



**Condensed interim consolidated financial statements
of the Mostostal Warszawa Capital Group**

for the period from 01/01/2015 to 31/03/2015

SELECTED FINANCIAL DATA	thousand PLN		thousand EUR	
	Q1 of 2015 period from 01/01/2015 to 31/03/2015	Q1 of 2014 period from 01/01/2014 to 31/03/2014	Q1 of 2015 period from 01/01/2015 to 31/03/2015	Q1 of 2014 period from 01/01/2014 to 31/03/2014
Revenue from sales	239 233	313 092	57 662	74 734
Gross profit (loss) on sales	13 243	25 576	3 192	6 105
Profit (loss) on operating activities	1 647	7 049	397	1 683
Gross profit (loss)	3 068	7 282	739	1 738
Net profit (loss) on continued activities	2 429	5 881	585	1 404
Net profit / (loss)			0	0
allocated to the shareholders of the Parent Company	2 407	1 574	580	376
allocated to non-controlling shareholders	22	-7 420	5	-1 771
Net cash from operating activities	42 755	106 543	10 305	25 432
Net cash from investing activities	4 427	-295	1 067	-70
Net cash from financial activities	-9 539	225	-2 299	54
Closing balance of cash	239 937	211 963	58 679	50 815
As at:	31/03/2015	31/12/2014	31/03/2015	31/12/2014
Total assets	1 300 793	1 367 462	318 120	320 827
Long term liabilities	210 502	237 774	51 480	55 785
Short term liabilities	894 409	936 316	218 735	219 674
Total liabilities	1 104 911	1 174 090	270 215	275 459
Equity capital allocated to shareholders of the Parent Company	170 556	168 285	41 711	39 482
Total equity capital	195 882	193 372	47 905	45 368
Stated capital	44 801	44 801	10 956	10 511
Number of shares	20 000 000	20 000 000	20 000 000	20 000 000
Net profit (loss) allocated to shareholders of the Parent Company	2 407	1 574	580	376
Weighted average number of shares	20 000 000	20 000 000	20 000 000	20 000 000
Net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN/EUR)	0,12	0,08	0,03	0,02
Diluted net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN/EUR)	0,12	0,08	0,03	0,02

**Consolidated profit and loss account
for the period of 3 months from 01/01/2015 to 31/03/2015**

data in thousands of PLN

Item	CONTINUED ACTIVITIES	Q1 of 2015 01/01/2015 – 31/03/2015	Q1 of 2014 01/01/2014 – 31/03/2014
	Continued activities		
I	Revenue from sales	239 233	313 092
	Revenue from construction contracts	235 257	285 059
	Revenue from sales of services	2 512	26 930
	Revenue from sales of goods and materials	1 464	1 103
II	Own sales costs	225 990	287 516
III	Gross profit (loss) on sales	13 243	25 576
IV	General administrative expenses	11 476	18 227
V	Other operating revenue	1 550	3 379
VI	Other operating costs	1 670	3 679
VII	Profit (loss) on operating activities	1 647	7 049
VIII	Financial revenue	10 408	5 416
IX	Financial costs	8 987	5 183
X	Gross profit (loss)	3 068	7 282
XI	Income tax	639	1 401
	a) current	234	1 089
	b) deferred	405	312
XII	Net profit (loss) on continued activities	2 429	5 881
XIII	Discontinued activities		
XIV	Net profit (loss) on discontinued activities	0	-11 727
XV	Net profit (loss) for the period	2 429	-5 846
XVI	Net profit (loss) allocated to shareholders of the Parent Company	2 407	1 574
XVII	Net profit (loss) allocated to non-controlling shareholders	22	-7 420
	Net profit (loss) for the period	2 429	-5 846
	Weighted average number of shares	20 000 000	20 000 000
	Net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN)	0,12	-0,29
	Diluted net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN)	0,12	-0,29
	Net profit (loss) allocated to shareholders of the Parent Company	2 407	1 574
	Weighted average number of shares	20 000 000	20 000 000
	Net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN)	0,12	0,08
	Diluted net profit (loss) per ordinary share allocated to the shareholders of the Parent Company (PLN)	0,12	0,08

**Consolidated statement of comprehensive income
 for the period of 3 months from 01/01/2015 to 31/03/2015**

data in thousands of PLN

	ITEMS	Q1 of 2015 01/01/2015 – 31/03/2015	Q1 of 2014 01/01/2014 – 31/03/2014
	Net profit (loss) on continued activities	2 429	5 881
	Net profit (loss) for the financial year on discontinued activities	0	-11 727
	Net profit / loss for the period	2 429	-5 846
	Currency translation profit/loss of a foreign entity	-101	288
	Effective part of profit and loss associated with hedging of cash flows	0	0
	Income tax associated with components of other comprehensive income	0	0
	Other comprehensive income	182	153
	Other comprehensive income after tax	81	441
	including items that may be reclassified as profit or loss at a later date	81	441
	Total comprehensive income from continuing operations	2 510	6 322
	Total comprehensive income from discontinued operations	0	-11 727
	Total comprehensive income	2 510	-5 405
	allocated to the shareholders of the Parent Company	2 271	1 862
	allocated to non-controlling shareholders	239	-7 267

**Consolidated balance sheet
as at 31/03/2015**

data in thousands of PLN

Item	ASSETS	31/03/2015	31/12/2014	31/03/2014
I.	Fixed assets (long-term)	219 079	232 100	304 563
I.1	Intangible assets	4 408	4 677	5 460
I.2	Perpetual usufruct right	23 761	23 761	26 623
I.3	Tangible fixed assets	79 109	85 417	157 446
I.4	Long-term receivables – long-term deposits due from recipients under construction contracts	12 372	16 261	18 177
I.5	Long-term advances for construction works	13 442	15 542	0
I.6	Investment property	0	0	972
I.7	Long-term financial assets	4 812	4 805	4 823
I.8	Other long-term investments	3 856	3 855	4 068
I.9	Assets from deferred taxes	74 594	75 056	86 966
I.10	Long-term deferred charges and accruals	2 725	2 726	28
II.	Current assets (short-term)	1 081 714	1 135 362	1 164 446
II.1	Inventory	9 777	9 999	32 322
II.2	Receivables from deliveries and services and other receivables.	317 893	454 252	362 786
II.3	Receivables from income tax	25	813	720
II.4	Advances for construction works	41 467	32 323	65 843
II.5	Cash and equivalents	239 937	202 294	211 963
II.6	Short-term financial assets	0	0	10
II.7	Accruals and deferred income from evaluation of contracts (gross amounts due from the ordering parties under construction contracts)	464 032	429 192	478 170
II.8	Other accruals	8 583	6 489	12 632
	Total assets	1 300 793	1 367 462	1 469 009
Item	LIABILITIES	31/03/2015	31/12/2014	31/03/2014
I	Equity capital allocated to shareholders of the Parent Company	170 556	168 285	181 103
I.1	Stated capital	44 801	44 801	44 801
I.2	Supplementary/reserve capital	219 320	219 320	227 771
I.3	Reserve capital from reclassification of loans	201 815	201 815	201 815
I.4	Currency translation profit/loss of foreign entities	-685	-584	-832
I.5	Retained profit / uncovered loss	-294 695	-297 067	-292 452
	unshared profit / (uncovered loss)	-297 102	-285 518	-294 026
	Profit / loss for the period	2 407	-11 549	1 574
II.	Minority shareholders capital	25 326	25 087	25 552
III.	Total equity capital	195 882	193 372	206 655
IV.	Long term liabilities	210 502	237 774	88 819
IV.1	Interest bearing bank credits and loans	51 809	55 542	3 951
IV.2	Long term liabilities from leasing agreements	1 746	2 194	11 346
IV.3	Long-term deposits due to suppliers under construction contracts	44 381	46 661	54 758
IV.4	Long term liabilities from advance payments	98 897	119 705	0
IV.5	Reserves for deferred income tax	31	32	1 295
IV.6	Long-term reserves	13 638	13 640	17 469
IV.7	Other long-term liabilities	0	0	0
V.	Short term liabilities	894 409	936 316	1 173 535
V.1	Current portion of interest-bearing bank credits and loans	174 730	189 764	325 852
V.2	Short term liabilities from leasing agreements	3 574	4 937	15 218
V.3	Trade liabilities	247 499	354 307	303 911
V.4	Income tax	1 067	2 873	5 320
V.5	Other liabilities	25 540	29 843	56 952
V.6	Advances for construction works	107 490	92 847	238 225
V.7	Short-term reserves	41 266	40 065	51 362
V.8	Accruals and deferred income from measurement of contracts (gross amounts due to the ordering parties under construction contracts)	66 434	17 778	25 808
V.9	Other accruals	226 809	203 902	150 887
VII.	Total liabilities	1 104 911	1 174 090	1 262 354
	Equity capital and liabilities (t o t a l)	1 300 793	1 367 462	1 469 009

**Consolidated cash flow account
for the period of 3 months from 01/01/2015 to 31/03/2015**

data in thousands of PLN

Item	ITEMS	Q1 of 2015 01/01/2015 – 31/03/2015	Q1 of 2014 01/01/2014 – 31/03/2014
I	Cash flows from operating activities		
	Gross profit (loss) on continued activities	3 068	7 282
	Gross profit (loss) on discontinued activities	0	0
I.1	Gross profit (loss) – (allocated to shareholders of the Parent Company and non-controlling shareholders)	3 068	7 282
I.2	Adjustments by items:	39 687	99 261
I.2.1	Depreciation	3 589	6 430
I.2.2	Currency translation differences	0	0
I.2.3	Interest received and paid	605	1 036
I.2.4	Profit (loss) on investment activities	-1 099	-531
I.2.5	Increase / decrease in receivables	135 330	47 127
I.2.6	Increase / decrease in inventory	222	1 383
I.2.7	Increase / decrease in liabilities excluding credits and loans	-136 869	62 576
I.2.8	Change in prepayments and accruals	39 114	-4 129
I.2.9	Change in reserves	470	-9 307
I.2.10	Income tax (paid/received)	-1 206	607
I.2.11	Other	-469	3 948
I.2.12	Cash flows from discontinued operating activities	0	-9 879
I	Net cash from operating activities	42 755	106 543
II	Cash flows from investment activities		
II.1	Disposal of fixed assets and intangible assets	4 722	898
II.2	Purchase of tangible fixed assets and intangible assets	-289	-1 183
II.3	Disposal of financial assets	0	0
II.4	Acquisition of financial assets	-7	0
II.5	Cash of companies sold	0	0
II.6	Interest received	1	0
II.7	Repayment of loans granted	0	0
II.8	Loans granted	0	0
II.9	Other	0	-10
II.10	Cash flows from discontinued investment activities	0	0
II	Net cash from investing activities	4 427	-295
III	Cash flows from financial activities		
III.1	Inflows from share issues	0	0
III.2	Payment of liabilities arising from financial leases	-1 995	-4 168
III.3	Inflows from credits/loan taken	0	7 305
III.4	Repayment of loans/credits	-6 925	-1 876
III.5	Dividends paid to shareholders of the Parent Company	0	0
III.6	Dividends paid to non-controlling shareholders	0	0
III.7	Interest paid	-613	-1 036
III.8	Other	-6	0
III.9	Cash flows from discontinued financing activities	0	0
III	Net cash from financing activities	-9 539	225
IV	Change in net cash and its equivalents	37 643	106 473
V	Cash and equivalents at the beginning of the period	202 294	105 490
VI	Cash and equivalents at the end of the period, including:	239 937	211 963
	Restricted cash	403	1 046
	Opening balance of cash from discontinued operations	0	0
	Closing balance of cash from discontinued operations	0	-9 879

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CAPITAL

data in thousands of PLN

Q1 of 2015 period from 01/03/2015 to 31/03/2015	Capital allocated to shareholders of the Parent Company								Capital allocated to non-controlling shareholders	Equity capital Total
	Share capital	Called up stated capital (negative value)	Own shares	Supplementary/re serve capital	Reserve capital from reclassification of loans	Currency translation differences from foreign branches	Retained earnings / uncovered losses	Equity capital allocated to shareholders of the Parent Company		
Situation as at 01 January 2015	44 801	0	0	219 320	201 815	-584	-297 067	168 285	25 087	193 372
Profit / loss for the period	0	0	0	0	0	0	2 407	2 407	22	2 429
Other comprehensive income	0	0	0	0	0	-101	-35	-136	217	81
Total comprehensive income	0	0	0	0	0	-101	2 372	2 271	239	2 510
Distribution of previous years' profit	0	0	0	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0	0
Situation as at 31 March 2015	44 801	0	0	219 320	201 815	-685	-294 695	170 556	25 326	195 882

data in thousands of PLN

2014 period from 01/01/2014 to 31/12/2014	Capital allocated to shareholders of the Parent Company								Capital allocated to non-controlling shareholders	Equity capital Total
	Share capital	Called up stated capital (negative value)	Own shares	Supplementary/re serve capital	Reserve capital from reclassification of loans	Currency translation differences from foreign branches	Retained earnings / uncovered losses	Equity capital allocated to shareholders of the Parent Company		
Situation as at 01 January 2014	44 801	0	0	224 857	201 815	-1 122	-291 110	179 241	32 819	212 060
Profit / loss for the period	0	0	0	0	0	0	-11 549	-11 549	2 811	-8 738
Other comprehensive income	0	0	0	-2	0	538	57	593	0	593
Total comprehensive income	0	0	0	-2	0	538	-11 492	-10 956	2 811	-8 145
Distribution of previous years' profit	0	0	0	-5 535	0	0	5 535	0	0	0
Changes in the minority shareholders capital related to sale of subsidiaries (Note 32)	0	0	0	0	0	0	0	0	-10 543	-10 543
Dividends paid	0	0	0	0	0	0	0	0	0	0
Situation as at 31 December 2014	44 801	0	0	219 320	201 815	-584	-297 067	168 285	25 087	193 372

2014 period from 01/01/2014 to 31/03/2014	Capital allocated to shareholders of the Parent Company							Equity capital allocated to shareholders of the Parent Company	Capital allocated to non-controlling shareholders	Equity capital Total
	Share capital	Called up stated capital (negative value)	Own shares	Supplementary/re serve capital	Reserve capital from reclassification of loans	Currency translation differences from foreign branches	Retained earnings / uncovered losses			
Situation as at 01 January 2014	44 801	0	0	224 857	201 815	-1 122	-291 110	179 241	32 819	212 060
Profit / loss for the period	0	0	0	0	0	0	1 574	1 574	-7 420	-5 846
Other comprehensive income	0	0	0	-1	0	290	-1	288	153	441
Total comprehensive income	0	0	0	-1	0	290	1 573	1 862	-7 267	-5 405
Distribution of previous years' profit	0	0	0	2 915	0	0	-2 915	0	0	0
Dividends paid	0	0	0	0	0	0	0	0	0	0
Situation as at 31 March 2014	44 801	0	0	227 771	201 815	-832	-292 452	181 103	25 552	206 655

Additional explanatory information to the condensed interim consolidated financial statements for the period from 01/01/2015 to 31/03/2015

1. General information

The Mostostal Warszawa Capital Group consists of the Parent Company Mostostal Warszawa S.A. and its subsidiaries. The condensed interim consolidated financial statements of Mostostal Warszawa Group cover 3 months of 2015 and include comparative data for 3 months of 2014, and in the case of balance sheet data as at 31 March 2015, they include comparative data as at 31 December 2014.

Mostostal Warszawa, i.e. the Parent Company, is a joint stock company with legal personality according to Polish law, registered by the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under the following KRS number: 0000008820, The Company's registered office is located in Warsaw, at ul. Konstruktorska 11a. The core business is specialised construction work covered by the Polish Business Classification (PKD) in section 4120Z. The Company's shares are listed on the Warsaw Stock Exchange in construction sector.

The duration of the operation of the Parent Company and companies within the Capital Group is undefined.

The parent company of Mostostal Warszawa S.A. is Acciona S.A.

2, Composition of the Group

In the 1st quarter of 2015 the Mostostal Warszawa Capital Group subject to consolidation by the complete method consisted of the following companies:

item	Name (company)	Headquarte rs	Core Business	Relevant Court	Mostostal Warszawa S.A.'s share of votes at the company's GM (31/03/2015)	Mostostal Warszawa S.A.'s share of the company's share capital (31/03/2015)
1	2	3	4	5	6	7
1	Mostostal Warszawa S.A.- Parent Company	Warsaw	Construction	District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under number 0000008820	-	-
2	Mostostal Kielce S.A.	Kielce	Construction	District Court in Kielce, 10th Commercial Division of the National Court Register, as no. 0000037333	100.00%	100.00%
3	AMK Kraków S.A.	Cracow	engineering services, design, project management in the field of construction, completing premises ready for use	District Court in Central Kraków, 11th Commercial Division of the National Court Register, as no. 0000053358	60.00%	60.00%
4	Mieleckie Przedsiębiorstwo	Mielec	Construction	District Court in Rzeszów 12th Commercial Division of the NCR, as no. 0000052878	97.14%	97.14%

	Budowlane S.A.					
5	Mostostal Plock S.A.	Plock	Construction	District Court for the Capital City of Warsaw, 19th Commercial Division of the National Court Register, under number 0000053336	52.78%	48.66%
6	Mostostal Power Development Sp. z o.o.	Warsaw	Construction	District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under number 0000480032	100.00%	100.00%

Subsidiaries include all the economic entities over which the Group exercises control. The Group exercises control over a company, when the Group is exposed or entitled to variable returns resulting from its involvement in the said company and is capable of influencing these returns through the exercise of control over the Company. Subsidiaries are fully consolidated from the date of transfer of control to the Group. The consolidation ceases from the date of cessation of control.

Mostostal Warszawa S.A. owns 907,095 ordinary bearer shares and 66,057 registered shares with voting privileges (1 share = 5 votes), ensuring in total a 48.66% share in the capital and 52.78% in the total number of votes of Mostostal Plock S.A. Pursuant to Article 4 of the Public Offering Act, the fact that Mostostal Warszawa S.A. holds all the voting rights at the meetings of the Supervisory Board of Mostostal Plock S.A. (this body is authorised to appoint and recall the members of the management body), and further exercises impact on the activity of this Company, means that Mostostal Warszawa S.A. is a dominant entity in relation to Mostostal Plock S.A., which results in consolidation by the complete method.

The aim of the Management Board of Mostostal Warszawa S.A. is to maintain a strong position among the largest construction companies in the country. In order to achieve this objective, the Group takes measures oriented at:

- focusing its activities on the effective organisational structure that guarantees stable financial results and increased margins, which in turn enables further development,
- managing projects while maintaining the highest quality, taking care of safety on construction sites and supporting related initiatives,
- strengthening the role of Mostostal Warszawa SA as the Group's main management centre and enhancing cooperation among the Group companies in the area of development of regional centres,
- maintaining a nationwide network of representative offices, capable of providing services in all the segments of civil works, as a general contractor,
- development by the R&B Department of new technologies to improve implementation processes as well as to develop and enhance the engineering ideas, and
- maintaining the heritage of Polish engineering knowledge and development of technical knowledge through close cooperation with the research centres and by improving the level of education of future engineers by sharing knowledge and experience.

Composition of the Management Board and Supervisory Board of the Parent Company

As at 31/03/2015, the Management Board of Mostostal Warszawa S.A. was composed of:

Miguel Angel Heras Llorente – Vice President of the Management Board

Jose Angel Anrdes Lopez – Vice-President of the Management Board

Carlos Resino Ruiz – Member of the Management Board

Jacek Szymanek – Member of the Management Board

As at 31/03/2015, the Supervisory Board of Mostostal Warszawa S.A. was composed of:

Francisco Adalberto Claudio Vazquez – Chair of the Supervisory Board

Raimundo Fernandez Cuesta Laborde – Member of the Supervisory Board

Jose Manuel Terceiro Mateos – Member of the Supervisory Board

Neil Roxburgh Balfour – Member of the Supervisory Board

Piotr Gawryś – Member of the Supervisory Board

3, Approval of the Financial Statements

The condensed interim consolidated financial statements for the 1st quarter of 2015 was approved for publication by the Management Board of the Parent Company on 15/05/2015.

4. Significant Accounting Principles

4.1 Basis for preparation of the condensed interim consolidated financial statements

This condensed consolidated interim financial statements were prepared at the assumption that the business all the companies of the Capital Group is to continue operating in the foreseeable future.

The condensed financial statements have been prepared in accordance with the historical cost principle, except for investment property and financial instruments that have been measured at fair market value.

The Parent's Management Board believes that the liquidity and going concern risks are properly managed, and consequently there is no risk of an intended or forced discontinuation or material limitation of its current activities by the Parent Company and its subsidiaries for the period of at least 12 months after the balance sheet date. Therefore, according to the Management Board of Mostostal Warszawa S.A. the going concern assumption for the Parent Company and the Group is appropriate.

These condensed interim consolidated financial statements for the period of 3 months ended on 31/03/2015 have been prepared in accordance with the International Accounting Standard 34.

The interim condensed consolidated financial statements do not cover all information and disclosures required for annual financial statements and it should be read together with the Mostostal Warszawa Group's consolidated financial statements for the turnover year ended on 31/12/2014.

Mostostal Warszawa S.A. prepares the separate financial statements in accordance with the International Financial Reporting Standards, while the remaining companies within the Capital Group keep their account books according to the accounting policy (principles) defined in the Accountancy Act of 29 September 1994 (the "Act") and the regulations issued based on it (together "Polish accounting standards"). The consolidated financial statements contain adjustments not included in the ledgers of the Group's entities, added in order to adapt financial statements of those entities to comply with the IFRS.

The condensed interim consolidated financial statements are presented in thousand PLN, unless indicated otherwise.

The condensed interim consolidated financial statements of Mostostal Warszawa Group for the 1st quarter of 2015 were not subject to review or audit by a statutory auditor.

4.2 Accounting Policies

Detailed accounting principles adopted by the Group were described in the Consolidated Financial Statements of Mostostal Warszawa Group for the year ended on 31/12/2014.

The accounting principles (policies) applied while preparing the condensed interim consolidated financial statements are consistent with those used when preparing the consolidated annual financial statements of the Mostostal Warszawa Group for the year ended on 31/12/2014.

The Group intends to adopt the amendments to IFRS published but not effective as at the date of publication of these interim condensed financial statements, in accordance with the date of their entry into force. The estimated impact of the amendments and new IFRS on future financial statements of the Group has been presented in the financial statements for the year 2014 in Note 6.

4.3 Changes in the presentation

The restructuring of the Parent Company's organization has entailed changes in the presentation of items of the consolidated profit and loss account consisting in presenting the construction overhead costs as general and administrative expenses. As a result of this change, the amount of PLN 3,469 thousand, in the first quarter of 2015, and the amount of PLN 5,327, in the first quarter of 2014, were transferred from own costs of sale to the general administrative expenses.

This change had no impact on the net result or equity.

4.4 The principles applied to convert the selected financial data into EUR

The following principles have been adopted for converting the selected financial data concerning the 1st quarter of 2015 to EUR:

- individual items of the profit and loss account and cash flow account for the 1st quarter of 2015 were converted at the PLN/EUR rate of 4.1489, which is the arithmetical mean of the rates announced by the National Bank of Poland for the last days of January, February and March 2015.
- individual items of assets and liabilities on the balance sheet were converted at the PLN/EUR rate of 4.0890 applicable as at 29/03/2013.

4.5 Currency of the financial statements

The condensed interim financial statements for the 1st quarter of 2015 have been presented in Polish zlotys, and all the values stated – unless indicated otherwise – are rounded off to full thousands of zlotys.

4.6 Long-term construction contracts

Selected consolidated data – Profit and Loss Account:

Details	1st quarter of 2015	1st quarter of 2014
Revenue from construction contracts	235.257	285.059
Cost of performing construction works	221.489	265.857
Result on ongoing construction contracts	13.768	19.202

The costs of construction works include the costs of provisions created for the anticipated losses on contracts disclosed in section 11.

Uncompleted construction contracts

ASSETS	31/03/2015	31/12/2014	31/03/2014
The estimated incremental revenue from uncompleted construction contracts is recognized in accordance with AS 11.	2.505.078	2.460.013	2.891.911
Incrementally invoiced sales of uncompleted construction contracts	2.342.835	2.266.176	2.671.005
Deferred charges and accruals from uncompleted construction contracts	162.243	193.837	220.906
Advances received on uncompleted construction contracts	206.387	212.552	238.225
Net balance sheet position for uncompleted construction contracts	-44.144	-18.715	-17.319
Reconciliation with the item 'Deferred charges and accruals from revaluation of contracts' in the balance sheet:			
Deferred charges and accruals from valuation of uncompleted construction contracts	162.243	193.837	217.007
Claims on completed contracts	235.355	235.355	235.355
Deferred charges and accruals from valuation of construction contracts	397.598	429.192	452.362

While implementing infrastructural contracts, circumstances have arisen for which the Company has not been responsible. These circumstances resulted in losses (damages, increased amounts of unplanned expenditures etc.) that have not been caused by the Company. These circumstances include in particular the following:

- broadened scope of works in relation to the design (tender) conditions communicated to the Company by the Employers,
- unexpected and significant increase in the prices of construction materials (including fuels and crude oil derivatives), transport, equipment rental and construction services,
- inability to access construction sites, caused inter alia by weather conditions.

These have resulted in claims against the ordering parties that are consistent with the provisions of the contracts and general provisions of law.

Based on the analyses, in 2011 and 2012, the Company's claims against the Employers (in the total amount of PLN 235,355,000) have been included in the budgets of some infrastructural contracts by the Company (the effect on the 2012 result amounted to PLN 105,260,000 while the effect on the 2011 result amounted to PLN 85,239,000). It is the opinion of the Company that these claims are fully legitimate. The Management Board of the Company has taken all possible actions in order to recover these amounts.

Selected consolidated data – balance sheet:

ASSETS	31/03/2015	31/12/2014	31/03/2014
Amounts due from the customers under construction contracts (long-term contracts), including:	302.371	448.853	348.211
- long-term deposits due from customers under construction contracts	18.935	17.458	13.743
Long-term deposits due from customers under construction contracts	12.372	16.261	18.177
Advances for construction works	54.909	47.865	65.843
Accruals and deferred income from measurement of contracts	464.032	429.192	478.170

LIABILITIES	31/03/2015	31/12/2014	31/03/2014
Amounts due to suppliers under construction contracts (long-term contracts), including:	247.499	354.307	303.911
- long-term deposits due to suppliers under construction contracts	78.508	81.391	79.332
Long-term deposits due to suppliers under construction contracts	44.381	46.661	54.758
Advances for the construction works (long- and short-term)	206.387	212.552	238.225
Reserves for anticipated losses	21.409	19.486	28.742
Accruals and deferred income from measurement of contracts	66.434	17.778	25.808

5. Major changes to estimated amounts

Recognition of sales on construction contracts constitutes an essential estimate. The companies of the Group recognizes revenue from construction contracts in accordance with the progress method. The progress is measured by reference to the share of costs incurred between the day the contract has been entered into and the day of determining revenue in relation to the total costs of providing the service. Total revenue from long term construction contracts denominated in foreign currency is determined on the basis of invoices issued until the balance-sheet date and on the basis of exchange rate as at the balance-sheet date. Budgets of individual contracts are subject to a formal update (revision) process with the use of current information, at least once a quarter. In the case of any events that happen between the official budget revisions and that significantly influence contract results, the value of total revenue or costs of a contract can be updated earlier.

In the reporting period, the Company created the following provisions: (a) in the amount of PLN 2,517,000 for losses resulting from the contracts in progress and used this provision up to the amount of PLN 594,000. Change in provisions for losses on contracts in progress affects the amount of own cost of sales; (b) in the amount of PLN 136,000 for lawsuits and used this provision up to the amount of PLN 885,000; (c) in the amount of PLN 1,297,000 for warranty repairs and used this provision up to the amount of PLN 1,008,000.

The deferred tax assets decreased over the reporting period by PLN 462,000 and as at 31/03/2015 amounted to PLN 74,594,000. The Group recognizes deferred tax assets based on the assumption that future taxable income will allow for its use. Deterioration of tax results in the future could cause the whole or a part of the deferred tax assets not to be realized.

The tax losses in 2010-2013 resulted primarily from losses on infrastructural contracts. The Management Board of the Parent Company has carried out a deferred tax asset recoverability test as at the balance sheet date based on the projections for the forthcoming 4 years, that have been prepared taking into account the planned involvement in the power engineering sector. The test demonstrate the realization of a deferred tax asset in the amount not less than PLN 74,594,000.

6. Description of major achievements and setbacks and major events in the 1st quarter of 2015 and an assessment of the management of financial resources.

Selected financial data from the consolidated profit and loss account for the 1st quarter of 2015

Details	1st quarter of 2015	1st quarter of 2014
Revenue from sales	239.233	313.092
Gross profit (loss) on sales	13.243	25.576
General administrative expenses	11.476	18.227
Account for other operating activities	-120	-300
Profit (loss) on operating activities	1.647	7.049

Account for financial activities	1.421	233
Gross profit (loss)	3.068	7.282
Income tax	639	1.401
Net profit (loss) on continued activities	2.429	5.881
Net profit (loss) for the financial year on discontinued activities	0	-11.727
Net profit (loss) for the financial year allocated to:	2.429	-5.846
Shareholders of the Parent Company	2.407	1.574
Non-controlling shareholders	22	-7.420

In the first quarter of 2015, the consolidated sales revenues amounted to PLN 239,233 thousand, with a positive gross profit, which amounted to: PLN 13,243,000. (In the first quarter of 2014, the gross profit on sales amounted to: PLN 25,576,000). In the 1st quarter of 2015, the Group generated a net profit of PLN 2,429,000 (in the 1st quarter of 2014, the net loss amounted to PLN -5,846,000).

The value of the Group's backlog as at 31/03/2015 amounted to PLN 2,990,752,000. The number of tenders submitted in the construction contract award procedures is still at a lower level compared to previous years, which is the result of introduction of the internal risk management procedures aimed at acquiring projects with a margin that will allow the Group Companies achieve positive results.

The value of short-term trade receivables and other receivables as at 31/03/2015 amounted to PLN 317,893,000 and compared to figures as at 31/12/2014 declined by PLN 136,359,000.

The value of prepayments and accrued income arising from valuation of long-term contracts as at 31/03/2015 amounted to PLN 464,032,000 and was higher compared to the value as at 31/12/2014 by PLN 34,840,000.

The value of cash as at 31/03/2015 amounted to PLN 239,937,000 and compared to the figures as at 31/12/2014 grew by PLN 37,643,000. In the 1st quarter of 2015, the Group was using overdraft facilities and loans, the value of which as at 31/03/2015 amounted to PLN 226,539,000 and compared to the figures as at 31/12/2014 decreased by PLN 18,767,000. On 30 March 2015, the Parent Company partially repaid the loan and interest to Acciona Infraestructuras S.A. in the total amount of EUR 1,997,000. On 11 February 2015, the Parent Company's Management Board received a written notice from Acciona Infraestructuras S.A. stating that in the absence of funds for repayment of loans, the repayment due dates would be extended, as it was the case in the past. In the opinion of the Management Board, the management of financial resources in the first quarter of 2015 was adequate to the Group's situation. The Parent Company's Management Board monitors the liquidity of the Group on the on-going basis, based on the expected cash flows. Given the existing involvement of the related party granting loans and execution of the contract for the construction of the power units in Pole, in the opinion of the Board, there is no significant risk to the liquidity of Mostostal Warszawa S.A. and the Group. The Management Board believes that the Parent Company and the Group have the ability to settle their liabilities and the liquidity position of the Parent Company and the Group is improving.

Long-term liabilities in the first quarter of 2015 decreased by PLN 27,272,000, mainly due settlement of the advance payment received for the construction of Power Plant in Pole. The value of short-term trade liabilities at the end of the 1st quarter of 2015 amounted to PLN 247,499,000 and compared to the figures as at 31/12/2014 were lower by 106,808,000. Other deferred charges and accruals as at 31/03/2015 amounted to PLN 226,809,000 and were higher by PLN 22,907,000, compared to the figures as at 31/12/2014. The main reason for the increase in this item was the increase in reserves for construction works performed by subcontractors and not yet invoiced by them.

During the reporting period i.e. from 01/01/2015 to 31/03/2015, the following events significant for the Mostostal Warszawa Group took place:

– On 05 February 2015, Mostostal Warszawa SA and the Polish Air Navigation Services Agency concluded the Agreement for the construction of an administrative and training building. The Parties agreed to complete the works within 18 months from the handover of the construction site to the contractor. The gross contract value amounts to PLN 57,600,000.

– On 03 March 2015, Mostostal Warszawa SA and Stormwater Ubezpieczeń i Reasekuracji Warta SA (insurance company) signed the Annex 2 to the Agreement of 13 August 2014 on granting contract insurance guarantees up to a specified guarantee limit, increasing the current limit of PLN 6,000,000 to the maximum guarantee limit of PLN 30,000,000. The term of the agreement was specified as at 27/02/2016.

– On 06 March 2015, Mostostal Warszawa SA and the Provincial Police Headquarters in Gdańsk (Employer) concluded a contract for "Construction of the new headquarters of the Provincial Police Station Gdańsk Śródmieście – including the development of a detailed working design". The gross contract value amounts to PLN 25,687,000. The deadline for completion – until 30/04/2017.

7. A description of factors and events, particularly of extraordinary nature, which affect the financial results achieved

In the 1st quarter of 2015, PLN has strengthened against EUR, which had a positive impact on the valuation of loans received from Acciona Infraestructuras S.A. The value of foreign exchange gains, resulting mainly in this respect, amounted to PLN 9,706,000.

8. The seasonal or cyclical nature of the Capital Group's activities in the 1st quarter of 2015

The activities of the Mostostal Warszawa Capital Group depend on weather conditions. The Group is significantly less active during winter than during other seasons. The atmospheric conditions in the 1st quarter of 2015 had no significant effect on the Group's operations and the results it achieved.

9. Information on impairment of inventories to net realizable value and reversal of the respective write-offs

In the first quarter there were no impairments of inventory and reversals in this respect.

10. Information on impairment of financial assets, property, plant and equipment, intangible assets, or other assets, and the reversed impairment losses

In the first quarter of 2015, the allowance for uncollectible accounts in the amount of PLN 32,000 was reversed and the write-offs in the amount of PLN 1,594,000 were created in this respect.

11. Information on creation, use and reversal of provisions in 2015

Details	Provisions for anniversary awards and retirement bonuses	Provision for expected losses on contracts	Provision for warranty repairs	Provision for litigation	Other reserves	Total
As of 01/01/2015	5.911	19.486	16.419	11.328	561	53.705
Created during the period	0	2.517	1.297	136	0	3.950
Used and reversed	-189	-594	-1.008	-885	-75	-2.751
As of 31/03/2015	5.722	21.409	16.708	10.579	486	54.904
Long-term as at 31/03/2015	3.016	10.622	0	0	0	13.638
Short-term as at 31/03/2015	2.706	10.787	16.708	10.579	486	41.266

12. Information on significant transactions of purchase and sale of property, plant and equipment

In the first quarter of 2015, the companies of the Group did not enter into any significant transactions related to property, plant and equipment.

13. Information on significant liabilities in respect of the purchase of property, plant and equipment

Due to the lack of significant purchases of property, plant and equipment in the first quarter of 2015, no significant liabilities in this respect arose.

14. Information on significant litigation settlements

In the first quarter of 2015, there were no significant litigation settlements.

15. Corrections of errors from previous periods

In the reporting period, there were no corrections of errors from previous periods.

16. Issuances, repurchases, and repayments of debt and equity securities

Mostostal Warszawa S.A. and the companies of the Capital Group did not issue any shares in the first quarter of 2015. There were no repayments of debt and equity securities in the 1st quarter of 2011.

On 20 April 2015, the Ordinary General Meeting of Mostostal Warszawa SA resolved to allocate the entire profit for 2014 in the amount of PLN 53,717,000 to cover losses from previous years.

17. Dividends paid (declared) by the Issuer

In the first quarter of 2015, Mostostal Warszawa S.A. did not pay any dividends.

18. Changes in the basic management principles in the Parent Company and Companies in the Capital Group subject to consolidation

During the reporting period there were no significant changes to the management principles either in the Parent Company or in the subsidiaries subject to consolidation.

19. Events which took place after balance sheet day for which the financial statements have been drawn up, which may significantly impact future financial results.

On 29 April 2015, Mostostal Warszawa S.A. and Generali Towarzystwo Ubezpieczeń S.A. (insurance company) signed a framework agreement for contract guarantees within a renewable limit. Pursuant to the agreement, the maximum limit on contract guarantees is PLN 20 million, while the maximum term of a single guarantee will not exceed six years; and in the case of guarantee co-financed by the European Union – seven years.

20. Changes in contingent liabilities and receivables, which occurred after the last financial year

Granted collaterals of trade agreements - contingent liabilities

Details	31/03/2015	31/12/2014
Bills of exchange issued to secure trade agreements	103.531	105.774
Guarantees to secure trade agreements	225.837	228.336
Mortgages	31.955	64.400
Other sureties	11.000	5.000

Collaterals granted (total)	372.323	403.510
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Received collaterals of trade agreements - contingent receivables

Details	31/03/2015	31/12/2014
Guarantees received	138.644	138.241
Bills of exchange received	1.625	2.101
Collaterals obtained (total)	140.269	140.342

Contingent liabilities as of 31/03/2015 amounted to PLN 372,323,000, which means a decrease by PLN 31,187,000 compared to the end of the previous year. The primary reason for the decrease in the liabilities was the release of mortgage security on real estate in the first quarter of 2015. Contingent receivables as of 31/03/2015 remained at a similar level as at the end of 2014 and amounted to PLN 140,269,000.

Other contingent liabilities

Details	31/03/2015	31/12/2014
A2 – contractual penalty	13.691	13.691
Oncology – penalty for withdrawing from the agreement	18.154	18.154
Zielona Italia	15.784	15.784
Power unit construction in Elbląg	10.090	10.090
Extension of the Mechanical Coal Processing Plant for Lubelski Węgiel "Bogdanka" S.A.	16.090	0
Total	73.809	57.719

The value of other contingent liabilities as at 31/03/2015 amounted to PLN 76,438,000 and compared to the end of the previous year, increased by PLN 16,090,000.

The following is the Parent Company's opinion on the above-mentioned penalties:

- With respect to A2 contract: the Ordering Party charged the Consortium consisting of Mostostal Warszawa S.A. and Polimiex Mostostal S.A. with a contractual penalty of PLN 27,000,000 (the Parent Company's share in the penalty amounts to PLN 13,691,000). As the Consortium considers the penalty to be charged unreasonably, this amount has not been included in the contract valuation. The Consortium filed a lawsuit for the reimbursement of the remuneration withheld as liquidated damages and interest.

- On 11 September 2012, the Parent Company received a notice from the St. John of Dukla Lubelskie Region Oncology Centre on the withdrawal from the agreement for designing and conducting construction works for the expansion and modernisation of the Lubelskie Region Oncology Centre. The statement also included a request for the payment of a contractual penalty. The agreement mentioned above was entered into on 3 January 2011 by and between the Lubelskie Region Oncology Centre (the "Ordering Party") and the Consortium consisting of: Mostostal Warszawa S.A. – Acciona Infraestructuras S.A (Leader) – Richter Med. Sp. z o.o. – (Partner) ("Contractor"). The

Ordering Party withdrew from the Agreement due the fact that works were not conducted in accordance with the schedule of works and expenditures and conditions of the Agreement, which resulted in delays threatening the Agreement completion date. The Ordering Party requested the Contractor to pay contractual penalty pursuant to the Agreement. The Parent Company rejects the Ordering Party's arguments in full. The Company considers the Ordering Party's decision in this case to be unreasonable and legally ineffective. The Contractor will make use of any legal means available to protect its interest, goodwill and image. Therefore, Mostostal Warszawa SA has not created provisions for liquidated damages and brought the dispute as to the validity of the liquidated damages charged to the Court.

- Zielona Italia – on 6 March 2013 the Parent Company withdrew from the contract of 11 November 2010 for construction of a complex of multi-family residential buildings with commercial spaces and underground garages that was entered into with Zielona Italia Sp. z o.o. The basis for withdrawal from the Agreement by Mostostal Warszawa SA was the Employer's failure to attend the acceptance inspections, despite repeated requests by the Company. The fact that the Investor unreasonably declined to accept the works resulted in a delay in the performance of a mutual obligation having the value of PLN 29,551,000. It is also an obvious sign that the Investor is not willing to cooperate and that the Investor is improperly performing the Agreement. Pursuant to § 28(2)(c) of the Agreement, the Company shall be entitled to withdraw from the Agreement due to the fault of Zielona Italia Sp. z o.o. As a result of the withdrawal from the contract due to the Investor's fault, Mostostal charged liquidated damages in the amount of PLN 15,784,000 (not included in revenue). In response to this, Zielona Italia Sp. z o.o. charged the Company with liquidated damages in the amount of PLN 15,784,000. As the Management Board of the Parent Company considers the liquidated damages to be charged unreasonably, this amount has not been included in the contract measurement. The dispute on the lack of grounds to charge liquidated damages from the Company is under examination by the Court.

- Construction of a power unit in Elblag – there has been some delay in the performance of the contract. The highest amount of the liquidated damages for delays stipulated in the contract amounts to PLN 19,954,000. In 2014, the Company obtained permission to use the power unit and all the technical and production specifications set in the contractual terms and conditions have been met. Mostostal Warszawa SA contests its responsibility for the occurred delay, referring to the factors beyond control of the Contractor. As a result of the negotiations conducted with the Employer and while maintaining the opinion on irrelevance of the liquidated damages charged, the Contractor decided to refer the dispute to the Court, and just for the sake of prudence, created a partial provision in this respect.

- Extension of the Mechanical Coal Processing Plant for Lubelski Węgiel "Bogdanka" S.A. - The Employer charged the Issuer with liquidated damages for delay in performance of the contract in the amount of PLN 22,840,000. The issuer entirely denies the existence of grounds to charge the liquidated damages, since in his opinion there was no delay in construction works. The delay was caused by the exclusive fault of the Employer due to his evasion from signing the final acceptance certificate. The Issuer will assert its claims brought against the Employer in the court and just for the sake of prudence, created a partial provision in this respect.

21. Information on incurred and terminated credits and loans

1st quarter of 2015

In the reporting period, the companies of Mostostal Warszawa Capital Group used the credits and loans, the total value of which as at 31/03/2015 amounted to PLN 226,539,000.

Interest-bearing long-term bank loans as of 31/03/2015:

Name of the Bank / Lender	Amount granted under the credit/loan	Amount used thousand PLN	Conditions interest	Repayment dates
Acciona Infraestructuras S.A	12,669 thousand EUR	51.809	WIBOR 1R + mark-up	27/05/2016
	TOTAL	51.809		

Current portion of interest-bearing bank credits and loans as at 31/03/2015:

Name of the Bank / Lender	Amount granted under the credit/loan	Amount used thousand PLN	Conditions interest	Repayment dates
PKO BP S.A	PLN 5,000,000	2.238	WIBOR 3m + bank's mark-up	30/06/2015
Societe Generale S.A. Branch in Poland	PLN 7,900,000	7.906	WIBOR 1m + bank's mark-up	15/10/2015
Bank Zachodni WBK S.A.	PLN 3,000,000	2.980	WIBOR 1m + bank's mark-up	31/01/2016
Acciona Infraestructuras S.A.	15,694 thousand EUR	161.606	WIBOR 1R + mark-up	24/11/2015
Acciona Infraestructuras S.A.	15,729 thousand EUR		WIBOR 1R + mark-up	05/12/2015
Acciona Infraestructuras S.A.	8,000 thousand EUR		WIBOR 1R + mark-up	05/08/2015
Bank Pekao S.A.	PLN 5,000,000	0	WIBOR 1m + bank's mark-up	30/06/2015
Bank Pekao S.A.	PLN 5,000,000	0	WIBOR 1m + bank's mark-up	30/06/2015
	TOTAL	174.730		

In the first quarter of 2015, no loan agreement was terminated. In the case of a loan in one of the banks in the amount of PLN 2,238,000, the Parent Company failed to comply with contractual provisions, requiring to maintain the covenants at an appropriate level. The value of this loan represents 1.2% of the balance sheet position of the

current portion of interest-bearing loans and borrowings. The loan agreement has not been terminated by the bank and was not renegotiated until the date of the report. Mostostal Warszawa S.A. promptly repaid this loan.

22. Information on transactions with affiliated entities

Presentation of total consolidated sales revenue and turnover within the Group for the 1st quarter of 2015

Companies of the Group	Total net sales revenue	Sales within the Group	Consolidated net sales revenue
Parent Company	200.272	730	199.542
Other Companies	82.062	42.371	39.691
TOTAL	282.334	43.101	239.233

The total net sales revenue of companies consolidated by the complete method for the 1st quarter of 2015 was PLN 282,334,000. Turnover within the Capital Group amounted to PLN 43,101,000, i.e. 15 % of the total net sales revenue without consolidation exclusions.

All the transactions concluded with affiliated entities in the 1st quarter of 2015 were typical and routine transactions, and were concluded according to market principles.

23. Reporting by market segment

Mostostal Warszawa Capital Group is organised and managed by segment, as appropriate for the types of products offered. The Capital Group settles transactions between segments in the same way as if they concerned unconnected entities using current market prices.

The tables below present data from the consolidated profit and loss account for the Capital Group's individual reporting segments for the 3-month period ended on 31/03/2015.

The following segments exist within continuing business:

1. The engineering/industrial segment, which includes activities connected with the construction of roads and bridges, industrial and power engineering facilities (M. Warszawa S.A., M. Kielce S.A., AMK Kraków S.A., M. Płock S.A., Mostostal Power Development Sp. z o.o., GK M. Puławy in the 1st quarter of 2014).
2. The general construction segment, which includes activities connected with constructing residential and non-residential buildings and public utilities (M. Warszawa S.A., MPB Mielec S.A.).

Unallocated revenue and costs relate to other manufacturing and service activities and administrative costs.

Consolidate profit and loss account for individual operating segments:

3-month period ended on 31 March 2015	Engineering and industrial segment	General construction segment	Revenue and costs unallocated	Total
Revenue from sales				
Sales to external customers	175.915	62.976	342	239.233

Sales between segments	0	0	0	0
Total revenue from segment	175.915	62.976	342	239.233
Result				
Profit (loss) of segment (taking into account other operating costs and other revenue)	6.844	3.212	3.067	13.123
Unallocated costs (administrative expenses)			11.476	11.476
Profit (loss) on operating activities	6.844	3.212	-8.409	1.647
Financial revenue	802	5	9.601	10.408
Financial costs	236	856	7.895	8.987
Gross profit (loss)	7.410	2.361	-6.703	3.068
Income tax			639	639
Net profit (loss) on continued activities	7.410	2.361	-7.342	2.429
Segment result	7.410	2.361	-7.342	2.429
Discontinued activities			0	0
Net profit / loss for the financial year	7.410	2.361	-7.342	2.429
Net profit (loss) allocated to shareholders of the Parent Company			2.407	2.407
Net profit (loss) allocated to non-controlling shareholders			22	22

3-month period ended on 31 March 2014	Engineering and industrial segment	General construction segment	Revenue and costs unallocated	Total
Revenue from sales				
Sales to external customers	220.933	91.125	1.034	313.092
Sales between segments	0	0	0	0
Total revenue from segment	220.933	91.125	1.034	313.092
Result				
Profit (loss) of segment (taking into account other operating costs and other revenue)	15.096	7.661	2.519	25.276
Unallocated costs (general and administrative costs and sales costs)	0	0	18.227	18.227
Profit (loss) on operating activities	15.096	7.661	-15.708	7.049
Financial revenue	4.417	2	997	5.416
Financial costs	3	242	4.938	5.183
Gross profit (loss)	19.510	7.421	-19.649	7.282
Income tax	0	0	1.401	1.401

Net profit (loss) on continued activities	19.510	7.421	-21.050	5.881
Segment result	19.510	7.421	-21.050	5.881
Discontinued activities	0	0	-11.727	-11.727
Net profit / loss for the financial year	19.510	7.421	-32.777	-5.846
Net profit (loss) allocated to shareholders of the Parent Company	19.510	7.421	-25.357	1.574
Net profit (loss) allocated to non-controlling shareholders			-7.420	-7.420

The Management Board of the Parent Company responsible for operational decisions does not conduct a review of assets and liabilities by segment, but does monitor assets and liabilities at the level of individual companies of the Group due to frequent transfers of assets between segments.

Revenues and costs are allocated to the individual segments in accordance with the implemented projects. Assets are analysed on the level of the entire Capital Group. Gross result on sales adjusted by other revenues and operational costs constitutes a key indicator of segment result.

The companies of Mostostal Warszawa Group operate on domestic and foreign markets.

In the first quarter of 2015, the export revenue amounted to PLN 1,497,000, which represents approx. 1% of sales revenue.

24. Financial Instruments - Fair values

The following table shows a comparison of carrying and fair values of all financial instruments of Mostostal Warszawa Capital Group. The consolidated financial statements include the figures revalued to fair value (as shown below).

FINANCIAL ASSETS	Carrying value		Fair value	
	31/03/2015	31/12/2014	31/03/2015	31/12/2014
1) Financial assets held to maturity (measured at amortized cost)				
2) Financial instruments - hedge of future cash flows				
3) Financial instruments - measured at fair value through profit or loss				
4) Loans granted and receivables				
- Trade and other receivables.	317.893	454.252	317.893	454.252
- Long-term receivables - Long-term deposits for construction contracts held by the customers (measures at amortized cost)	12.372	16.261	12.372	16.261
- Cash and cash equivalents	239.937	202.294	239.937	202.294
- Accruals and deferred income from measurement of contracts	464.032	429.192	464.032	429.192

- Long-term deposits as security for bank guarantees	3.856	3.855	3.856	3.855
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FINANCIAL LIABILITIES	Carrying value		Fair value	
	31/03/2015	31/12/2014	31/03/2015	31/12/2014
1) Financial liabilities - financial instruments measured at fair value through profit or loss				
2) Other financial liabilities - financial instruments - hedge of future cash flows				
3) Liabilities (measured at amortized cost)				
- Trade liabilities and other long-term and short-term liabilities	273.039	384.150	273.039	385.386
- Long-term deposits under withheld from suppliers under construction contracts (measures at amortized cost)	44.381	46.661	44.381	46.661
- Accruals and deferred income from measurement of contracts	66.434	17.778	66.434	17.778
4) Other financial liabilities (measured at amortized cost)				
- Interest-bearing bank credits and loans	51.809	55.542	51.809	55.542
- Current portion of interest-bearing bank credits and loans	174.730	189.764	174.730	189.764
- Short-term and long-term liabilities from leasing agreements	5.320	7.131	5.320	7.131

Financial instruments are divided into 3 categories:

- **Level 1** includes financial instruments, whose fair value is estimated based on the quoted market prices at each balance sheet date. The Group has no financial instruments in this category.
- **Level 2** includes financial instruments, whose fair value is determined based on various valuation methods using the available data on current market conditions as at the balance sheet date. The Group includes currency futures contracts in this category of instruments. The fair value of currency futures contracts is determined based on valuations performed by the banks. The Capital Group does not hold financial instruments in this category.
- **Level 3** the fair value of unlisted derivatives is estimated by the Group using various valuation methods based on the assumptions of the company and its own data. The Capital Group does not hold financial instruments in this category.

As at 31/03/2015, Mostostal Warszawa Capital Group does not have any financial instruments used for hedge accounting.

Other Information
to the condensed interim consolidated financial statements
for the period from 01/01/2015 to 31/03/2015

1. Selected financial data

Selected financial data was presented in the numerical part of the statement.

2. Market position of the Capital Group

In the 1st quarter of 2015 the Mostostal Warszawa Capital Group subject to consolidation consisted of the following companies

- Parent Company: Mostostal Warszawa S.A.
- Subsidiaries: Mostostal Kielce S.A., AMK Kraków S.A., Mostostal Płock S.A., MPB Mielec S.A., Mostostal Power Development Sp. z o.o.

3. Effects of changes in the Group's structure

During the reporting period, there were no changes to the Group's structure, which could exercise impact on its operating activities.

4. Results forecast

Mostostal Warszawa Capital Group did not publish financial forecasts for 2015.

5. The main shareholders in the Parent Company Mostostal Warszawa S.A.

List of shareholders with at least 5% of votes at the General Meeting of Shareholders of Mostostal Warszawa S.A. as at 15/05/2015:

Entity	Number of shares	Number of votes	% of capital	% of votes
ACCIONA S.A.	10.018.733	10.018.733	50.09%	50.09%
Otwarty Fundusz Emerytalny PZU Złota Jesień (pension fund)	3.666.000	3.666.000	18.33%	18.33%
AVIVA Powszechnie Towarzystwo Emerytalne AVIVA BZ WBK S.A. (pension fund)	1,018,00	1,018,00	5.09%	5.09%

6. Shares in the Issuer held by members of the management and supervisory bodies and changes in the shareholdings.

In the reporting period, there were no changes in the shares of the Parent Company held by members of the management and supervisory bodies.

7. Court and administrative proceedings

During the reporting period the Companies of the Capital Group participated in proceedings concerning claims with a total value of 786.881 thous. PLN and in proceedings concerning liabilities with a total value of 114.583 thous. PLN.

Proceedings with the highest value of the subject of litigation initiated by the Companies within the Capital Group against:

Date of initiating the proceedings	Defendant	Value of the dispute	Subject of the litigation	Issuer's position
01/02/2010	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	16,583 thousands PLN	Mostostal Warszawa S.A.'s claims in connection with performance of the contract of 6 July 2006 to upgrade National Road 7 to an expressway on the section between Białobrzegi – Jedlińska.	Within this lawsuit, Mostostal Warszawa S.A. claims payment of compensation for damage in the form of additional costs incurred due to extension of the contract performance as well as payment for additional and replacement works.
10/07/2012	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	36,961 thousands PLN	Claims lodged by Mostostal Warszawa S.A. are associated with the implementation of the agreement of 28 September 2009: "Design and Construction of A-2 Motorway Stryków-Konotopa, section between km 394+500 and 411+465.8".	According to Mostostal Warszawa S.A. in the course of the contract, there was a remarkable change affecting the contractual relationship, in the form of unforeseen and sharp increase in prices of liquid fuels and bitumen. The Plaintiff demands an increase of the fixed remuneration.
9/09/2013	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	62,170 thousands PLN	Claims of Mostostal Warszawa S.A. for reimbursement of unduly assessed liquidated damages and payment of increased indirect costs arising from an extended period of the contract "Construction of the	Mostostal Warszawa SA seeks reimbursement of unduly assessed liquidated damages and payment for the completed additional and replacement works.

			bridge on the Oder River in Wroclaw ".	
23.06.2010	The Treasury Ministry of National Defence	19,093 thousands PLN	Claims of Consortium of Mostostal Warszawa SA - Unitek Ltd for additional compensation and reimbursement of the costs incurred in connection with the Contract No. 3/NSIP/P/2000 concerning the implementation of the projects under the Investment Package CP 2A0022, according to which the Plaintiff acted as an alternative investor.	During performance of the Contract, for reasons independent of Mostostal Warszawa SA, there were changes to the scope and shape of the project, which resulted in additional costs, the reimbursement of which is sought by the Company.
30/05/2012	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	PLN 207,530,000	Claims lodged by Mostostal Warszawa S.A. and Acciona Infraestructuras S.A. in connection with implementation of the Contract of 26 February 2010 for construction of A-4 motorway Tarnów-Rzeszów, section between Rzeszów Centralny junction and Rzeszów Wschód junction (km. ca. 574+300 to ca. 581+250).	The claimants aims at forming the contractual relationship by increasing remuneration. On 23/08/2013, the lawsuit was further extended to include the claim of the lack of grounds to charge contractual penalties for exceeding the Contract Completion Time and the demand to reimburse the liquidated damages unduly deducted (from the remuneration for the Works).
10/07/2012	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	8,315 thousands PLN	Claim of Mostostal Warszawa S.A. (Plaintiff) related to the implementation of the Contract of 12 January 2010 for reconstruction of the national road No. 2 at Zakręt – Mińsk Mazowiecki section from km 495+880 to km 516+550.	Mostostal Warszawa S.A. seeks payment of liquidated damages payable in the amount of PLN 6,910 thousand plus statutory interest in the amount of PLN 1,404 thousand (capitalized as at the date of filing the lawsuit).
10/07/2012	State Treasury - Generalna Dyrekcja Dróg Krajowych i Autostrad (General Directorate for National Roads and Motorways)	25,537 thousands PLN	Subject matter of the dispute: claims lodged by Mostostal Warszawa S.A. Claims lodged by Mostostal Warszawa S.A. and Acciona Infraestructuras S.A. in connection with	The claimants aims at forming the contractual relationship by increasing remuneration. According to the Plaintiffs, in the course of the contract, there was a remarkable change affecting the contractual relationship, in the form of unforeseen and sharp increase in prices of liquid fuels and bitumen. The Plaintiff demands an increase of the fixed remuneration.

			implementation of the Contract of of 01 September 2010 for the upgrade of S-7 road to a two-lane road at Kielce bypass section, Kielce (National Road No. 73, Wiśniówka junction) – Chęciny (Chęciny junction).	
11.11.2010	Wrocław municipality	56,555 thousands PLN	The case for payment (with extension of the lawsuit on 22/08/2012) instituted by the Consortium of Mostostal Warszawa SA, ACCIONA INFRAESTRUCTURAS S.A., Wrocławskie przedsiębiorstwo Budownictwa Przemysłowego nr 2 „Wrobis” S.A., Marek Izmajłowicz PH-U IWA - National Forum of Music	The Plaintiffs demand from the Municipality of Wrocław the payment of the amounts resulting from the partial settlement of the project National Forum of Music in Wrocław (compensation, additional pay and other). The expert's opinion has been challenged.
13/11/2012	Wrocław municipality	82,061 thousands PLN	The case instituted by the Consortium of Mostostal Warszawa SA, ACCIONA INFRAESTRUCTURAS S.A., Wrocławskie przedsiębiorstwo Budownictwa Przemysłowego nr 2 „Wrobis” S.A., Marek Izmajłowicz PH-U IWA – for assessment that the Municipality of Wrocław is not entitled to demand the payment under the bank guarantee – performance bond with respect to the project.	Extension of the lawsuit for the payment of the amounts resulting from the partial settlement of the project National Forum of Music in Wrocław (compensation, additional pay and other).
4/10/2012	The Treasury and NATO Defence Investment Division	5,236 thousands PLN	Claims of Mostostal Warszawa SA for payment for additional works	Case for payment for additional works not covered under the previous lawsuit.

29/03/2013	Zielona Italia Sp. z o.o.	15,953 thousands PLN	The case for establishing non-existence of Zielona Italia's right to demand payment under the bank guarantee – performance bond related to the construction of housing estate "Zielona Italia" in Warsaw.	The case for establishing non-existence of Zielona Italia's right to demand payment under the bank guarantee – performance bond. The Company withdrew from the contract for reasons attributable to the Employer, and thus the conditions pursuant to which the Employer may satisfy its claims from the performance bond are not fulfilled. Change of a lawsuit to a claim for reimbursement due to payment under the performance guarantee.
09/05/2013	Zielona Italia Sp. z o.o.	52,344 thousands PLN	Payment of the remuneration for the works performed under the contract "Zielona Italia".	Mostostal Warszawa SA seeks payment of the amounts resulting from the settlement of the project and the completed additional works.
23/06/2010	State Treasury - Generalny Dyrektor Dróg Krajowych i Autostrad (General Director for National Roads and Motorways)	103,644 thousands PLN	“Design and Construction of A-2 Motorway Stryków-Konotopa, section between km 394 + 500 and 411 + 465.8”.	Compensation for the damage suffered by the plaintiffs as a result of improper description of the Employer's Requirements concerning ten Civil Engineering structures and the Bridge on the Rawka River, the Contractor was obliged to construct under the contract.
20/05/2013	State Treasury - Generalny Dyrektor Dróg Krajowych i Autostrad (General Director for National Roads and Motorways)	29,121 thousands PLN	“Design and Construction of A-2 Motorway Stryków-Konotopa, section between km 394 + 500 and 411 + 465.8”.	The subject matter of the case is the claim for reimbursement of liquidated damages plus interest deducted by the Employer.
07/06/2013	Zielona Italia Sp. z o.o.	9,963 thousands PLN	Construction of a complex of residential buildings with underground garages, basic services and technical infrastructure under the name "Green Italia" in Warsaw at the intersection of streets Obywatelska and Świerszcza.	The lawsuit is related to copyright to the project
22/09/2014	Mostostal Warszawa S.A.	9,522 thousands PLN	"Construction of the Sports Hall (Czyżyny) in Krakow".	The Plaintiff – Asseco Poland SA claimed for assessment of the amount of PLN 9,522 thousand plus statutory interest as a compensation for the construction works performed, as a consortium member. The Company challenges the merits of the lawsuit in the entirety.
26/05/2014	Mostostal Warszawa S.A.	22,876 thousands PLN	Construction of the 20 MWe biomass-fired power block for Energa Kogeneracja Sp. z	The Plaintiff, Biomatec, seeks payment of remuneration for the works. The Company challenges the merits of the lawsuit in the entirety.

			o.o.	
09/10/2014	Mostostal Warszawa S.A.	10,810 thousands PLN	Construction of the National Forum of Music in Wrocław	The Plaintiff, Waagner Bir, seeks payment of remuneration for the supplies and works performed by a subcontractor and the payment of liquidated damages and reimbursement of storage costs. The Company challenges the merits of the lawsuit in the entirety.
15/04/2013	Mostostal Warszawa S.A.	15,785 thousands PLN	Liquidated damages under the contract "Zielona Italia"	The Plaintiff, Zielona Italia, seeks liquidated damages from Mostostal Warszawa S.A. for withdrawal from the contract.

Some of these claims were recognized by the Group in the budgets of contracts and accounted as revenue from previous years. Details are described in section 4.6 of the Additional information and explanatory information to the condensed interim consolidated financial statements for the period from 01/01/2015 to 31/03/2015.

8. Information on transactions with affiliated entities

All the transactions concluded with affiliated entities in the 1st quarter of 2015 were typical and routine transactions, and were concluded according to market principles.

9. Information on the sureties for loans or guarantees granted

In the 1st quarter of 2015, the companies of the Group did not issue any loan or credit sureties or guarantees with a value exceeding 10% of the Issuer's equity capital.

10. Other information vital for assessing the Capital Group's situation

In the opinion of the Management Board of the Parent Company, there is no other information relevant for the assessment of the Group's standing than those listed in other sections of the condensed interim consolidated financial statements of Mostostal Group for the period from 01/01/2015 to 31/03/2015.

11. Factors which will affect the results achieved in the perspective of at least the next quarter.

The most important factors that may affect the Group's financial position in the perspective of at least next quarter include: currency fluctuations of zloty against euro due to the loans incurred in euro and the pace of implementation of Opole Power Plant Construction Project.

Warsaw, 15 May 2015