parent in the current year	141 254	5 149	39 745
Total equity	693 191	514 292	399 487
Equity attributable to minority shareholders	508 706	476 157	437 933
Total equity	1 201 897	990 449	837 420
Long-term liabilities			
Bank credit and other liabilities due to external financing	199 085	144 500	141 431
Deferred tax liability	88 446	65 251	61 864
Liabilities due to fringe benefits	14 055	10 142	5 934
Other long-term provisions	7 566	6 975	7 578
Other liabilities	9 641	6 874	8 310
Total long-term liabilities and provisions	318 793	233 742	225 117
Short-term liabilities			
Bank credit and other liabilities due to external financing	546 584	482 357	535 486
Trade and other liabilities	534 770	405 869	279 243
Deferred tax liability	9 517	10 305	8 607
Current financial liabilities	3 216	710	0
Liabilities due to fringe benefits	10 167	5 900	5 043
Other liabilities	41 194	36 925	10 381
Accruals	1 386	1 243	1 287
Total short-term liabilities and provisions	1 146 834	943 309	840 047
Liabilities related to held-for-sale assets	51 151	43 867	46 502
Total liabilities	1 516 778	1 220 918	1 111 666
Total equity and liabilities	2 718 675	2 211 367	1 949 086

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Treasury shares	Supplementary 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 dominant shareholders	Minority shareholders capitals	Total
As at 1.01. 2011	121 972	0	24 435	1 100	651	3 329	362 805	514 292	476 157	990 449
Revaluation of hedging instruments				-1 798				-1 798	-1 887	-3 685
Change of fair value of assets available to sell					-41			-41		-41
Exchange rates differences						-769		-769	2 852	2 083
2011 profit/loss							141 254	141 254	51 896	193 150
2011 total incomes	0	0	0	-1 798	-41	-769	141 254	138 646	52 861	191 507
Income due to shares issue	112 835							112 835		112 835
Purchase of treasury shares		-38 927						-38 927		-38 927
Payment to shareholders due to change of preferred shares to ordinary shares							-674	-674		-674
Costs of shares issue							-707	-707		-707
Dividend payment								0	-19 819	-19 819
Buy-back of Impexmetal's treasury shares							-10 894	-10 894	-10 466	-21 360
Change in the structure of shares in Impexmetal's capital							-21 380	-21 380	9 973	-11 407
As at 31.12 2011	234 807	-38 927	24 435	-698	610	2 560	470 404	693 191	508 706	1 201 897

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	Share capital	Treasury shares	Supplementary 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 dominant shareholders	Minority shareholders capitals	Total
As at 1.01. 2010	15 404	0	24 435	2 811	560	5 293	350 984	399 487	437 933	837 420
Revaluation of hedging instruments				-1 711				-1 711	-1 342	-3 053
Change 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							5 149	5 149	32 487	37 636
2010 total incomes	0	0	0	-1 711	91	-1 964	5 149	1 565	29 811	31 376
Income due to shares issue	106 568							106 568		106 568
Dividend payment								0	-51	-51
Disposal of Impexmetal's shares with no-lost control effect							-6 440	-6 440	54 205	47 765
Change in the structure of shares in Impexmetal's capital							13 112	13 112	-45 741	-32 629
As at 31.12 2010	121 972	0	24 435	1 100	651	3 329	362 805	514 292	476 157	990 449

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	01.01.2011 – 31.12.2011	01.01.2010 – 31.01.2010
Cash flows from operating activities		
Profit (loss) before tax	214 805	51 385
Adjustments (+/-):	-98 460	4 785
Amortization	98 341	75 985
Not realized profits/loss on rates exchange differences	-58	-1 307
Interests from financial liabilities (credits, loans, bonds)	41 047	49 746
Profit/loss from financial assets	1 795	0
Dividends on share in profits	-608	-1 034
Profit/loss on investing activities	-50 891	-45 719
Change of receivables (except long-term loans)	-92 598	-144 057
Change of inventories	-192 512	-66 162
Change of liabilities (without financial liabilities)	131 668	125 963
Change of provisions and between-periods settlements (without deferred tax)	4 604	3 375
Other items	-34 432	6 844
Income tax paid (refunded)	-4 816	1 151
Cash generated on operating activities	116 345	56 170
Cash flows from investing activities		
Proceeds	32 858	142 088
Proceeds from disposal of intangible assets and fixed assets and real estates	28 242	42 522
Proceeds from disposal of stakes and shares In Capital Group's entities	4 008	98 532
Proceeds from dividends	608	1 034
Payments	295 787	135 446
Purchase of fixed and intangible assets and real estates	193 437	123 608
Purchase of shares and stakes in Capital Group entities	21 359	8 732
Other investment expenditures	36 011	3 106
Net cash generated on investing activities	-217 949	6 642
Cash flows from financing activities		
Proceeds	372 790	236 516
Net proceeds from issue of shares and other capital instruments	112 835	106 568
Proceeds from credits	250 314	127 520
Proceeds from loans	7 088	0
Proceeds from disposal of assets available to sell	888	0
Proceeds from disposal of assets maintained to maturity date	0	2 428
Proceeds from disposal of financial assets for turnover	381	0
Other financial proceeds	1 284	0
Payments	266 958	267 353
Purchase of shares of Boryszew and Impexmetal	64 068	25 620
Dividends paid	20 955	773
Repayment of credits	120 590	168 811
Repayment of loans	1 206	17 970
Interest paid	41 047	49 746
Payments arising from finance leases	16 794	3 757
Purchase of financial assets for turn-over	90	676
Other financial payments	2 208	0
Net cash flows on financing activities	105 832	-30 837
Net change of cash and cash equivalents	-4 228	31 975
Rates exchange differences at the end of period	2 871	-242
Balance sheet change of cash	5 955	0
Opening balance of cash and cash equivalents	82 052	51 476
Cash of purchased/disposed entities	-1 225	-135
Change of cash from discontinued operations	81	-1 022
Closing balance of cash and cash equivalents	88 007	82 052