

POLISH FINANCIAL SUPERVISION AUTHORITY

Consolidated quarterly report QSr I/2014

(in accordance with § 82.2 and § 83.3 of the Ordinance of the Minister of Finance of 19 February 2009 - Journal of Laws No. 33, item 259)
for the issuers of securities dealing with production, construction, trade or services

for the first quarter of the 2013 financial year covering the period from 1 January 2014 to 31 March 2014
including condensed consolidated financial statements in line with: IAS/IFRS

in: PLN

and condensed financial statements in line with: IAS/IFRS
in: PLN

date of release: 13 May 2014

IMPEXMETAL S.A. <small>(full name of the issuer)</small>	
IMPEXMET <small>(short name of the issuer)</small>	Metal (met) <small>(sector as classified by WSE)</small>
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525-00-03-551 <small>(Tax Identification Number - NIP)</small>	011135378 <small>(Statistical number - REGON)</small>

SELECTED FINANCIAL DATA	in PLN th.		In EUR th.	
	1.01. – 31.03.2014	1.01. – 31.03.2013	1.01. – 31.03.2014	1.01. – 31.03.2013
Data for the interim condensed CONSOLIDATED financial statement				
I. Sales revenue	644 160	685 876	153 759	164 329
II. Operating profit (loss)	13 688	21 444	3 267	5 138
III. Gross profit (loss) before tax	12 465	22 844	2 975	5 473
IV. Net profit (loss) from continuing operations attributable to equity of the parent	8 817	19 516	2 105	4 676
V. Net profit (loss)	8 864	17 101	2 116	4 097
VI. Net profit (loss) attributable to equity of the parent	8 333	17 727	1 989	4 247
VII. Net cash flows from operating activities	44 819	3 591	10 698	860
VIII. Net cash flows from investing activities	(32 852)	(24 143)	(7 842)	(5 784)
IX. Net cash flows from financing activities	(7 561)	11 570	(1 805)	2 772
X. Total net cash flows	4 406	(8 982)	1 052	(2 152)
XI. Number of shares without owned treasury shares in the amount of 7,210,000 units as at 31.03.2014 and 6,332,707 as at 31.03.2013	192 790 000	193 667 293	192 790 000	193 667 293
XII. Net profit (loss)/diluted net profit (loss) of the parent per ordinary share (in PLN/EUR)	0.04	0.09	0.01	0.02
XIII. Weighted average number of shares without owned treasury shares	192 790 000	193 667 293	192 790 000	193 667 293
XIV. Net profit (loss)/diluted net profit (loss) of the parent per share /weighted number of shares (in PLN/EUR)	0.04	0.09	0.01	0.02
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
XV. Assets	1 851 798	1 834 028	443 938	442 233
XVI. Non-current liabilities	113 674	131 096	27 251	31 611
XVII. Current liabilities	594 553	567 811	142 534	136 914
XVIII. Equity	1 077 249	1 071 153	258 253	258 283
XIX. Equity attributable to equity holders of the parent	964 407	958 489	231 201	231 117
XX. Share capital	94 661	94 661	22 693	22 825
XXI. Number of shares without owned treasury shares in the amount of 7,210,000 units as at 31.03.2014 and 6,332,707 as at 31.03.2013	192 790 000	192 790 000	192 790 000	192 790 000
XXII. Book value / diluted book value of the parent per share (in PLN/EUR)	5.00	4.97	1.20	1.20
data for the interim financial statement				
	1.01. – 31.03.2014	1.01. – 31.03.2013	1.01. – 31.03.2014	1.01. – 31.03.2013
I. Sales revenue	188 263	243 495	44 938	58 339
II. Operating profit (loss)	2 274	7 148	543	1 713
III. Gross profit (loss) before tax	2 012	8 322	480	1 994
IV. Net profit (loss)	1 783	6 726	426	1 611
V. Net cash flows from operating activities	42 872	26 828	10 233	6 428
VI. Net cash flows from investing activities	(28 540)	(21 442)	(6 812)	(5 137)
VII. Net cash flows from financing activities	(14 381)	(5 513)	(3 433)	(1 321)
VIII. Total net cash flows	(49)	(127)	(12)	(30)
IX. Number of shares without owned treasury shares	192 790 000	193 667 293	192 790 000	193 667 293
X. Net earnings (loss) / diluted profit (loss) of the parent per ordinary share (in PLN/EUR)	0.01	0.03	0.00	0.01
XI. Weighted average number of shares without owned treasury shares	192 790 000	193 667 293	192 790 000	193 667 293
XII. Net earnings (loss) / diluted profit (loss) of the parent per share / weighted no of shares (in PLN/EUR)	0.01	0.03	0.00	0.01
	31.03.2014	31.12.2013	31.03.2014	31.12.2013
XIII. Total assets	1 219 979	1 248 185	292 470	300 971
XIV. Non-current liabilities	98 092	114 407	23 516	27 587
XV. Current liabilities	267 227	278 205	64 063	67 083
XVI. Equity	854 660	855 573	204 891	206 301
XVII. Share capital	94 661	94 661	22 693	22 825
XVIII. Number of shares without owned treasury shares	192 790 000	192 790 000	192 790 000	192 790 000
XIX. Book value / diluted book value per share (in PLN/EUR)	4.43	4.44	1.06	1.07



CONDENSED INTERIM CONSOLIDATED

QUARTERLY REPORT

**of the Impexmetal Capital Group
for the period from 1 January to 31 March 2014**



CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Continuing operations		
Revenue from sales of products	509 233	555 799
Revenue from sales of goods and materials	134 927	130 077
Total revenue from sales	644 160	685 876
Cost of products sold	472 747	520 019
Value of goods and materials sold	129 071	121 257
Cost of products, goods and materials sold	601 818	641 276
Gross profit (loss) on sales	42 342	44 600
Selling expenses	11 007	11 264
General and administrative costs	15 144	15 550
Other operating revenue	3 563	7 218
Other operating expenses	6 066	3 560
Operating profit (loss)	13 688	21 444
Financial revenue	7 248	9 601
Financial expenses	8 471	8 201
Profit (loss) before tax	12 465	22 844
Income tax	2 108	2 837
Net profit (loss) from continuing operations	10 357	20 007
Attributable to:		
Equity holders of the parent	8 817	19 516
Minority shareholders	1 540	491
Net profit (loss) from discontinued operations	(1 493)	(2 906)
Net profit (loss)	8 864	17 101
Attributable to:		
Equity holders of the parent	8 333	17 727
Minority shareholders	531	(626)
Profit (loss) per share attributable to equity holders of the parent (in PLN)	0.04	0.09
Diluted earnings (loss) per ordinary share	0.04	0.09
Net profit (loss) from continuing operations per share attributable to equity holders of the parent (in PLN)	0.05	0.10
Diluted earnings (loss) from continuing operations per ordinary share	0.05	0.10



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY**

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Net profit (loss)	8 864	17 101
Income in capital not to be classified on the financial result	(2 793)	(1 999)
Exchange differences on translation of foreign operations	589	309
Cash flows hedging instruments	(760)	1 261
Revaluation of assets available to sell and other assets	(3 892)	(4 349)
Deferred income tax due to revenues charged in capital	1 270	780
Income in capital not to be classified on the financial result	-	-
Net revenue charged to equity	(2 793)	(1 999)
Total revenue	6 071	15 102
Attributable to:		
Equity holders of the parent	5 903	15 868
Minority shareholders	168	(766)

**CONSOLIDATED INCOME STATEMENT – discontinued operations
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY**

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Discontinued operations		
Revenue from sales of products	231	304
Revenue from sales of goods and materials	-	21
Total revenue from sales	231	325
Cost of products sold	231	304
Value of goods and materials sold	-	5
Cost of products, goods and materials sold	231	309
Gross profit (loss) on sales	-	16
Selling expenses	-	-
General and administrative costs	-	-
Other operating revenue	975	129
Other operating costs	2 337	936
Operating profit (loss)	(1 362)	(791)
Financial revenue	-	-
Financial expenses	444	2 175
Profit (loss) before tax	(1 806)	(2 966)
Income (deferred) tax	(313)	(60)
Net profit (loss) from discontinued operations	(1 493)	(2 906)



CONSOLIDATED BALANCE SHEET
PREPARED AS AT 31 MARCH 2014 AND 31 DECEMBER 2013

	31/03/2014	31/12/2013
ASSETS		
Non-current assets		
Tangible fixed assets	557 999	559 370
Investment property	33 868	33 868
Intangible assets	9 432	9 134
Goodwill	47 086	47 086
Investments in controlled entities	11 881	11 881
Available-for-sale financial assets	275 681	272 185
Deferred tax assets	941	1 057
Receivables and other assets	207	211
Total non-current assets	937 095	934 792
Current assets		
Inventories	370 490	395 809
Trade and other receivables	394 388	366 219
Granted loans	54 237	53 924
Derivative financial instruments	4 011	4 352
Available-for-sale financial assets	331	14
Current tax receivables	3 934	3 772
Other assets	12 330	5 369
Cash and cash equivalents	40 456	36 606
Total current assets	880 177	866 065
Held-for-sale assets (*)	34 526	33 171
Total assets	1 851 798	1 834 028

(*) Discontinued operations concerns HMN Szopienice S.A. in liquidation.



CONSOLIDATED BALANCE SHEET – cont.

	<u>31/03/2014</u>	<u>31/12/2013</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	94 661	94 661
Treasury shares	(24 441)	(24 441)
Supplementary capital due to issue of shares above their face value	28 867	28 867
Capital due to using hedge accounting	(2 393)	(2 528)
Capital due to valuation of pension benefits and similar	161	161
Capital due to revaluation of assets	(2 819)	334
Exchange differences from translation of controlled entities	10 815	10 227
Retained earnings, including:	859 556	851 208
Reserve capital	78 222	78 222
Profit attributable to equity holders of the parent in the current year	8 333	72 737
Equity attributable to shareholders of the Parent	964 407	958 489
Equity attributable to minority shareholders	112 842	112 664
Total equity	1 077 249	1 071 153
Long-term liabilities and provisions for liabilities		
Bank loans and credit facilities	38 836	54 842
Lease liabilities	990	1 001
Provisions on liabilities due to retirement and similar contributions	3 868	3 868
Deferred tax provisions	64 777	65 840
Other long-term provisions	683	683
Other equity and liabilities	4 520	4 862
Total long-term liabilities and provisions	113 674	131 096
Short-term liabilities and provisions for liabilities		
Trade and other liabilities	202 308	193 023
Bank loans and credit facilities	367 881	355 904
Lease liabilities	43	42
Derivative financial instruments	8 422	6 627
Income tax liabilities	1 905	157
Provisions for liabilities due to retirement and similar contributions	3 305	3 423
Other short-term provisions	9 911	8 307
Other equity and liabilities	778	328
Short-term liabilities and provisions for liabilities	594 553	567 811
Total short-term liabilities and provisions	708 227	698 907
Liabilities due to assets held for sale (*)	66 322	63 968
Total equity and liabilities	1 851 798	1 834 028

(*) Discontinued operations concerns HMN Szopienice S.A. in liquidation.



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013 RESPECTIVELY**

	Capital attributable to equity holders of the parent									
	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets	Capital due to valuation of pension benefits and similar	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to minority shareholders	Total
As at 1 January 2014	94 661	(24 441)	28 867	(2 528)	334	161	10 227	851 208	112 664	1 071 153
Total income for 3 months 2014	-	-	-	135	(3 153)	-	588	8 333	168	6 071
Capital from consolidation (change of stake)	-	-	-	-	-	-	-	15	10	25
As at 31 March 2014	94 661	(24 441)	28 867	(2 393)	(2 819)	161	10 815	859 556	112 842	1 077 249

	Capital attributable to equity holders of the parent									
	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets	Capital due to valuation of pension benefits and similar	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to minority shareholders	Total
As at 1 January 20143	94 661	(22 498)	28 867	325	1 258	-	10 142	775 742	97 829	986 326
Total income for 12 months 2013	-	-	-	(2 853)	(924)	161	36	72 737	12 932	82 089
Buy-back of treasury shares	-	(1 943)	-	-	-	-	-	-	-	(1 943)
Capital from consolidation (change of stake)	-	-	-	-	-	-	49	2 729	2 082	4 860
Dividend payment	-	-	-	-	-	-	-	-	(179)	(179)
As at 31 December 2013	94 661	(24 441)	28 867	(2 528)	334	161	10 227	851 208	112 664	1 071 153

	Capital attributable to equity holders of the parent									
	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets	Capital due to valuation of pension benefits and similar	Exchange differences on translation of foreign operations	Retained earnings	Capitals attributable to minority shareholders	Total
As at 1 January 2013	94 661	(22 498)	28 867	325	1 258	-	10 142	775 742	97 829	986 326
Total income for 3 months 2013	-	-	-	1 358	(3 523)	-	306	17 727	(766)	15 102
As at 31 March 2013	94 661	(22 498)	28 867	1 683	(2 265)	-	10 448	793 469	97 063	1 001 428

(*) Treasury shares in the purchased price, purchased for redemption or re-sale in the amount of 7 210 000 units as at 31.03.2014 and 31.12.2013 and 6 332 707 units as at 31.03.2013.



**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY**

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Cash flows from operating activities		
Profit (loss) before tax	10 659	19 878
Amortization/depreciation	12 492	14 027
Net foreign exchange (gains)/losses	(134)	412
Interests on financial liabilities	5 835	7 069
Interest and dividends	(1 164)	(1 116)
Profit/loss on investing activities	680	(76)
Changes in the working capital:		
Receivables (increase) /decrease	(26 722)	(59 537)
Inventories (increase) /decrease	25 426	(2 909)
Liabilities (increase) /decrease	24 358	33 714
Provisions and prepayments/accruals	(5 145)	(6 299)
Other	(1 323)	(1 371)
Cash generated from operating activities	44 962	3 792
Income tax received /(paid)	(143)	(201)
Net cash flows from operating activities	44 819	3 591
Cash flows from investing activities		
Proceeds		
Disposal of tangible fixed assets	398	122
From sale of financial assets	645	-
Interests received and repayment of originated loans	917	1 415
Other investment proceeds	60	17
Payments		
Purchase of tangible fixed assets	(26 392)	(12 515)
Purchase of financial assets	(8 480)	(11 122)
Purchase of bonds	-	(2 060)
Net cash flows from investing activities	(32 852)	(24 143)
Cash flows from financing activities		
Proceeds		
Credits and loans	64 340	63 682
Other financing proceeds	25	-
Payments		
Purchase of assets maintained to maturity	-	(6 266)
Dywidendy i inne wypłaty na rzecz właścicieli	-	-
Repayment of credits and loans	(68 650)	(41 069)
Payments due to financing lease	(10)	(8)
Interests paid	(3 266)	(4 764)
Other financing payments	-	(5)
Net cash flows from financing activities	(7 561)	11 570
Total net cash flows	4 406	(8 982)
Effect of exchange rate fluctuations on the balance of cash in foreign currencies	422	(31)
Change in cash and cash equivalents	4 828	(9 013)
Opening balance of cash and cash equivalents, including:	36 674	36 753
- from continuing operations	36 606	36 211
- from discontinued operations	68	542
Closing balance of cash and cash equivalents, including:	41 502	27 740
- from continuing operations	40 456	27 672
- from discontinued operations	1 046	68



**CONSOLIDATED STATEMENT OF CASH FLOWS – discontinued operations
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY**

Discontinued operations	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Cash flows from operating activities		
Profit (loss) before tax	(2 936)	(2 966)
Adjustments	3 839	2 459
Net cash generated from operating activities	903	(507)
Cash flows from investing activities		
Proceeds	75	33
Payments	-	-
Net cash generated from investing activities	75	33
Cash flows from financing activities		
Proceeds	-	-
Payments	-	-
Net cash generated on financing activities	-	-
Change in cash and cash equivalents	978	(474)
Opening balance of cash and cash equivalents	68	542
Closing balance of cash and cash equivalents	1 046	68

Signatures

Małgorzata Iwanejko

President of the Management Board

Agata Kęszczyk - Grabowska

Chief Accountant



INTERIM CONDENSED QUARTERLY REPORT

OF IMPEXMETAL S.A.

FOR THE FIRST QUARTER OF 2014



INCOME STATEMENT FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Continuing operations		
Revenue from sales of products	188 263	243 495
Revenue from sales of goods and materials	176 139	224 885
Total revenue from sales	12 124	18 610
Selling expenses	4 993	5 993
General and administrative costs	5 699	5 195
Other operating revenue (*)	1 685	344
Other operating expenses	843	618
Operating profit (loss)	2 274	7 148
Financial revenue	2 620	2 908
Financial expenses	2 882	1 734
Profit (loss) before tax	2 012	8 322
Income tax	229	1 596
Net profit (loss) from continuing operations	1 783	6 726
Discontinued operations		
Net profit (loss) from discontinued operations	-	-
Net profit (loss)	1 783	6 726
Basic/diluted net profit per one ordinary share/weighted number of shares (in PLN)	0.01	0.03

(*) Including revenues from dividend in the amount of PLN 1 237 th. in the period ended 31.03.2014.

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 JANUARY TO 31 March 2014 AND FOR 2013, RESPECTIVELY

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Net profit (loss)	1 783	6 726
Income in capital to be classified on the financial result	(2 696)	(5 117)
Cash flows hedging instruments	565	(1 968)
Revaluation of assets available to sell and other assets	(3 893)	(4 349)
Valuation of pension benefits and others	-	-
Deferred income tax due to revenues charged in capital	632	1 200
Income in capital not to be classified on the financial result	-	-
Net revenue charged to equity	(2 696)	(5 117)
Total revenue	(913)	1 609



BALANCE SHEET
PREPARED AS AT 31 MARCH 2014 AND 31 DECEMBER 2013

	31/03/2014	31/12/2013
ASSETS		
Non-current assets		
Property, plant and equipment	287 955	286 788
Investment property	7 905	7 905
Intangible assets	1 662	1 758
Goodwill	2 122	2 122
Investments in controlled entities	328 827	328 827
Financial assets available for sale	233 092	229 632
Receivables and other long-term receivables	2	4
Total non-current assets	861 565	857 036
Current assets		
Inventories	169 282	192 759
Trade and other receivables	124 418	135 573
Granted loans	54 646	54 328
Derivative financial instruments	90	133
Available-for-sale financial assets	331	-
Deferred tax receivables	2 930	2 930
Other assets	5 296	3 983
Cash and cash equivalents	1 421	1 443
Total current assets	358 414	391 149
TOTAL ASSETS	1 219 979	1 248 185

**BALANCE SHEET****PREPARED AS AT 31 MARCH 2014 AND 31 DECEMBER 2013 – cont.**

	31/03/2014	31/12/2013
EQUITY AND LIABILITIES		
Equity		
Share capital	94 661	94 661
Treasury shares	(24 441)	(24 441)
Supplementary capital due to issue of shares above their face value	28 576	28 576
Capital due to using hedge accounting	(1 888)	(2 345)
Capital due to revaluation of assets available to sell	(3 443)	(290)
Capital due to valuation of pension benefits and similar	272	272
Retained profits, including:	760 923	759 140
Reserve capital	78 222	78 222
Net profit of the current year	1 783	32 421
Total equity	854 660	855 573
Long-term liabilities and provisions for liabilities		
Bank loans and credit facilities	37 086	52 967
Debt securities	16 000	16 000
Provisions for liabilities due to retirement and similar contributions	1 617	1 617
Provisions for deferred tax	42 884	43 299
Other long-term provisions	505	524
Total long-term liabilities and provisions	98 092	114 407
Short-term liabilities and provisions for liabilities		
Trade and other liabilities	75 302	86 656
Bank loans and credit facilities	182 103	178 504
Derivative financial instruments	2 528	5 272
Provisions for liabilities due to retirement and similar contributions	1 240	1 442
Other short-term provisions	5 958	6 204
Other liabilities	96	127
Total current liabilities and provisions	267 227	278 205
Total liabilities	365 319	392 612
TOTAL EQUITY AND LIABILITIES	1 219 979	1 248 185



**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 31 March 2014 AND FOR 2013, RESPECTIVELY**

	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to valuation of pension benefits and similar	Retained earnings	Total equity
As at 1 January 2014	94 661	(24 441)	28 576	(2 345)	(290)	272	759 140	855 573
Total income for 3 months 2014	-	-	-	457	(3 153)	-	1 783	(913)
As at 31 March 2014	94 661	(24 441)	28 576	(1 888)	(3 443)	272	760 923	854 660

	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to valuation of pension benefits and similar	Retained earnings	Total equity
As at 1 January 2013	94 661	(22 498)	28 576	500	634	-	726 719	828 592
Total income for 12 months 2013	-	-	-	(2 845)	(924)	272	32 421	28 924
Buy-back of treasury shares	-	(1 943)	-	-	-	-	-	(1 943)
As at 31 December 2013	94 661	(24 441)	28 576	(2 345)	(290)	272	759 140	855 573

	Share capital	Treasury shares(*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to valuation of pension benefits and similar	Retained earnings	Total equity
As at 1 January 2013	94 661	(22 498)	28 576	500	634	-	726 719	828 592
Total income for 3 months 2014	-	-	-	(1 594)	(3 523)	-	6 726	1 609
As at 31 March 2013	94 661	(22 498)	28 576	(1 094)	(2 889)	-	733 445	830 201

(*) Treasury shares in the purchased price, purchased for redemption or re-sale in the amount of 7 210 000 units as at 31.03.2014 and 31.12.2013 and 6 332 707 units as at 31.03.2013.


STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 1 JANUARY TO 31 MARCH 2014 AND FOR 2013, RESPECTIVELY

	For 3 months ended 31/03/2014	For 3 months ended 31/03/2013
Cash flows from operating activities		
Profit (loss) before tax	2 012	8 322
Amortization/depreciation	7 521	7 789
Net foreign exchange (gains)/losses	(134)	62
Interests on financial liabilities	1 821	1 399
Interest and dividends	(2 260)	(1 378)
Profit/loss on investing activities	732	45
Changes in the working capital:		
Receivables (increase) /decrease	11 183	(2 961)
Inventories (increase) /decrease	23 477	22 575
Liabilities (increase) /decrease	(47)	(7 346)
Provisions and prepayments/accruals	(1 421)	(1 679)
Cash generated from operating activities	42 884	26 828
Income tax received /(paid)	(12)	-
Net cash flows from operating activities	42 872	26 828
Cash flows from investing activities		
Proceeds		
Disposal of tangible fixed assets	25	49
Disposal of financial assets	645	-
Dividends received	1 237	-
Interests received and repayment of originated loans	692	1 416
Payments		
Purchase of tangible fixed assets	(22 654)	(9 725)
Purchase of financial assets	(8 480)	(11 122)
Granted loans	(5)	-
Purchase of bonds	-	(2 060)
Net cash flows from investing activities	(28 540)	(21 442)
Cash flows from financing activities		
Proceeds		
Credits and loans	28 660	16 236
Payments		
Repayment of credits and loans	(41 220)	(20 350)
Interests paid	(1 821)	(1 399)
Net cash flows from financing activities	(14 381)	(5 513)
Total net cash flows	(49)	(127)
Effect of exchange rate fluctuations on the balance of cash in foreign currencies	27	(9)
Change in cash and cash equivalents	(22)	(136)
Opening balance of cash and cash equivalents	1 443	5 027
Closing balance of cash and cash equivalents	1 421	4 891



The financial statement was signed in the seat of the Company on 13 May 2014.

Signatures

Małgorzata Iwanejko	President of the Management Board	_____
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Agata Kęszczyk - Grabowska	Chief Accountant	_____
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