



TRAKCJA CAPITAL GROUP

CONSOLIDATED QUARTERLY REPORT

FOR THE PERIOD OF 3 MONTHS ENDED ON 31 MARCH 2014

published pursuant to § 82 sec. 1 point 1 of the Regulation of the Minister of Finance dated February 19, 2009 on current and periodic information to be published by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws No 2014, item 133)

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- I. Selected financial data of the Trakcja Capital Group
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- V. Additional information and explanations to the condensed financial statements

APPROVAL OF THE CONDENSED CONSOLIDATED FINANCIAL STATEMENT

The Management Board of Trakcja PRKił S.A. has approved the condensed consolidated financial statement of Trakcja Capital Group for the 3-month period ended on March 31, 2014.

The condensed consolidated financial statement for the I quarter of 2014 was prepared according to the International Financial Reporting Standards (IFRS) approved by the European Union applicable to interim reporting (MSR 34). Information included herein is presented in the following sequence:

- I. Consolidated profit and loss statement for the period from January 1, 2014 to March 31, 2014 showing net loss amounting to PLN **5 239** thousand.
- II. Consolidated statement of comprehensive income for the period from January 1, 2014 to March 31, 2014 showing total negative comprehensive income amounting to PLN **4 936** thousand.
- III. Consolidated balance sheet as of March 31, 2014 showing the assets and liabilities in the amount of PLN **1 359 025** thousand.
- IV. Consolidated cash flow statement for the period from January 1, 2014 to March 31, 2014 showing decrease in net cash balance by PLN **27 131** thousand.
- V. Consolidated statement of changes in equity for the period from January 1, 2014 to March 31, 2014 showing decrease of equity by PLN **4 872** thousand.
- VI. Additional information and explanations.

The condensed consolidated financial statements are expressed in thousand Polish Zloty, unless expressly indicated otherwise.

Roman Przybył
President of the Board

Marita Szustak
Vice – president of the Board

Stefan Dziedziul
Vice – president of the Board

Nerijus Eidukevičius
Vice – president of the Board

Tadeusz Kałdonek
Vice – president of the Board

Jarosław Tomaszewski
Vice – president of the Board

Warsaw, May 12, 2014

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I. SELECTED FINANCIAL DATA OF THE TRAKCJA CAPITAL GROUP

The average PLN/EUR exchange rates in the period covered by the consolidated financial statements:

Financial year ended	Average exchange rate in the period*	Minimum exchange rate in the period	Maximum exchange rate in the period	Exchange rate as at the last day of the period
31.03.2014 r.	4,1894	4,1450	4,2375	4,1713
31.12.2013 r.	4,2110	4,0671	4,3432	4,1472
31.03.2013 r.	4,1738	4,0671	4,2028	4,1774

* The average of the exchange rates binding as at the last day of each month in a given reporting period.

Main consolidated balance sheet items converted into euro:

	31.03.2014		31.12.2013	
	TPLN	TEUR	TPLN	TEUR
Non-current assets	717 633	172 041	723 399	174 431
Current assets	641 392	153 763	915 647	220 787
Total assets	1 359 025	325 804	1 639 046	395 218
Equity	629 957	151 022	634 829	153 074
Long-term liabilities	171 753	41 175	114 037	27 497
Short-term liabilities	557 315	133 607	890 180	214 647
Total equity and liabilities	1 359 025	325 804	1 639 046	395 218

The FX rate set by the National Bank of Poland on the last day of a given reporting period has been accepted for the purpose of converting data in the consolidated balance sheet.

Main items of the consolidated profit and loss statement converted into euro:

	For the period of 3 months ended 31.03.2014		For the period of 3 months ended 31.03.2013	
	TPLN	TEUR	TPLN	TEUR
Sales revenues	239 072	57 066	149 288	35 768
Cost of goods sold	(226 868)	(54 153)	(154 077)	(36 915)
Gross profit (loss) on sales	12 204	2 913	(4 789)	(1 147)
Operating profit (loss)	(1 901)	(454)	(16 234)	(3 889)
Gross profit (loss)	(5 947)	(1 419)	(22 000)	(5 271)
Net profit (loss) from continued operations	(5 239)	(1 250)	(21 438)	(5 136)
Net profit (loss) from discontinued operations	-	-	-	-
Net profit for the period	(5 239)	(1 250)	(21 438)	(5 136)

The consolidated profit and loss statement data were converted according to the average euro exchange rate calculated as the arithmetic mean of the exchange rates set by the National Bank of Poland as at the last day of each month in a given reporting period.

Main items of the consolidated cash flow statement converted into euro:

	For the period of 3 months ended 31.03.2014		For the period of 3 months ended 31.03.2013	
	TPLN	TEUR	TPLN	TEUR
Cash flows from operating activities	(38 116)	(9 098)	(129 898)	(31 122)
Cash flows from investment activities	13 972	3 335	(2 792)	(669)
Cash flows from financial activities	(2 987)	(713)	60 858	14 581
Total net cash flows	(27 131)	(6 476)	(71 832)	(17 210)

The consolidated cash flow statement data were converted according to the average euro exchange rate calculated as the arithmetic mean of the exchange rates set by the National Bank of Poland as at the last day of each month in a given reporting period.

	31.03.2014		31.03.2013	
	TPLN	TEUR	TPLN	TEUR
Cash at start of period	83 599	20 158	121 143	29 632
Cash at end of period	54 363	13 033	49 311	11 804

To convert the above consolidated cash flow statement data, the following was assumed:

- the FX rate set by the National Bank of Poland as at the last day of a given reporting period – for the line item “Cash at the end of the period”,
- the FX rate set by the National Bank of Poland as at the last day of the reporting period preceding a given reporting period – for the line item “Cash at the beginning of the period”.

As at the last day of the financial year ended 31 December 2012, the FX rate was 4,0882 PLN/EUR.

II. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED PROFIT AND LOSS STATEMENT

	1.01.2014 - 31.03.2014	1.01.2013 - 31.03.2013
	Unaudited	Unaudited, Modified
Continued operations		
Sales revenues	239 072	149 288
Cost of goods sold	(226 868)	(154 077)
Gross profit on sales	12 204	(4 789)
Cost of sales, marketing and distribution	(1 502)	(1 519)
General and administrative costs	(12 202)	(12 825)
Other operating revenues	376	4 815
Other operating costs	(540)	(1 351)
Share of profit of entities consolidated using equity method	(237)	(565)
Operating profit	(1 901)	(16 234)
Financial revenues	665	675
Financial costs	(4 711)	(6 441)
Gross profit	(5 947)	(22 000)
Income tax	708	562
Net profit from continued operation	(5 239)	(21 438)
Discontinued operations		
Net profit (loss) from discontinued operations	-	-
Net profit for the period	(5 239)	(21 438)
Attributable to:		
Shareholders of Parent entity	(5 119)	(21 085)
Non-controlling interests	(120)	(353)
Profit per share attributable to shareholders of the Parent entity in the period (PLN per share)		
Basic	(0,01)	(0,06)
Diluted	(0,01)	(0,06)

*) Details are presented in Note 12 to these condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	1.01.2014 - 31.03.2014	1.01.2013 - 31.03.2013
	Unaudited	Unaudited, Modified
Net profit for the period	(5 239)	(21 438)
Other comprehensive income:		
Other comprehensive income that will not be reclassified into profit or loss under certain conditions:	242	5 617
Profit from revaluation referred into revaluation reserve	-	5 762
Actuarial gains/(losses)	242	(145)
Other comprehensive income that will be reclassified to profit or loss:	61	4 746
Foreign exchange differences on translation of foreign operations	1 369	4 746
Cash flow hedging instruments	(1 308)	-
Total other comprehensive income	303	10 363
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(4 936)	(11 075)
Attributable to:		
Shareholders of Parent entity	(4 474)	(10 729)
Non-controlling interests	(462)	(346)

**) Details are presented in Note 12 to these condensed consolidated financial statements.*

CONSOLIDATED BALANCE SHEET

ASSETS	31.03.2014	31.12.2013	1.01.2013
	Unaudited	Modified	Modified
Non-current assets	717 633	723 399	700 591
Tangible non-current assets	180 560	182 359	187 722
Intangible assets	59 880	60 161	59 875
Goodwill from consolidation	376 159	375 217	372 918
Investment properties	30 324	30 324	17 800
Investments in entities accounted using equity method	8 406	8 644	6 775
Investments in other units	24	24	24
Other financial assets	15 265	25 665	26 742
Deferred tax assets	45 147	39 114	25 239
Accruals	1 868	1 891	3 496
Current assets	641 392	915 647	622 191
Inventory	124 475	103 155	92 997
Trade and other receivables	355 476	630 431	240 749
Other financial assets	29 651	35 095	26 422
Cash and cash equivalents	54 363	83 599	121 143
Accruals	11 892	8 487	6 749
Construction contracts	65 535	54 881	134 131
Total assets	1 359 025	1 639 046	1 322 782
EQUITY AND LIABILITIES			
Equity attributable to shareholders of parent entity	628 012	632 422	491 851
Share capital	41 120	41 120	23 211
Basic conditional capital	-	-	18 545
Due payments for basic capital (negative value)	-	-	(18 545)
Share premium account	310 102	310 102	231 813
Revaluation reserve	8 158	8 158	2 396
Other capital reserves	264 037	226 987	241 025
Retained earnings	(5 119)	37 706	(11 928)
Foreign exchange differences on translation of foreign operations	9 714	8 349	5 334
Non-controlling interests	1 945	2 407	1 792
Total equity	629 957	634 829	493 643
Long-term liabilities	171 753	114 037	154 332
Interest-bearing bank loans and borrowings	69 312	19 523	97 911
Bonds	49 987	49 926	12 913
Provisions	6 663	4 226	3 718
Liabilities due to employee benefits	9 913	10 318	9 552
Provision for deferred tax	33 916	29 474	30 238
Derivative financial instruments	1 962	570	-
Short-term liabilities	557 315	890 180	674 807
Interest-bearing bank loans and borrowings	114 911	167 125	37 131
Bonds	856	-	147 761
Trade and other liabilities	285 628	504 169	330 614
Provisions	17 869	18 923	9 711
Liabilities due to employee benefits	9 961	9 352	8 644
Income tax liabilities	26	4 527	2 636
Derivative financial instruments	-	-	59
Other financial liabilities	128	34 718	-
Accruals	87	68	94
Construction contracts	126 831	150 467	133 660
Advances received towards flats	1 018	832	4 497
Total equity and liabilities	1 359 025	1 639 046	1 322 782

*) Details are presented in Note 12 to these condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW

	For the period of 3 months ended	
	31.03.2014	31.03.2013
	Unaudited	Unaudited, Modified
Cash flows from operating activities		
Gross profit from continued operations	(5 947)	(22 000)
Gross profit (loss) from discontinued operations	-	-
Adjustments for:	(32 169)	(107 898)
Depreciation	5 837	5 624
FX differences	162	758
Net interest and dividends	2 975	2 889
Profit on investment activities	(31)	(3 740)
Share of profits of entities consolidated using equity method	237	565
Change in receivables	252 095	20 805
Change in inventory	(23 434)	(8 730)
Change in liabilities, excluding loans and borrowings	(222 363)	(140 957)
Change in prepayments and accruals	(3 837)	(515)
Change in provisions	1 487	(976)
Change in construction contracts	(37 556)	21 276
Change in financial derivatives	1 549	4
Income tax paid	(5 046)	(3 582)
Other	(4 447)	(2 423)
Foreign exchange differences on translation of foreign operations	203	1 102
Net cash flows from operating activities	(38 116)	(129 898)
Cash flows from investment activities		
Sale (purchase) of intangible assets and tangible non-current assets	755	(1 873)
- acquisition	(810)	(2 575)
- sale	1 565	702
Financial assets	12 986	(3 221)
- repaid	15 874	3 609
- granted or acquired	(2 888)	(6 830)
Loans	25	2 001
- repaid	58	2 001
- granted	(33)	-
Interest received	206	301
Net cash flows from investment activities	13 972	(2 792)
Cash flows from financial activities		
Repayment of bonds	-	(13 800)
Proceeds on account of taken borrowings and loans	36 859	111 539
Repayment of borrowings and loans	(36 462)	(33 818)
Interest paid	(1 871)	(1 096)
Payment of liabilities under financial lease agreements	(1 508)	(1 989)
Other	(5)	22
Net cash flows from financial activities	(2 987)	60 858
Total net cash flows	(27 131)	(71 832)
Net FX differences	-	-
Cash at start of period	79 183	121 143
Cash at end of period	52 052	49 311
- with limited access	989	2 033

*) Details are presented in Note 12 to these condensed consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity attributable to shareholders of parent entity												
	Share capital	Basic conditional capital	Due payments for basic capital (negative value)	Share premium account	Revaluation reserve	Other reserve capitals		Foreign exchange differences on translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity
						Hedging instruments	Actuarial gains/(losses)	Results from previous years				
Modified*												
As at 1.01.2013	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407 634 829
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2013 after adjustments	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407 634 829
Net profit for the period	-	-	-	-	-	-	-	-	-	(5 119)	(5 119)	(120) (5 239)
Other comprehensive income	-	-	-	-	-	(964)	244	-	1 365	-	645	(342) 303
Distribution of profit	-	-	-	-	-	-	-	37 706	-	(37 706)	-	-
Other changes	-	-	-	-	-	-	-	64	-	-	64	- 64
As at 31.12.2013	41 120	-	-	310 102	8 158	(1 234)	(2 421)	267 692	9 714	(5 119)	628 012	1 945 629 957
Modified*												
As at 1.01.2012	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792 493 643
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2012 after adjustments	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792 493 643
Net profit for the period	-	-	-	-	-	-	-	-	-	(21 085)	(21 085)	(353) (21 438)
Other comprehensive income	-	-	-	-	5 762	-	(145)	-	4 739	-	10 356	7 10 363
Loss cover	-	-	-	-	-	-	-	(11 928)	-	11 928	-	-
Issue of shares	17 909	(17 909)	17 909	78 289	-	-	-	-	-	-	96 198	- 96 198
Other changes	-	-	-	-	-	-	-	(47)	-	-	(47)	- (47)
As at 31.12.2012	41 120	636	(636)	310 102	8 158	-	(1 492)	230 397	10 073	(21 085)	577 273	1 446 578 719

*) Details are presented in Note 12 to these condensed consolidated financial statements.

	Equity attributable to shareholders of parent entity												
	Share capital	Basic conditional capital	Due payments for basic capital (negative value)	Share premium account	Revaluation reserve	Other reserve capitals		Foreign exchange differences on translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity	
						Hedging instruments	Actuarial gains/ (losses)	Results from previous years					
Modified*													
As at 1.01.2014	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2013 after adjustments	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Net profit for the period	-	-	-	-	-	-	-	-	-	37 706	37 706	210	37 916
Other comprehensive income	-	-	-	-	5 762	(270)	(1 318)	-	3 015	-	7 189	(92)	7 097
Losses cover	-	-	-	-	-	-	-	(11 928)	-	11 928	-	-	-
Issue of shares	17 909	(18 545)	18 545	78 289	-	-	-	-	-	-	96 198	-	96 198
Other changes	-	-	-	-	-	-	-	(522)	-	-	(522)	497	(25)
As at 31.03.2014	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407	634 829

III. ADDITIONAL INFORMATION AND EXPLANATIONS TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

These condensed consolidated financial statements of the Group cover the 3-month period ended on March 31, 2014.

Trakcja Capital Group (the "Group"; "GK Trakcja") consists of the Parent company Trakcja PRKiI S.A. ("Trakcja PRKiI", the "Parent company", the "Company"), its subsidiaries and a company classified according to IFRS 11 as joint venture (see note 2).

Trakcja PRKiI S.A. in its present form was established on November 30, 2004 as a result of acquisition of the holding company Trakcja Polska S.A. by Przedsiębiorstwo Kolejowych Robót Elektryfikacyjnych S.A. (Railway Electrification Works Company, "PKRE S.A."). The Company's business name was then Trakcja Polska S.A. and was changed by Resolution no. 2 adopted by an Extraordinary Shareholder Meeting on November 22, 2007. The change was confirmed by the entry in the National Court Register made on December 10, 2007. The Company's previous business name was Trakcja Polska – PKRE S.A. The Parent company operates on the basis of the articles of association prepared in the form of a notary deed on January 26, 1995 (Rep. A No. 863/95), as amended. On September 1, 2009, the District Court for the capital city of Warsaw, 12th Economic Department of the National Court Register, has registered the merge of Trakcja Polska S.A. as a taking-over company with Przedsiębiorstwo Robót Komunikacyjnych-7 S.A. – as a company being taken-over. The merge of the companies has been settled and included on 31 August 2009 in the accountancy books of the company, to which the property of the merged companies passed to, i.e. Trakcja Polska S.A. by means of shares bonding method. The actual merge of the companies, according to IFRS 3 took place at the moment of taking the control, i.e. 1 September 2007.

On June 22, 2011, the Regional Court for the capital city of Warsaw in Warsaw, XIII Economic Division of the National Court Register, registered the change of the Company's business name from Trakcja Polska S.A. to Trakcja - Tiltra S.A. The above change was registered pursuant to Resolution no. 3 adopted by the Extraordinary Shareholder Meeting on June 15, 2011.

On December 21, 2012, the Regional Court for the capital city of Warsaw in Warsaw, 13th Economic Division of the National Court Register, registered the change of the Company's business name from Trakcja - Tiltra S.A. to Trakcja S.A. The above change was registered pursuant to Resolution no. 3 adopted by the Extraordinary Shareholder Meeting on 12 December 2012.

On December 19, 2013, the District Court for the Capital City Warsaw in Warsaw, XII Commercial Division of the National Court Register registered the merger Trakcja S.A. as the acquiring company with PRKiI S.A. as the acquired company. The merger was accounted for and recognized at December 31, 2013 in the accounting books of the company to which the property of the merged companies passed to, i.e. Trakcja S.A. by means of shares bonding method.

On December 19, 2013, the District Court for the Capital City Warsaw in Warsaw, XIII Commercial Division of the National Court Register registered the change of name of the Company from Trakcja S.A. on Trakcja PRKiI S.A. This change was registered under Resolution No. 6 of the Extraordinary General Meeting of November 27, 2013.

On January 29, 2002, the Company was entered in the National Court Register in the Regional Court in Warsaw at the XII Business Division under file number KRS 0000084266. The Trakcja Polska – PKRE S.A. S.A. was assigned the statistical number REGON 010952900, the taxpayer identification no. NIP 525-000-24-39 and code PKD 4212Z.

The Company's seat is located in Warsaw at 59 Złota Street, XVIII floor. The duration of the Parent company and the other entities comprising the Group is indefinite.

The Company's line of business as stated in its articles of association includes specialized construction and installation work for electrification of railway and tramway lines, i.e.:

- work on foundations and networks;

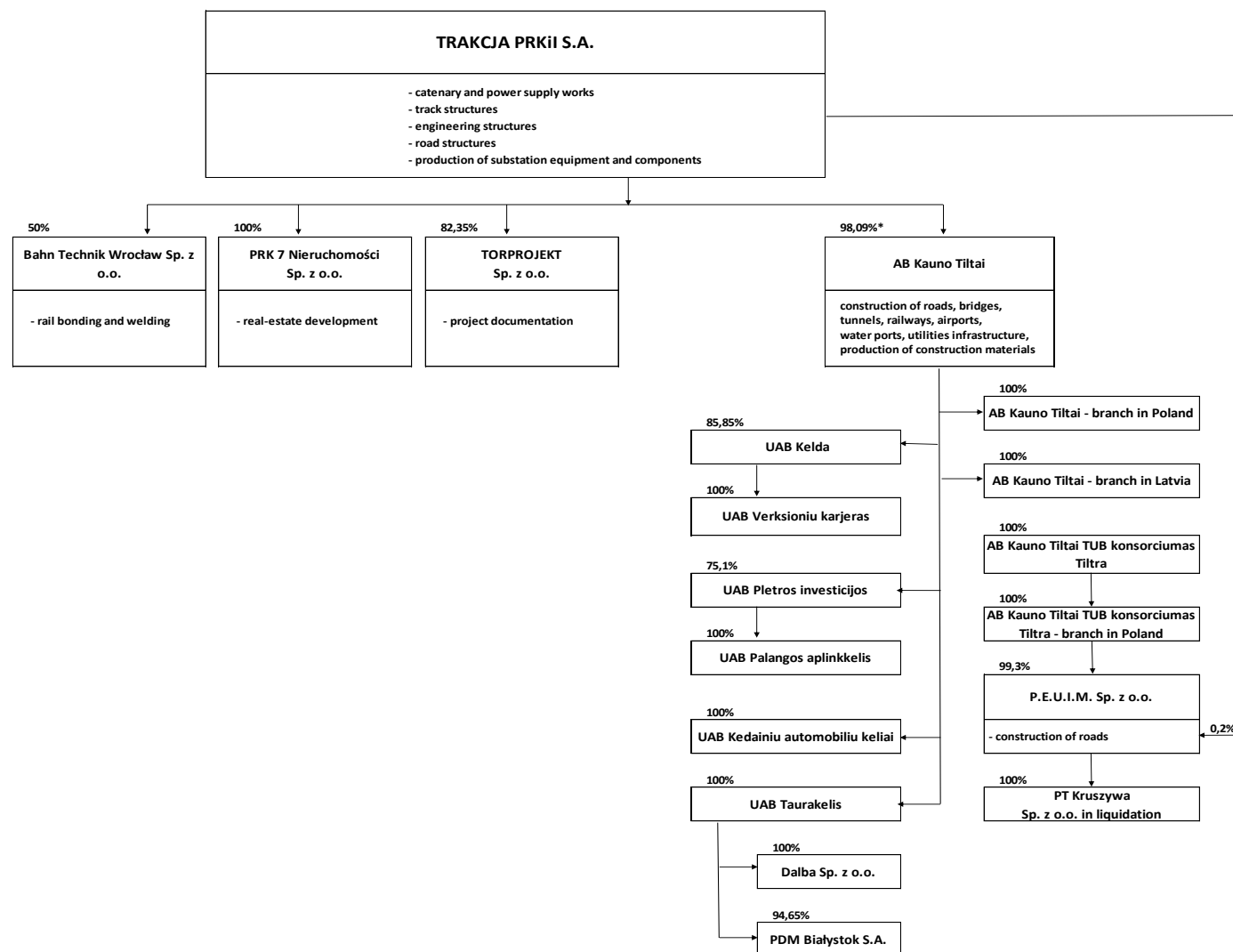
- installation of overhead contact substations and section cabins;
- installation of high and low voltage aerial and cable lines;
- installation of power supply and local control cables;
- production of high, medium and low voltage switching stations, overhead contact system accessories and local control devices;
- specialized equipment services (excavators, rail and car cranes, drill setters, piling rigs);
- construction of bridges, viaducts, overpasses, culverts, tunnels, subways, roads and associated infrastructure of rail and road.

2. Group structure

As of March 31, 2014, the Group consists of Parent company Trakcja PRKiI S.A., subsidiaries and Bahn Technik Wrocław Sp. z o.o. classified as joint venture according to IFRS 11.

The AB Kauno Group's subsidiaries (apart from PT Kruszywa Sp. z o.o. in liquidation) and the following subsidiaries: PRK 7 Nieruchomości Sp. z o.o., Torprojekt Sp. z o.o. are consolidated using full consolidation method. The company Bahn Technik Wrocław Sp. z o.o. is consolidated using equity method. As at December 31, 2013 and March 31, 2014 the company PT Kruszywa Sp. z o.o. in liquidation was not consolidated by the Group.

The Group's structure is presented below:



*) Trakcja PRKil SA has a total of 98.09% (96.84% directly and indirectly 1.25%) of the share capital of the subsidiary AB Kauno Tiltai. The indirect share is a result of the acquisition of shares by a subsidiary.

3. Changes in Capital Group

In the I quarter 2014 there was a change in the Group's structure. With effect from March 6, 2014 the company Brux Sp. z o.o. in liquidation ("Brux") has been deleted from the National Court Register. As at December 31, 2013 and March 31, 2014 the company Brux was not consolidated by the Group.

4. Composition of the Parent Company's Management Board

The Company's Management Board on March 31, 2014 was composed of the following persons:

- Roman Przybył President of the Board;
- Marita Szustak Vice – president of the Board;
- Stefan Dziedziul Vice – president of the Board;
- Nerijus Eidukevičius Vice – president of the Board;
- Tadeusz Kałdonek Vice – president of the Board;
- Jarosław Tomaszewski Vice – president of the Board.

Within the period from January 1, 2014 to March 31, 2014 the composition of the Management Board did not change.

No changes in the composition of the Management Board occurred after the balance sheet date.

5. Shareholding structure of the Parent company

According to knowledge of the Management Board of the Parent company, the following shareholders held, directly or through subsidiaries, at least 5 per cent of the total number of votes at the General Meeting of Shareholders of the publishing date of the statement:

Shareholders	Number of shares	% in the share capital	Number of votes	% in votes at GSM
COMSA S.A.	118 418 237	28,80%	118 418 237	28,80%
ING OFE	60 846 729	14,80%	60 846 729	14,80%
OFE PZU	34 797 195	8,46%	34 797 195	8,46%
Others	197 134 223	47,94%	197 134 223	47,94%
Total	411 196 384	100,00%	411 196 384	100,00%

The shareholders held have not changed, directly or through subsidiaries, at least 5 per cent of the total number of votes at the General Meeting of Shareholders from the previous periodic report.

After the balance sheet date but before the publishing of the condensed consolidated financial statements there was no change in the shareholders held.

6. Number of shares in the Parent company held by persons managing and supervising the Company

From the previous periodic report there were no changes in the shares of the Parent company held by persons managing and supervising the Company.

As of the day of publishing this statement, the shares in Trakcja PRKiI S.A. held by its managing and supervising persons were as follows:

First name and surname	Function	Number of shares	Nominal value of shares held	% in the shareholding
Maciej Radziwiłł	Chairman of the Supervisory Board	280	28	0,000%
Roman Przybył	President of the Board	10 000	1 000	0,002%
Marita Szustak	Vice-president of the Board	500 000	50 000	0,122%
Nerijus Eidukevičius	Vice-president of the Board	2 626 167	262 617	0,639%
Tadeusz Kałdonek	Vice-president of the Board	2 550 960	255 096	0,620%

The members of the Management Board or the Supervisory Board do not hold shares in any entities within the Capital Group.

7. Approval of the financial statements

These condensed consolidated financial statements have been approved by the Management Board of the Parent company for publication on May 12, 2014.

8. Significant values based on professional judgement and estimates

Within the process of application the accountancy principles (policy), the most important things are the book estimates, assumptions made and professional judgment of the management. The assumptions and estimates are based on historical experience and the factors that are considered to be reasonable. Their results constitute the basis of professional judgment relating to the carrying amounts of assets and liabilities. The estimates and underlying assumptions are reviewed at the balance sheet date. Although these estimates are based on the best knowledge of current conditions and activities undertaken by the Group, the actual results may differ from these estimates.

In case that a transaction is not regulated in any standard or interpretation, management uses its judgment in applying an accounting policy that will ensure that the financial statements will contain relevant and reliable information and:

- accurately, clearly and fairly present the financial position of the Group and the results of its operations and cash flows,
- reflect the economic substance of transactions,
- are objective,
- are drawn up in accordance with the principle of prudence and
- are complete in all material respects.

The basic assumptions related to the future and other key sources of uncertainties present at the balance sheet date to which the risk of significant balance sheet assets and liabilities is related in the following fiscal year are presented below.

8.1. Professional judgement

Fair value of financial instruments

Fair values of the financial instruments for which active market does not exist, are estimated by means of appropriate estimation methods. When selecting the methods and assumptions, the Group follows the professional judgement. Applied assumptions are presented in note No. 48 Additional information and explanations to the Consolidated financial statements for the year ended December 31, 2013.

Classification of leasing agreements

The Group classifies leasing as operational or financial, based on an assessment of the scope in which risk and benefits due to possession of the object of leasing are assigned to the lessor or the lessee.

Investment properties

The Group classifies real properties as material categories of tangible fixed assets or investment properties depending on their planned use by the Group.

Allocation of the goodwill as cash flow generating centres

Pursuant to IAS 36, goodwill is allocated to cash flow generating centres. The Group performs an assessment connected with allocation of goodwill to relevant centres that generate cash flow. Professional judgement concerns in particular reallocation of the goodwill created from purchasing the AB Kauno Tiltai group, initially allocated to the road segment. Pursuant to the decision of the Group, the aforementioned goodwill, in consequence of Group restructuring and a change of cash flow generating centres was reallocated pursuant to the relative values method, in the amount of PLN 128 million, to the civil engineering segment.

Recognition and loss of control over related entities

The Group is guided by professional judgement in evaluating the start and end of control over related entities, having regard to all circumstances affecting the control. Upon evaluation of the end of control, the Group is mainly guided by legal prerequisites i.e. resulting from the law (e.g. pursuant to the Code of Commercial Companies, court decision) and economic prerequisites concerning each company individually, its economic and financial situation as at the balance sheet date.

Classification of joint arrangements

The Group determines whether it has joint control and determine the type of joint contractual arrangement in which it is involved by assessing its rights and obligations arising from the joint agreement, the structure and legal form of the joint arrangement and agreed upon by the parties conditions of the agreement. Groups classified the investment in the company Bahn Technik Wrocław Sp. z o.o. as a joint venture in accordance with IFRS 11.

8.2. Uncertainty of estimates

Valuation of liabilities due to employee benefits

Liabilities due to employee benefits concerning retirement severance pays and jubilee awards were estimated based on actuarial methods. Value of the liability depends on numerous factors, which are used as assumptions in the actuarial method. One of the basic assumptions for determining the amount of the liability is the discount rate and the average expected increase of salaries. Any change in these assumptions affects the value of the liability.

Provisions for correction works

The provisions for correction works were estimated based on the knowledge of individual construction sites managers related to necessity or possibility of performing additional works in aid of the Ordering Party, to fulfill the guarantee obligations. Largest companies in the Trakcja Group are required to provide a guarantee for their services. The amount of the provision for correction works depends on the segment in which companies operate and is based on the Group's historical data. This value is subject to individual analysis and can be increased or decreased in justified circumstances. Any change in these estimations affects the value of provisions.

Provisions for contractual penalties

The Group recognizes provisions for contractual penalties on executed contracts in a value, which is possible and probable to incur. Provisions are created based on documentation on the course of the contract and opinion of lawyers participating in conducted discussions, who estimate possible future liabilities of the Group based on the course of discussions.

Component of deferred tax assets

The Group recognizes a component of assets by virtue of deferred tax based on the assumption that tax profit shall be attained in the future allowing its utilization. Deterioration of the obtained tax results in the future could cause that such assumption would be unjustified. The Management Board of the Dominant Entity verifies adopted estimations concerning probability of recovering assets due to deferred income tax, based on changes of factors taken into account, new information, and past experiences. Probability of realizing the asset due to deferred income tax with future tax profits is based on the budgets of Group companies. Group companies recognized in the books the asset due to deferred income tax up to the amount, to which it is probable that they will generate taxable profit, which will allow offsetting negative temporary differences. Group companies which historically generated losses and financial projections of which do not foresee generating taxable profit,

which would allow offsetting negative temporary differences, do not recognize in their books assets due to deferred income tax.

Revenues recognition

To maintain relatively constant margin during all reporting periods, within which a contract is in force, the Group applies cost method for fixing the incomes ("cost plus"). The revenue on performance of construction and installation services covered by an uncompleted contract is the actually borne costs increased by the assumed margin for the given contract. The Group performs regular analysis and if necessary, verification of margins for individual contracts. The amount of incomes on sale in case of contracts concluded in foreign currency depends on the directions of shaping the currency exchange rate.

Depreciation rates

The amount of depreciation rates is set based on the expected period of economical usability of material components of fixed assets and intangible property. The Group every year performs verification of the adopted periods of economical usability based on current estimations.

Impairment of financial assets

At the assessment whether the financial assets have not lost their value, the available and commonly applied methods of valuation were used taking into account the Group prospect cash flows in respect of the possessed assets.

Investment properties

Investment properties are valued at fair value. Valuations of investment properties were prepared by independent experts with current qualifications to perform such valuations. The selection of the approach and the method was driven by principles defined in the Act on real properties management and in the Regulation of the Council of Ministers on detailed rules of valuation of real properties and on the rules and mode of preparing appraisal reports. Valuation of the fair value of investment properties was subject to such valuation techniques that maximize the use of observable data.

Impairment tests

Pursuant to IAS 36, the Management Board of the Dominant Entity as at the balance sheet date performs annual impairment tests for cash generating units, to which the goodwill was assigned. As at March 31, 2014 there were no identification of impairment of cash generating units that is why the Group did not conducted impairment test at that date.

Impairment of inventory

The Management Board assesses whether there are prerequisites indicating a possibility of an impairment of inventory. Stating an impairment requires estimation of the net values possible to obtain for inventory, which lost its utility attributes or usability.

Write-down to trade receivables and other receivables

The Management Board assesses whether there are prerequisites indicating a possibility of an impairment of trade receivables and other receivables. The value of receivables is revaluated in account of the level probability of their payment, through performing a write-down. The value of the write-down depends on the probability of payment of the receivable and on the detailed analysis of significant items comprising the receivable. Depending on the type of client and the source of receivable, assessment of the probability of recovery of the receivable is performed based on individual analysis of certain balances or based on statistical repayment indicators estimated for individual age groups of receivables. Repayment indicators are defined based on observed repayment history and client behaviour, in account of other factors which in the Management's opinion can affect recoverability of current receivables.

9. Basis for preparation of the condensed consolidated financial statements

The condensed consolidated financial statements have been prepared according to historical cost principle, except for the derivative financial instruments and financial assets available for sale, which are estimated

according to fair value. The balance sheet value of the recognized collaterals of assets and liabilities is adjusted according to the changes in fair value, which may be attributed to risk, against which the assets and liabilities are secured.

The condensed consolidated financial statements are disclosed in Zloty ("PLN", "zł"), and all values, if not presented otherwise, are given in thousand Zloty.

Some financial data recognized in this financial statement have been rounded. Therefore, some tables presented in the statement show the sum of amounts in a given column or row that slightly differ from the total amount given for such column or row.

The AB Kauno Group's subsidiaries (apart from PT Kruszywa Sp. z o.o. in liquidation) and the following subsidiaries: PRK 7 Nieruchomości Sp. z o.o., Torprojekt Sp. z o.o. are consolidated using full consolidation method. The company Bahn Technik Wrocław Sp. z o.o. is consolidated using equity method. As at December 31, 2013 and March 31, 2014 the company PT Kruszywa Sp. z o.o. in liquidation was not consolidated by the Group.

All of the balances and transactions between Group entities, including unrealized profits resulting from intra-Group transactions, have been eliminated in full. Unrealized losses are eliminated, unless they are a proof of impairment.

Non-controlling shares are that part of the financial result and net assets which does not belong to the Group. Non-controlling interests are presented as a separate line item in the consolidated profit and loss account, the consolidated statement of total income and equity of the consolidated balance sheet, separately from the equity assigned to shareholders of the Parent company. In the case of purchasing non-controlling interests, the difference between the purchase price and the balance sheet value of the non-controlling interests is captured in capitals.

10. Declaration of conformity

The condensed consolidated financial statement was prepared according to the International Financial Reporting Standard ("IFRS") approved by the European Union. At the day of approving this financial statement, within the scope of accountancy principles applied by the Group, there are no significant differences between IFRS standards and the IFRS standards approved by the European Union. The standards that did not come into force on March 31, 2014 and were not approved by the European Union at the day of preparing this consolidated financial statement are presented in note No. 11.

The IFRS cover the standards and interpretations accepted by the International Accountancy Standard Board and the International Financial Reporting Interpretations Committee ("IFRIC").

Currency of measure and currency of financial statements

The currency of measure of the Parent company and the majority of the Group's companies as well as the presentation currency in this condensed consolidation financial statement for the period 3 months ended March 31, 2014 is Polish Zloty. The currency of measure of companies with their registered office in Lithuania is Litas (LTL).

11. Significant accountancy principles

The accountancy principles (policy) applied to prepare this condensed consolidated financial statement for the period 3 months ended March 31, 2014 are coherent with those which were applied while preparing the annual consolidated financial statements for 2013, with the exclusion of the changes specified below. The same principles were applied in the current and comparable period, unless the standard or interpretation assumed only prospective application.

Standards and interpretations that did not come into force at the balance sheet date

In this condensed consolidated financial statements, the Group did not take the decision on application of published standards and interpretations before the date of their entry into force.

The following standards and interpretations were issued by the International Accountancy Standard Board and the International Financial Reporting Interpretations Committee and did not come into force at the balance sheet date:

- *IFRS 9 Financial Instruments*

The new standard was published on 12 November 2009 and is the first step of the IASB to replace IAS 39 Financial Instruments: Recognition and Measurement. Following publication, the new standards was subject to further works and was partially modified. The new standard will come into force on 1 January 2015.

The Group will implement the new standard from 1 January 2015.

As at the date of preparing these financial statements, it was not possible to reliably estimate the influence of applying the new standard.

- *Changes in the various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements 2010-2012)*

On 12 December 2013, further changes to seven standards were published pursuant to a project of changes to the International Financial Reporting Standards published in May 2012. They apply mostly to annual periods starting on 01 July 2014 or later.

The Group will apply amended standards within the scope of introduced changes from 01 January 2015, unless a different effective date is foreseen.

The application of amended standards will not materially influence the Group's financial statements.

- *Changes in the various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements 2011-2013)*

On 12 December 2013, further changes to four standards were published pursuant to a project of changes to the International Financial Reporting Standards published in November 2012. They apply mostly to annual periods starting on 01 July 2014 or later.

The Group will apply amended standards within the scope of introduced changes from 01 January 2015, unless a different effective date is foreseen.

The application of amended standards will not materially influence the Group's financial statements.

- *Change to IAS 19 Defined Benefit Plans – Employee Contributions*

The change was published on 21 November 2013 and applies to annual periods starting from 01 July 2014 or later. Amendments specify, and in some cases simplify, accounting principles relating to employee contributions (or other third parties') to defined benefit plans.

The Group will apply the amended standard in the scope of introduced changes as from 1 January 2015.

The application of amended standards will not materially influence the Group's financial statements.

- *IFRS 14 Regulatory Deferral Accounts*

The new standard was published on 30 January 2014 and applies to annual periods starting from 01 January 2016 or later. The new standard has temporary nature due to the pending works of the IASB on regulating the manner of clearing operations in price regulation conditions. Standard. The Standard introduces a principle of recognizing assets and liabilities arising in connection with transactions with regulated prices, if the given entity decides to shift to IFRS.

The Group will implement the new standard from 01 January 2016.

Application of the amended standard will not influence the Group's financial statements.

- *IFRIC Interpretation 21 Levies*

The new interpretation was published on 20 May 2013 and applies to annual periods starting from 01 January 2014 or later. The interpretation includes instructions concerning periods, in which liabilities related to payment of certain levies should be recognized.

The Group will apply the new interpretation as from the date defined in the regulation of the European Commission, which adopts the interpretation to be applied in the European Union.

As at the date of these financial statements, the new interpretation is not foreseen to influence the Group's financial statements.

IFRS in the form approved by the European Union does not currently significantly differ from the regulations adopted by the International Accounting Standards Board (IASB), except for the below standards, interpretations and their changes, which at the day of approving this financial statement for publication have not yet been approved for application by the European Union:

- *IFRS 9 Financial instruments published on 12 November 2009 (as amended),*
- *Change to IAS 19 Defined Benefit Plans – Employee Contributions published on 21 November 2013*
- *IFRS 14 Regulatory Deferral Accounts published on 30 January 2014,*
- *Changes in various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements 2010-2012) published on 12 December 2013;*
- *Changes in various standards resulting from the annual review of the International Financial Reporting Standards (Annual Improvements 2011-2013) published on 12 December 2012;*
- *IFRIC Interpretation 21 Levies published on 20 May 2013.*

12. Effect of application of new accounting standards and changes of accounting policy

▪ Changes resulting from IFRS changes

The following new or changed standards and interpretations issued by the International Accountancy Standard Board and the International Financial Reporting Interpretations Committee are in force since January 1, 2014:

- *IFRS 10 Consolidated Financial Statements;*
- *IFRS 11 Joint Arrangements;*
- *IFRS 12 Disclosure of Interest in Other Entities;*
- *IAS 27 Separate Financial Statements;*
- *IAS 28 Investments in associates and joint ventures;*
- *Changes in IAS 32 Offsetting Financial Assets and Financial Liabilities;*
- *Guidelines related to the interim provisions (Amendments to IFRS 10, IFRS 11, and IFRS 12);*
- *Investment Units (Amendments to IFRS 10, IFRS 12 and IFRS 27);*
- *Changes to IAS 36 Recoverable Amounts Disclosures for Non-Financial Assets;*
- *Changes to IAS 39 Novation of derivatives and continuation of hedge accounting.*

Their application did not influence the business results and financial standing of the Company and resulted only in changes of the applied accountancy principles or possible extension of the scope of necessary disclosures or amendments to the used terminology.

Main consequences of application of new regulations:

- *IFRS 10 Consolidated Financial Statements*

The new standard was published on 12 May 2011 and will replace interpretation SCI 12 Consolidation – Special Purpose Entities, and part of IAS 27 Consolidated and Separate Financial Statements. The standard defines the notion of control as the factor determining whether an entity should be included in consolidated financial statements and contains guidelines on the basis of which it is possible to establish whether a given entity exercises control.

The application of the new standard does not have material influence the Group's financial statements.

- *IFRS 11 Joint Arrangements*

The new standard was published on 12 May 2011 and will replace interpretation SCI 13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers, and IAS 31 Interests in Joint Ventures. The standard puts emphasis on rights and obligations resulting from joint arrangements, regardless of their legal form, and eliminates inconsistency in reporting through specifying the method for settling contributions in jointly controlled entities.

Application of the new standard resulted in the following change:

The change in the consolidation method of Bahn Technik Wrocław Sp. with o.o. ("BTW") from the proportional method to the equity method of consolidation.

The Group exercises joint control over BTW based on 50% share in the equity of the company and requiring unanimous consent of all the parties with respect to decisions relating to the relevant activities of the company. The investment has been classified as a joint venture in accordance with IFRS 11 and, therefore, the Group applied equity method of consolidation. Prior to the adoption of IFRS 11, the Group's interest in the BTW was consolidated proportionally.

As a result of the change in consolidation method the values earlier included line by line in the statement of financial position and statement of comprehensive income have been currently presented under the headings of: investments in entities accounted using equity method and share of profit of entities consolidated using equity method. Key figures as at December 31, 2013 and January 1, 2013 are presented in Note 26. Application of this new standard had no impact on the Group's consolidated net income and the value of equity presented in the consolidated balance sheet.

The Group recognized an investment in the joint venture at the beginning of the earliest period presented (January 1, 2013) as the total carrying amounts of assets and liabilities previously proportionately consolidated by the Group. The value is assumed to be the cost of the Group's investment in the joint venture in connection with the equity method. Under IFRS 11 Group conducted an analysis of indications of possible impairment in relation to the opening balance of the investment in the joint venture. There was no occurrence of such indications that is why the test for impairment of investments was not carried out.

The effect of the above changes on the consolidated balance sheet at December 31, 2013 and January 1, 2013 is presented below:

	31.12.2013 Published data	Change of consolidation method of BTW from proportionate method to equity method	31.12.2013 Restated data
Non-current assets	719 824	3 575	723 399
Current assets	923 314	(7 667)	915 647
Total equity	634 829	-	634 829
Long-term liabilities	114 294	(257)	114 037
Short-term liabilities	894 015	(3 835)	890 180

	1.01.2013 Published data	Change of consolidation method of BTW from proportionate method to equity method	1.01.2013 Restated data
Non-current assets	699 000	1 591	700 591
Current assets	628 202	(6 011)	622 191
Total equity	493 643	-	493 643
Long-term liabilities	154 515	(183)	154 332
Short-term liabilities	679 044	(4 237)	674 807

The effect of change of consolidation method of BTW on the consolidated profit and loss for the comparative period, ie from January 1, 2013 to March 31, 2013 is presented in the table summarizing the impact of all changes made by the Group during the period on page 25 of this condensed consolidated financial statements.

- **IFRS 12 Disclosure of Interest in Other Entities**

The new standard was published on 12 May 2011 and contains requirements related to disclosures on interest in other entities or investments.

The application of the new standard does not have material influence the Group's financial statements.

- **IAS 27 *Separate Financial Statements***

The new standard was published on 12 May 2011 and results mainly from moving certain regulations of the existing IAS 27 to the new IFRS 10 and IFRS 11. The standard includes requirements concerning recognition and disclosures, in separate financial statements, of investments in associated entities, subsidiaries, and joint ventures. The standard will replace the existing IAS 27 Consolidated and Separate Financial Statements.

The application of the new standard does not have material influence the Group's financial statements.

- **IAS 28 *Investments in associates and joint ventures***

The new standard was published on 12 May 2011 and relates to the settlement of investments in associates. It also specifies requirements concerning the application of the equity method in investments in associates and in jointly controlled entities. The standard will replace IAS 28 Investments in Associates

The application of the amended standard has no influence on the Group's financial statements.

- **Changes in IAS 32 *Offsetting Financial Assets and Financial Liabilities***

Changes in IAS 32 were published on 16 December 2011 and apply to annual reporting periods starting from 1 July 2014 or later. Changes are a reaction to the existing inconsistencies in applying the offsetting criteria set forth in IAS 32.

The application of the new standard does not have material influence the Group's financial statements.

- ***Guidelines related to the interim provisions*** (Amendments to IFRS 10, IFRS 11, and IFRS 12)

The guidelines were published on June 28, 2012 and contain additional information on the application of IFRS 10, IFRS 11 and IFRS 12, including presentation of comparative data in case of the first-time adoption of the above-mentioned standards.

The application of the aforementioned changes does not influence the Group's financial statements.

- ***Investment Units*** (Amendments to IFRS 10, IFRS 12 and IFRS 27)

The guidelines were published on October 31, 2012 and include other principles regarding the application of IFRS 10 and IFRS 12 in case of investment trusts.

The application of the aforementioned changes does not influence the Group's financial statements.

- **Changes to IAS 36 *Recoverable Amounts Disclosures for Non-Financial Assets***

Changes were published on 29 May 2013 and apply to annual periods starting from 01 January 2014 or later. Changes result in a modification of the scope of disclosures regarding impairment of the value of non-financial assets; amongst others, they require disclosing the recoverable value of the asset (cash-generating centre) only in the periods, when the impairment or its reversal was recognized in regard to the given asset (or centre). In addition, the amended standard indicates that a wider and more precise scope of disclosure will be required in case of determining the recoverable value as a fair value decreased by costs of sale, and in case of determining the fair value decreased by costs of sale using the technique for determining the current value (discounted cash flow) it will be necessary to provide information about the applied discounting rate (in case of recognizing the impairment or its reversal).

The changes also adjust the scope of disclosures concerning recoverable value, regardless of whether it was determined as a usable value or fair value decreased by costs of sale.

The application of the aforementioned changes does not influence the Group's financial statements.

- **Changes to IAS 39 *Novation of derivatives and continuation of hedge accounting***

Changes were published on 27 June 2013 and apply to annual periods starting from 01 January 2014 or later. Changes allow continuous application of hedge accounting (on certain conditions), if a derivative, which is the hedging instrument, is renewed due to legal regulations, and the amendment results in a change of the clearing institution. Changes in IAS 39 are an effect of legal changes in many countries, which resulted in obligatory clearing of existing OTC derivatives and their renewal based on an agreement with the central clearing institution.

The application of the aforementioned changes does not influence the Group's financial statements.

▪ **Changes introduced independently by the Group**

The Group made an adjustment to the financial statements in the I quarter of 2014.

Employee benefits costs' presentation change

The Group changed the presentation of costs of employee benefits, which have so far been presented in other operating activity. After change the Group presents these costs in cost of sales, marketing and distribution and general and administrative expenses. Management believes that such presentation will reflect more accurate picture of the financial result of the Group. In accordance with IAS comparable data were changed.

Adjustments related to the merger of Trakcja SA with PRKiI SA

On December 19, 2013, the District Court for the Capital City Warsaw, XII Commercial Division of the National Court Register registered the merger of Trakcja S.A. with its seat in Warsaw (the "Acquiring Company") with PRKiI SA seated in Wrocław ("PRKiI S.A.", "Acquired Company").

The merger took place in accordance with art. 492 § 1.1 CCC, i.e. by the transfer of all assets of the Acquired Company to the Acquirer - in accordance with Resolution No. 3 of the Extraordinary General Meeting of 27 November 2013 on the merger Trakcja S.A. with the PRKiI S.A. Due to the fact that the Acquiring Company holds 100 % of the shares of the Acquired Company, the merger took place under the simplified procedure (pursuant to art. 516 § 6 of the CCC), i.e. without increasing the share capital or any exchange of shares.

In connection with the settlement of the merger of Trakcja S.A. with PRKiI SA the comparative data were restated as follows:

- standalone profit and loss account of the Trakcja PRKiI S.A. for the period from 1 January 2013 to 31 March 2013: revenues and costs of both companies were summed up, the intercompany transactions were eliminated, the adjustments for common margins on contracts were applied (impact on gross profit of PLN 107 thousand, net profit in the amount of: 87 thousand);
- consolidated profit and loss account of the Group Trakcja for the period from 1 January 2013 to 31 March 2013: the adjustments for common margins on contracts were applied (impact on gross profit of PLN 107 thousand, net profit in the amount of: 87 thousand);

The impact of the merger on the individual and consolidated balance sheet as at 31 December 2013 and 1 January 2013 is presented in Additional information and explanations to the annual financial statements for 2013 in Note 8 and the Additional information and explanations to the consolidated annual financial statements for the year 2013 in note 10.

Change in presentation of share in profit entities consolidated using the equity method

Group changed the presentation of share of profit of entities consolidated using the equity method presented so far in the consolidated income statement below the profit from operating activity. Currently, the Group presents the share of profit of entities consolidated using the equity method in the operating part of the consolidated profit and loss account. Management believes that the presentation of such groups will reflect more accurate picture of the financial result of the Group. The amendment has no impact on the consolidated net result of the Group and the value of equity presented in the consolidated balance sheet.

The following is a summary of the cumulative effect of the changes described above for the individual elements of the consolidated income statement of the Group Trakcja for the I quarter 2013 and the standalone profit and loss account of the Company Trakcja PRKiI SA for the I quarter of 2013.

CONSOLIDATED PROFIT AND LOSS STATEMENT	1.01.2013 - 31.03.2013 Published data	Change of consolidation method of BTW from proportionate method to equity method	Adjustments due to merge of Trakcja S.A. with PRKil S.A.	Employee benefits costs' presentation change	1.01.2013 - 31.03.2013 Restated data
	<i>Unaudited</i>				<i>Unaudited, Modified</i>
Sales revenues	150 003	(822)	107	-	149 288
Cost of goods sold	(157 379)	1 397	-	1 906	(154 077)
Gross profit on sales	(7 376)	574	107	1 906	(4 789)
Cost of sales, marketing and distribution	(1 451)	6	-	(75)	(1 519)
General and administrative costs	(11 511)	137	-	(1 451)	(12 825)
Net result of other operating activity	3 197	(69)	-	336	3 464
Share of profit of entities consolidated using equity method	-	(565)	-	-	(565)
Operating profit	(17 141)	84	107	717	(16 234)
Net result on financial activity	(5 275)	46	-	(538)	(5 767)
Gross profit	(22 416)	130	107	179	(22 000)
Income tax	747	(130)	(20)	(34)	562
Net profit for the period	(21 669)	-	87	145	(21 438)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1.01.2013 - 31.03.2013 Published data	Change of consolidation method of BTW from proportionate method to equity method	Adjustments due to merge of Trakcja S.A. with PRKil S.A.	Employee benefits costs' presentation change	1.01.2013 - 31.03.2013 Restated data
	<i>Unaudited</i>				<i>Unaudited, Modified</i>
Net profit for the period	(21 669)	-	87	145	(21 438)
Other comprehensive income:	10 508	-	-	(145)	10 363
Total other comprehensive income	(11 161)	-	87	-	(11 075)

STANDALONE PROFIT AND LOSS STATEMENT	1.01.2013 - 31.03.2013 Published data	PRKiL S.A.	Intercompany eliminations	Adjustment due to common contract margins	Employee benefits costs' presentation change	1.01.2013 - 31.03.2013 Restated data
	<i>Unaudited</i>					<i>Unaudited, Modified</i>
Sales revenues	65 122	64 507	(5 864)	107	-	123 872
Cost of goods sold	(65 868)	(63 149)	5 697	-	1 461	(121 859)
Gross profit on sales	(745)	1 358	(168)	107	1 461	2 013
Cost of sales, marketing and distribution	(221)	(393)	-	-	11	(603)
General and administrative costs	(5 120)	(1 618)	14	-	(1 029)	(7 753)
Net result of other operating activity	4 272	(77)	(3)	-	274	4 466
Operating profit	(1 814)	(731)	(156)	107	717	(1 877)
Net result on financial activity	(3 024)	(581)	(97)	-	(538)	(4 240)
Gross profit	(4 838)	(1 311)	(253)	107	179	(6 117)
Income tax	(1 359)	(211)	-	(20)	(34)	(1 624)
Net profit for the period	(6 197)	(1 522)	(253)	87	145	(7 741)

STANDALONE STATEMENT OF COMPREHENSIVE INCOME	1.01.2013 - 31.03.2013 Published data	PRKiL S.A.	Intercompany eliminations	Adjustment due to common contract margins	Employee benefits costs' presentation change	1.01.2013 - 31.03.2013 Restated data
	<i>Unaudited</i>					<i>Unaudited, Modified</i>
Net profit for the period	(6 197)	(1 522)	(253)	87	145	(7 741)
Other comprehensive income:	6 692	-	-	-	(145)	6 547
Total other comprehensive income	495	(1 522)	(253)	87	-	(1 194)

13. Description of factors and events having material impact on financial results of Trakcja Group for the I quarter of 2014

Within the period of I quarter 2014, Trakcja Group recorded PLN 239,072 thousand revenue on sale, which increased by 60.1 per cent when compared to the analogous period in 2013. The cost of goods sold increased by 47.2 per cent and amounted to PLN 226,868 thousand.

The gross profit on sales was PLN 12,204 thousand and the result increased by PLN 16,993 thousand when compared to the analogous period in the previous year. The gross profit margin on sales was 5.1 per cent in the I quarter of 2014 and -3.2 per cent in the analogous period in 2013.

The overheads were PLN 12,202 thousand and decreased by 4.9 per cent, i.e. by PLN 623 thousand when compared to the analogous period in 2013. The costs of sale, marketing and distribution amounted to PLN 1,502 thousand and decreased by PLN 17 thousand. The balance of other operating activity was at negative level of PLN 164 thousand and decreased by PLN 3,628 thousand compared to analogous period in 2013 due to the recognition in the I quarter of 2013 gain on revaluation of investment properties in the amount of PLN 4,148 thousand. The Group recorded a loss on operating activities for a 3-month period in 2014 amounting to PLN 1,901 thousand. The loss on operating activities decreased by PLN 14,333 thousand when compared to the result for the I quarter 2013, when the loss was PLN 16,234 thousand.

In the I quarter of 2014 the balance from financial activities reached negative value of PLN 4,046 thousand which presents an improvement of PLN 1,720 thousand when compared to the balance in the I quarter of the previous year.

In the period from January 1, 2014 to March 31, 2014, the Group recorded a gross loss of PLN 5,947 thousand. The gross loss for the I quarter of 2014 decreased by PLN 16,053 thousand when compared to the I quarter of 2013, when the loss was PLN 22,000 thousand. The income tax for the I quarter 2014 had a positive impact on the result in the amount of PLN 708 thousand and increased by PLN 146 thousand in comparison to the analogous period. The net result of the Group for the period from January 1, 2014 to March 31, 2014 was negative with the value of PLN 5,239 thousand. The net loss decreased when compared to the loss for the 3-month period in 2013 by PLN 16,199 thousand.

The Group's balance sheet total as at the end of the I quarter of 2014 was PLN 1,359,025 thousand and was lower by 17.1 per cent when compared to balance sheet total as for December 31, 2013.

The non-current assets decreased by PLN 5,766 thousand (i.e. by 0.8 per cent when compared to the non-current assets as for December 31, 2013) and reached PLN 717,633 thousand whereas current assets decreased by PLN 274,255 thousand (i.e. by 30.0 per cent when compared to the amounts as for December 31, 2013) and reached PLN 641,392 thousand when compared to the balance as for December 31, 2013.

The decrease in current assets was mostly due to decrease in trade and other receivables by PLN 274,955 thousand, i.e. 43.6 per cent. As for March 31, 2014 trade and other receivables amounted to PLN 355,476 thousand. Additionally, the cash and cash equivalents among current assets decreased by PLN 29,236 thousand, i.e. 35.0 per cent when compared to balance as for December 31, 2013.

The equity of the Capital Group decreased as for March 31, 2014 by PLN 4,872 thousand in comparison to the balance as for December 31, 2013. The decrease is mainly caused by the net loss for the I quarter of 2014.

As for March 31, 2014, the non-current liabilities reached the value of PLN 171,753 thousand and increased by PLN 57,716 thousand, i.e. by 50.6 per cent in comparison to the balance as for December 31, 2013. The greatest decrease was noticed in terms of interest-bearing credits and long-term loans that decreased due reclassifying the short-term loans and credits to long-term part.

The current liabilities reached the value of PLN 557,315 thousand and decreased by 37.4 per cent, i.e. by PLN 332,865 thousand in comparison to the balance as for December 31, 2013. Among the current liabilities trade payables and other liabilities (amounted to PLN 285,628 thousand, decreased by PLN 218,541 thousand) recorded the largest decreases i.e. by 43.3%. The interest-bearing loans and bank credits decreased by PLN 52,214 thousand and amounted to PLN 114,911 thousand as for March 31, 2014.

14. Cyclical and seasonal character of activity

The Group's sales reaches the lowest value in the I quarter of the year due to unfavorable weather conditions. In the I quarter of 2014 the weather conditions were favorable and as a result the Group has reached a higher level of sales than in the comparable period of the I quarter of 2013.

15. Information concerning issue, redemption and repayment of debt and equity securities

In the I quarter of 2014 the Group did not issue, redeem or repay any debt or equity securities.

16. Amounts with a significant impact on assets, liabilities, equity, net profit/loss or cash flows which are non-typical due to their nature, value, effect or frequency

In the I quarter of 2014, there were no events with a significant impact on assets, liabilities, equity, net profit/loss or cash flows that are not non-typical due to their nature, value, effect or frequency.

17. Description of factors that will influence the results attained by the Group in the perspective of at least one subsequent quarter

The most important factors which have an impact on financial results of the Capital Group include:

- The ability to win new construction contracts, which on account of the profile of the Group's activities is determined by the level of expenditures on rail and tram infrastructure in Poland.
- The accuracy of estimating the costs of implemented projects as it exerts direct impact on decisions regarding the strategy of participating in tenders, the valuation of contracts for tenders and as a result the margins generated on the contracts. The accuracy of estimating cost budgets for contracts is related, in turn, to the methodological and external factors, such as changes in prices of materials and services rendered by subcontractors.
- The consolidated financial results are subject to fluctuations of exchange rates, in particular the exchange rate against the euro. Group has a policy of exchange rate hedging through forward currency contracts.
- The Group's financial results are exposed to the fluctuations of foreign currency exchange rates, and in particular to the fluctuations of the Polish zloty against the litas. Due to the conversion of the individual items from the profit and loss statement of Lithuanian companies on the basis of an average rate for the period covered by the consolidation, the consolidated financial results are subject to fluctuations in the exchange rates of the Polish zloty against the Lithuanian litas.
- The Central Bank's monetary policy reflected in the changes in interest rates. For the purpose of financing planned acquisitions, the Group may apply for bank loans and therefore it may incur financial expenses determined by the level of interest rates.
- The timeliness in repayment of liabilities by customers. A failure to do so by customers may lead to the deterioration in financial liquidity.
- Potential acquisition of business entities may have both positive effects on and threats to the financial profit or loss of the Capital Group.

Moreover, in the future, the financial performance of the Group may be affected by changes in the legal regulations designating the scope of the Group's activities, including tax regulations and any provisions related to other encumbrances of a public and legal nature, and also any regulations referring to the following:

- The procedure for awarding public procurements, in particular, the amendment to the Act on the Public Procurement Law,
- The public-private partnership, in particular, the Act on Public-Private Partnership (Journal of Laws of 19 December 2008),
- The financing of railway and road infrastructure,
- The environmental protection in the scope of implementation of individual projects, in particular, the Act on the Environmental Protection Law,
- The property development activities of PRK 7 Nieruchomości Sp. z o.o., the regulations governing buying and selling real properties, in particular the Civil Code, Act on the Real Estate Management of 21 August 1997 (Journal of Laws, 04.261.263), Act on the Acquisition of Real Estate by Foreigners of 24 March 1920 (Journal of Laws, 04.167.1758), Act on the Ownership of Premises of 24 June 1994 (Journal of Laws, 00.80.903), the Act of 16 September 2011 on the protection of the rights of the purchaser of a dwelling or a detached house and provisions related zoning and building.

18. Risk factors

The factors that may significantly deteriorate the financial standing of the Group include the following:

- Risk of growing competition,
- Risk of changes in the strategy of the Polish authorities with regard to the infrastructure modernisation over the next few years,
- Risk of being dependant on key customers,
- Risk of potential loss of subcontractors and potential rise in prices of services rendered by subcontractors,
- Risk associated with the lack of qualified employees,
- Currency risk,
- Risk associated with joint and several liability of members of construction consortia and with liability for subcontractors,
- Risk associated with the volatility of prices for materials,
- Risk related to any potential penalties for failure to complete contracts,
- Risk of underestimating the costs of projects,
- Risk related to performance of construction contracts,
- Risk associated with the conditions and procedures for awarding tenders,
- Risk of growing portfolio of overdue receivables,
- Risk related to financial agreements,
- Liquidity risk,
- Risk related to strategy implementation.

The remaining factors which may cause fluctuations in the price of shares of Trakcja PRKiI S.A., other than those referred to above, are:

- Change in the evaluation of the credibility of Trakcja Group,
- Change in the debt of Trakcja Group,
- Sale or acquisition of assets by Trakcja Group,
- Material changes in the ownership structure of Trakcja Group,
- Changes introduced by the capital market analysts to their forecasts and recommendations regarding Trakcja PRKiI, its competitors, partners and sectors of the economy in which the Group is active.

19. The position of the Management Board with regard to the published forecasts

The Management Board of Trakcja PRKiI S.A. did not publish any financial forecasts for 2014.

20. Concise description of significant achievements or failures during the I quarter 2014

There were no other significant achievements and failures than those described in these condensed consolidated financial statements.

21. Information material for the assessment of the personnel assets, financial standing and the financial results of the Group and their changes and for the assessments of the Parent's ability to fulfill its obligations

Apart from the information contained in the following condensed consolidated financial statements there is no other material information of the assessment of the personnel, assets, financial standing and the financial results of the Group and their changes or for the assessments of the Group's ability to fulfill its obligations.

22. Deferred tax

	Statement of financial position as at		Total comprehensive income statement for 3 month period ended
	31.03.2014	31.12.2013	31.03.2014
	Unaudited	Modified	
Deferred tax asstes	45 147	39 114	6 033
Deferred tax liabilities	33 916	29 474	(4 442)
Change of deferred tax assets and liabilities			1 591
Including:			
- through profit or loss			1 255
- through equity			340
- variances due to currency translation			(4)

23. Change of the write downs and impairments

	Tangible assets	Intangible assets	Inventory	Receivables	Total
As at 1.01.2014	788	-	1 218	29 302	31 308
Modified					
Recognized	-	-	231	1 189	1 420
Variances due to currency translation	-	-	3	51	54
Used	-	-	-	(7)	(7)
Reversed	-	-	-	(42)	(42)
As at 31.03.2014	788	-	1 452	30 493	32 733
Unaudited					

24. Provisions

	Provisions
As at 1.01.2013	23 149
Modified	
Recognized	1 758
Variations due to currency translation	33
Used	(408)
Reversed	-
As at 30.09.2013	24 532
Unaudited	
including	
- long-term	6 663
- short-term	17 869

25. Purchases and sales of property, plant and equipment and other intangible assets

In the period from January 1 to March 31, 2014, the Group acquired tangible non-current assets and intangible assets in the total amount of PLN 810 thousand (in the comparable period of 2013: PLN 2,881 thousand).

In the period from January 1 to March 31, 2014, the Group sold its tangible non-current assets and intangible assets in the total book value of PLN 1,548 thousand (in the comparable period of 2013: PLN 419 thousand).

26. Joint ventures

The Group has a 50% share in the company Bahn Technik Wrocław Sp. z o. o., which scope of business includes track works: welding, regenerating turnouts and track assembly. BTW operates in Poland. The investment in BTW is accounted using the equity method.

The following are condensed financial data of BTW and reconciliation of the carrying amount of the investment in the joint venture.

	31.03.2014 Unaudited	31.12.2013 Modified	1.01.2013 Modified
Current assets	9 728	16 791	13 280
including cash and cash equivalents	1 172	835	101
Non-current assets	17 498	10 137	10 368
Short-term liabilities	9 851	9 126	9 732
including interest-bearing bank loans and borrowings	4 997	684	2 483
Long-term liabilities	561	514	366
including provision for deferred tax	561	514	366
Equity	16 813	17 287	13 550
Proportion of the Group's ownership	50%	50%	50%
Carrying amount of the investment	8 406	8 644	6 775

	1.01.2014 - 31.03.2014	1.01.2013 - 31.03.2013
Sales revenues	4 233	1 740
Operating costs	4 586	3 037
including depreciation	375	329
Financial income	4	1
including interest income	4	1
Financial costs	35	95
including interest cost	18	18
Income tax	(91)	260
Net result from continued operations	(475)	(1 131)
Net result from discontinued operations	-	-
Other comprehensive income	-	-
Total comprehensive income	(475)	(1 131)
Group's share of profit for the year from continued operations (50%)	(237)	(565)
Group's share of total comprehensive income for the year (50%)	(237)	(565)

As at March 31, 2014, the company BTW had the following contingent liabilities:

- promissory notes in the amount of PLN 2,500 thousand (31.12.2013: 2,500 thousand);
- cession of insurance policies in the total amount of PLN 3,297 thousand (31.12.2013: 3,297 thousand);
- guarantees amounting to PLN 543 thousand (31.12.2013: 516 thousand. zł).

27. Information about the change in the valuation of financial instruments measured at fair value

In the I quarter of 2014 the Group did not change in the valuation of financial instruments measured at fair value.

28. Information relating to reclassification of financial assets due to changes in their purpose or use

In the I quarter of 2014 the Group did not change the classification of financial assets as a result of changes in their purpose or use.

29. Additional information to the cash flow statement

Balance of cash and equivalent shown in the consolidated cash flow statement consisted of the following items as per:

	31.03.2014 Unaudited	31.12.2013 Modified	1.01.2013 Modified
Cash in hand	70	138	276
Cash at bank	33 566	46 391	82 223
Other cash - deposits up to 3 months	20 727	37 070	38 644
Total cash and cash equivalents	54 363	83 599	121 143
Cash and cash equivalents excluded from cash flow statement	(2 311)	(1 774)	-
Cash and cash equivalents presented in cash flow statement	52 052	81 825	121 143
- including restricted cash	989	912	-

Cash and cash equivalents excluded from the cash flow statement as at March 31, 2014 relate to blocked funds in accounts of development projects in the amount of PLN 2,311 thousand, and restricted cash in the amount of PLN 989 thousand stands for cash used to pay off the interest on the bonds.

30. Information concerning segments

Description of the segments is presented in the annual consolidated financial statements for the year 2013.

In the I quarter 2014 and in the comparable period revenues from transactions with external single customer accounted for 10% or more of total revenue. The following table presents the total amount of revenue from each such customer segments and indicate that these revenues relate to:

The total amount of income obtained in 1st quarter 2014 from a single customer (thousand PLN)	Operation segment containing the revenues
154 197	civil construction segment
43 495	road segment

Group does not disclose revenue from external customers by product and service, because analysis of the segments is done in terms of construction contracts performed by segments.

Operational segments:**For the period from 1.01.2014 to 31.03.2014**

Unaudited

	Continued operations				Discontinued operations	Exclusions	Total operations
	Civic building segment	Road segment	Other segments	Total			
Revenues							
Sales to external customers	177 883	61 126	63	239 072	-	-	239 072
Sales between segments	2	10	-	12	-	(12)	-
Total segment revenues	177 885	61 136	63	239 084	-	(12)	239 072
Results							
Depreciation	3 528	2 286	23	5 837	-	-	5 837
Share of profits of entities consolidated using equity method	(237)	-	-	(237)	-	-	(237)
Financial revenues - interests	392	77	21	490	-	-	490
Financial expenses - interests	2 403	361	2	2 766	-	-	2 766
Gross profit	(2 016)	(4 309)	(376)	(6 701)	-	754	(5 947)

For the period from 1.01.2013 to 31.03.2013

Unaudited

	Continued operations				Discontinued operations	Exclusions	Total operations
	Railway segment	Road segment	Other segments	Total			
Revenues							
Sales to external customers	124 803	17 446	7 039	149 288	-	-	149 288
Sales between segments	87	9	-	96	-	(96)	-
Total segment revenues	124 890	17 455	7 039	149 384	-	(96)	149 288
Results							
Depreciation	2 522	3 067	35	5 624	-	-	5 624
Share of profits of entities consolidated using equity method	(565)	-	-	(565)	-	-	(565)
Financial revenues - interests	437	226	33	696	-	(62)	634
Financial expenses - interests	3 242	504	-	3 746	-	(62)	3 684
Gross profit	(7 634)	(15 417)	1 051	(22 000)	-	-	(22 000)

Additional information and explanations to the condensed consolidated financial statement

Data for the period January 1, 2013 to March 31, 2013 have been presented by way of monitoring the performance of segments used for this period. Change in the method of monitoring the results generated in the operating segments is described in the annual consolidated financial statements for the year 2013.

As at 31.03.2014

Unaudited

	Continued operations				Discontinued operations	Exclusions	Total operations
	Railway segment	Road segment	Other segments	Total			
Segment assets	507 083	471 393	45 496	1 023 972	-	(139 765)	884 207
Assets not allocated to segments							474 818
Total assests							1 359 025
Segment liabilities	307 313	321 989	16 270	645 572	-	(88 257)	557 315
Other disclosures:							
Capital expenditure	(176)	(631)	(3)	(810)	-	-	(810)
Impairment of non-financial assets	-	-	-	-	-	-	-
Investments in entities accounted using equity method	8 406	-	-	8 406	-	-	8 406

As at 31.12.2013

Modified

	Continued operations				Discontinued operations	Exclusions	Total operations
	Railway segment	Road segment	Other segments	Total			
Segment assets	840 669	521 018	44 195	1 405 882	-	(234 682)	1 171 200
Assets not allocated to segments							467 846
Total assests							1 639 046
Segment liabilities	562 757	418 171	14 606	995 534	-	(105 354)	890 180
Other disclosures:							
Capital expenditure	(6 264)	(3 591)	(8)	(9 863)	-	34	(9 829)
Impairment of non-financial assets	(788)	-	-	(788)	-	-	(788)
Investments in entities accounted using equity method	8 644	-	-	8 644	-	-	8 644

Geographic segments:**For the period from 1.01.2014 to 31.03.2014**

Unaudited

	Continued operations			Discontinued operations	Exclusions	Total operations
	Domestic	Abroad	Total			
Revenues						
Sales to external customers	179 719	59 353	239 072	-	-	239 072
Sales between segments	2	10	12	-	(12)	-
Sales domestic/ abroad	-	-	-	-	-	-
Total segment revenues	179 721	59 363	239 084	-	(12)	239 072

For the period from 1.01.2013 to 31.03.2013

Unaudited, Modified

	Continued operations			Discontinued operations	Exclusions	Total operations
	Domestic	Abroad	Total			
Revenues						
Sales to external customers	134 010	15 278	149 288	-	-	149 288
Sales between segments	87	9	96	-	(96)	-
Sales domestic/ abroad	1	-	1	-	(1)	-
Total segment revenues	134 098	15 287	149 385	-	(97)	149 288

As at 31.03.2014

Unaudited

	Continued operations			Discontinued operations	Exclusions	Total operations
	Domestic	Abroad	Total			
Operating assets	596 129	427 843	1 023 972	-	(139 765)	884 207
Operating liabilities	350 650	294 922	645 572	-	(88 257)	557 315

As at 31.12.2013

Modified

	Continued operations			Discontinued operations	Exclusions	Total operations
	Domestic	Abroad	Total			
Operating assets	927 140	478 742	1 405 882	-	(234 682)	1 171 200
Operating liabilities	603 087	392 447	995 534	-	(105 354)	890 180

31. Contingent receivables and liabilities

Contingent receivables and liabilities are presented in the below table:

	31.03.2014 Unaudited	31.12.2013 Modified	1.01.2013 Modified
Contingent receivables			
From related entities due to:	716	716	2 385
Received guarantees and sureties	716	716	2 385
From related entities due to:	125 212	182 355	125 052
Received guarantees and sureties	114 056	167 837	111 804
Bills of exchange received as collateral	11 156	14 518	13 248
Total contingent receivables	125 928	183 071	127 437
From related entities due to:			
From related entities due to:	716	716	2 385
Provided guarantees and sureties	716	716	2 385
From other entities due to:	3 172 981	3 076 804	3 445 789
Provided guarantees and sureties	574 236	598 066	542 542
Promissory notes	403 866	493 193	554 184
Mortgages	236 133	237 118	304 624
Assignment of receivables	1 780 557	1 573 363	1 810 490
Assignment of rights under insurance policy	71 045	72 694	74 643
Security deposits	63 109	58 336	49 132
Other liabilities	44 034	44 034	110 174
Total contingent liabilities	3 173 697	3 077 520	3 448 174

Tax settlements and other fields of business activities governed by regulations (e.g. customs and currencies), may be subject of administrative bodies control, which are entitled to impose high penalties and sanctions. Lack of reference to fixed legal regulations in Poland and Lithuania causes the occurrence of ambiguities and inconsistencies in the mandatory provisions of the law. Frequent differences in opinions as to legal interpretation of tax regulations both inside the national bodies and between the national bodies and companies, create the fields of conflicts and uncertainty. These phenomena cause that tax risk in Poland is significantly higher than usually present in countries with a more developed tax system. Tax settlements may be the subject to control for the period of five years, starting at the end of a year, in which the tax was paid. As a result of the performed controls, the current tax settlements of the Group may be increased by additional tax obligations. In the Group's opinion, as for March 31, 2013 proper provisions were created for the recognized and measureable tax risk.

Due to employment contracts executed with the employees and Members of the Management Board, as for March 31, 2014 the Group had contingent receivables in the amount of PLN 1, 630 thousand and contingent liabilities in the amount of PLN 8,090 thousand. Furthermore, in case of breach of duties of a Manager as stipulated in the agreement on non-competition, the Manager will pay the Company, without any undue delay or termination notice or demand by the Company, liquidated damages as a counter value of EUR 25 thousand in PLN for each case of breach, and counter value of EUR 1 thousand in PLN for each day of breach.

32. Information on credit and loan guarantees or guarantees granted by the Issuer or its subsidiary

In the I quarter of 2014 years, the Issuer and its subsidiaries did not grant loan guarantees or other guarantee to a single entity or its subsidiaries in the total value of such securities and guarantees equal to at least 10% of the equity of the Issuer.

33. Material litigation and disputes

In the period of the I quarter of 2014, the Parent company and its subsidiaries are not a party to pending litigation, arbitration or before a public authority, the value of which individually or collectively exceed 10% of the equity Trakcja PRKił S.A. except for the following proceedings:

33.1. Court litigations

Case: shareholder against Trakcja PRKiL S.A.

During the first quarter of 2014 proceedings were discontinued brought by a shareholder of the Company – a natural person – against the Company regarding the annulment of resolutions adopted on 12 December 2012 at the Extraordinary General Meeting of the Company, i.e.: (i) resolution no. 4 regarding the issue of bonds convertible into shares of H series and (ii) resolution no. 5 regarding the conditional increase of the share capital, deprivation of existing shareholders of pre-emptive rights and amendment of the Articles of Association of the Company. The Company provided the above-mentioned information in the current report no. 6/2014 of 10 March 2014 in which, with reference to the current report no. 1/2013 of 3 January 2013, it informed about receipt by the Company on 10 March 2014 of the decision of the Regional Court in Warsaw on discontinuation of the proceedings mentioned above.

Case regarding submission of a claim owed from Przedsiębiorstwo Napraw Infrastruktury Sp. z o.o. in arrangement bankruptcy in Warsaw

On 19 December 2013 Trakcja S.A. in Warsaw merged with Przedsiębiorstwo Robót Kolejowych i Inżynieryjnych S.A. in Wrocław. As a result of this merger the legal successor of both Companies is Trakcja PRKiL S.A. in Warsaw. In connection with declaration by the District Court for Warsaw – Praga Północ in Warsaw of bankruptcy of Przedsiębiorstwo Napraw Infrastruktury Sp. z o.o. with the possibility of an arrangement, Przedsiębiorstwo Robót Kolejowych i Inżynieryjnych S.A. in Wrocław submitted to the bankruptcy court the claims of the Company dated 20 November 2012. The submission concerned the claims in the total amount of PLN 55 664 100.89 (fifty five million six hundred and sixty four thousand one hundred złotych 89/100), including the principal, interest payable by the date of declaration of bankruptcy and accrued contractual penalties.

To the best knowledge of the Company the list of claims has been prepared. The Company is currently making a determination as to the claims included on the list of claims indicated above. According to the position of the Company all submitted claims are owed to it.

33.2. Disputes

Case regarding payment of a contractual penalty to Trakcja S.A. by PKP Polskie Linie Kolejowe S.A.

In connection with performance by the Consortium, i.e.: Trakcja S.A., Przedsiębiorstwo Robót Kolejowych i Inżynieryjnych S.A., Przedsiębiorstwo Robót Komunikacyjnych in Kraków S.A., ZUE S.A., Przedsiębiorstwo Napraw i Utrzymania Infrastruktury Kolejowej in Kraków Sp. z o.o., Zakład Robót Komunikacyjnych DOM in Poznań Sp. z o.o. for PKP Polskie Linie Kolejowe S.A. with its registered office in Warsaw (hereinafter the "Contracting Party") of the Contract dated 31 May 2010 for execution of construction works for comprehensive modernization of stations and lines in the area of LCS Działdowo under the project POLiŚ 7.1-41: "Modernization of the railway line E-65/C-E 65 on the section Warsaw – Gdynia – area LCS Działdowo" ("Contract"), about which the Company informed in the current report no. 9/2010 of 31 May 2010, the Company acting on behalf of the Consortium issued on 21 June 2013 in accordance with the provisions of the Contract a debit note in the amount of PLN 95 297 116.95 to charge the Contracting Party with a contractual penalty due as a result of failure of the Contracting Party to observe the contractual date of making the construction site available. In the first quarter of 2014 the Company and PKP Polskie Linie Kolejowe S.A. took action aimed at resolution of the dispute by way of conducted negotiations. According to the Company the charged contractual penalties included in the above-mentioned debit note are due to the Company and they were charged on justified basis.

34. Information on dividends paid or declared

In the period from January 1, 2014 to March 31, 2014 Parent company did not declare and pay dividend.

35. Information on related entities

In the period of the I quarter of 2013 the Group's companies did not contain any material transactions with related parties for conditions other than market. Transactions concluded by the Parent company and its subsidiaries (affiliates) are transactions concluded according to market terms and conditions and their nature results from the current activity conducted by the Parent company and its subsidiaries.

Total amounts of transactions concluded with affiliates for the period from January 1, 2014 to March 31, 2014 are presented below.

Related entities	Financial year	Sale to related entities	Purchases from related entities	Interest revenue	Interest costs	Financial revenue from FX differences and other	Financial costs from FX differences and other
Shareholders of parent company:							
COMSA S.A.	1.01.14-31.03.14	-	-	-	-	-	-
	1.01.13-31.03.13	-	-	-	-	-	-
Joint venture							
BTW Sp. z o.o.	1.01.14-31.03.14	237	43	-	-	-	-
	1.01.13-31.03.13	34	62	-	-	-	-
Total	1.01.14-31.03.14	237	43	-	-	-	-
	1.01.13-31.03.13	34	62	-	-	-	-

The information concerning receivables and liabilities from / to affiliates as at March 31, 2014 is presented below.

Related entities	Reporting date	Receivables from related entities	Liabilities towards related entities	Loans granted	Borrowings received
Shareholders of parent company:					
COMSA S.A.	31.03.2014	-	1 090	-	-
	31.12.2013	-	1 084	-	-
	1.01.2013	-	1 262	-	-
Joint venture					
BTW Sp. z o.o.	31.03.2014	282	41	-	-
	31.12.2013	1 434	23	-	-
	1.01.2013	1 110	148	-	-
Total	31.03.2014	282	1 130	-	-
	31.12.2013	1 434	1 107	-	-
	1.01.2013	1 110	1 410	-	-

Additional information and explanations to the condensed consolidated financial statement

36. Events occurring in the I quarter 2014 and after the end of the reporting period

The summary of significant events that took place in the Group in the 1st quarter of 2014 is presented below.

Significant events during 1st quarter of 2014	CR
Construction contracts	
Conclusion by the subsidiary AB Kauno Tiltai, an annex to the credit agreement with the banks, Nordea Bank Finland Plc branch in Lithuania and AB DNB bankas. The subject of the annex is an extension of the credit line granted to AB Kauno Tiltai till 31 August 2015. The limit of the credit line is 18 000 thousand Euro.	CR 1/2014
Registration at the Lithuanian Register of Mortgage lien on receivables owned subsidiary of AB Kauno Tiltai to the pledgee: Nordea Bank Finland Plc and AB DNB bankas. The total value of the gross receivables pledged as collateral is LTL 197,762,364.77.	CR 2/2014
Conclusion of an annex to contract No. U/07C/012/13 dated 15 April 2013 between the Trakcja PRKII SA and FCC Construcción SA. Due to the annex, the value of the contract was increased by the net amount of 35,352,344.00 zł. Deadline for completion of the works covered by the contract was agreed on September 21, 2015.	CR 4/2014
Conclusion of the agreement between the Company and PKP PLK S.A. for performance of the contract involving the execution of complementary design and construction work on the railway station Łódź Widzew from km 4.100 to km 7.2000 railway line No. 17 The net value of the contract: PLN 15,469,388.14 (PLN 19,027,347.41 gross). The agreement is valid until September 30, 2015.	CR 5/2014
Conclusion of 2 annexes to the Agreement No. 90/132/281/00/11000838/10/I/I on the design and execution of construction works on the railway line Krakow - Medic - state border Podłęże - Bochnia in km 16,000 - 39,000 Project "Modernization of railway line 30/CE 30, episode Krakow - Rzeszow, stage III". According to the 1st annex the term of the agreement has been extended until February 11, 2015. According to the second annex the total net value of the contract was changed to the amount of PLN 583,308,849.27.	CR 7/2014
Conclusion of the contract with Przedsiębiorstwo Mechaniczno-Torowe Sp. z o.o. The subject of a contract is the performance of railway works and drainage. The value of the contract: 77 710 780.90 zł. Deadline: December 31, 2014.	CR 9/2014
Changes in Capital Group	
Removal from the Register of Companies the previous subsidiary of the Issuer Brux Sp. z o.o. in liquidation	CR 8/2014
Other events	
Redemption of the District Court in Warsaw proceedings brought by a shareholder of the Company - the individual - against the Company for the invalidity of the resolutions adopted on December 12, 2012, at the Extraordinary General Meeting of the Company.	CR 6/2014

CR - Current report

The summary of significant events that took place in the Group after the balance sheet date is presented below.

Significant events after the balance sheet date	CR
Construction contracts	
The Company concluded with Alior Bank SA contracts with a total value of PLN 145,000,000, including two annexes to significant agreements with a total value of PLN 95,000,000 and an agreement for a guarantee limit.	CR 12/2014
Other events	
The company has published a report on the valuation of shares of Ab Kauno Tiltai prepared by the auditor in connection with the terms of issue of bearer bonds series C.	CR 10/2014

CR - Current report

IV. QUARTERLY FINANCIAL INFORMATION

PROFIT AND LOSS STATEMENT

	1.01.2014 - 31.03.2014	1.01.2013 - 31.03.2013
	Unaudited	Unaudited, Modified
Continued operations		
Sales revenues	174 877	123 872
Cost of goods sold	(164 025)	(121 859)
Gross profit (loss) on sales	10 852	2 013
Cost of sales, marketing and distribution	(178)	(603)
General and administrative costs	(7 062)	(7 753)
Other operating revenues	144	4 853
Other operating costs	(386)	(387)
Operating profit (loss)	3 370	(1 877)
Financial revenues	548	703
Financial costs	(3 466)	(4 943)
Gross profit (loss)	452	(6 117)
Income tax	(148)	(1 624)
Net profit (loss) from continued operations	304	(7 741)
Discontinued operations		
Net profit (loss) from discontinued operations	-	-
Net profit for financial year	304	(7 741)
Net profit for the year per share (PLN per share)		
- basic	0,00	(0,02)
- diluted	0,00	(0,02)

*) Details are presented in Note 12 to these condensed consolidated financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	1.01.2014 - 31.03.2014	1.01.2013 - 31.03.2013
	Niebadane	Niebadane, Przekształcone*
Net profit (loss) for the period	304	(7 741)
Other total income for the period		
Other comprehensive income that will not be reclassified into profit or loss under certain conditions:	336	6 547
Profit from revaluation referred into revaluation reserve	-	6 692
Actuarial gains/(losses)	336	(145)
Total other comprehensive income	336	6 547
TOTAL INCOME FOR THE PERIOD	640	(1 194)

*) Details are presented in Note 12 to these condensed consolidated financial statements.

BALANCE SHEET

ASSETS	31.03.2014	31.12.2013	1.01.2013
	Unaudited	Modified	Modified
Non-current assets	608 249	607 954	599 534
Tangible non-current assets	104 309	102 643	103 775
Intangible assets	58 924	59 085	58 296
Investment properties	25 699	25 699	11 122
Investments in entities accounted using equity method	2 008	2 008	2 008
Investments in affiliates	383 289	383 289	384 627
Other financial assets	2 846	8 259	19 754
Deferred tax assets	30 247	26 090	17 711
Accruals	927	881	2 241
Current assets	315 408	542 330	272 087
Inventory	50 585	42 191	38 432
Trade and other receivables	199 027	420 897	126 418
Income tax receivables	1 849	1 849	586
Other financial assets	24 788	24 491	7 019
Cash and cash equivalents	14 229	33 744	48 763
Accruals	6 972	3 841	4 101
Construction contracts	17 958	15 317	46 768
Total assets	923 657	1 150 284	871 621
Equity and liabilities			
Equity	538 243	537 603	411 062
Share capital	41 120	41 120	23 211
Basic conditional capital	-	-	18 545
Due payments for basic capital (negative value)	-	-	(18 545)
Share premium account	310 102	310 102	231 813
Revaluation reserve	14 945	14 945	9 504
Other capital reserves	171 772	145 216	204 670
Retained earnings	304	26 220	(58 136)
Total equity	538 243	537 603	411 062
Long-term liabilities	103 013	98 051	64 448
Interest-bearing bank loans and borrowings	18 083	19 260	22 064
Bonds	49 987	49 926	12 913
Provisions	3 660	1 223	1 052
Liabilities due to employee benefits	8 707	9 227	8 854
Provision for deferred tax	22 576	18 271	19 565
Derivative financial instruments	-	144	-
Short-term liabilities	282 401	514 630	396 111
Interest-bearing bank loans and borrowings	86 629	106 683	25 127
Bonds	856	-	147 761
Trade and other liabilities	155 972	329 815	196 502
Provisions	9 077	11 637	5 253
Liabilities due to employee benefits	7 115	6 633	6 030
Other financial liabilities	128	34 718	-
Accruals	11	6	-
Construction contracts	22 613	25 138	15 438
Total equity and liabilities	923 657	1 150 284	871 621

*) Details are presented in Note 12 to these condensed consolidated financial statements.

Additional information and explanations to the condensed consolidated financial statement

CASH FLOW STATEMENT

	For the period of 3 months ended	
	31.03.2014	31.03.2013
	Unaudited	Unaudited, Modified
Cash flows from operating activities		
Gross profit from continued operations	452	(6 117)
Gross profit (loss) from discontinued operations	-	-
Adjustments for:	3 508	(87 150)
Depreciation	2 821	2 447
FX differences	72	297
Net interest and dividends	2 538	2 345
Profit on investment activities	(38)	(4 206)
Change in receivables	226 502	(16 155)
Change in inventory	(8 671)	(9 181)
Change in liabilities, excluding loans and borrowings	(208 599)	(59 461)
Change in prepayments and accruals	(3 172)	(1 209)
Change in provisions	(122)	(1 180)
Change in construction contracts	(5 167)	1 671
Income tax paid	-	(756)
Other	(2 656)	(1 762)
Net cash flows from operating activities	3 960	(93 267)
Cash flows from investment activities		
Sale (purchase) of intangible assets and tangible non-current assets	(134)	(534)
- acquisition	(174)	(615)
- sale	40	81
Financial assets	2 112	(1 680)
- granted or acquired	2 112	4 950
- repaid	-	(6 630)
Loans	41	2 400
- granted	41	3 300
- repaid	-	(900)
Interest received	121	121
Net cash flows from investment activities	2 140	307
Cash flows from financial activities		
Net proceeds from issue of shares	-	(13 800)
Proceeds on account of taken borrowings and loans	-	109 317
Repayment of borrowings and loans	(18 523)	(33 818)
Interest paid	(1 636)	(605)
Payment of liabilities under financial lease agreements	(1 030)	(789)
Other	-	(12)
Net cash flows from financial activities	(21 189)	60 293
Total net cash flows	(15 089)	(32 667)
Net FX differences	-	-
Cash at start of period	29 318	48 763
Cash at end of period	14 229	16 096
- with limited access	989	2 033

*) Details are presented in Note 12 to these condensed consolidated financial statements.

STATEMENT OF CHANGES IN EQUITY

	Equity attributable to shareholders of parent entity												
	Share capital	Basic conditional capital	Due payments for basic capital (negative value)	Share premium account	Revaluation reserve	Other reserve capitals			Foreign exchange differences on translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity
						Hedging instruments	Actuarial gains/ (losses)	Results from previous years					
Modified*													
As at 1.01.2014	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407	634 829
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2014 after adjustments	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407	634 829
Net profit for the period	-	-	-	-	-	-	-	-	-	(5 119)	(5 119)	(120)	(5 239)
Other comprehensive income	-	-	-	-	-	(964)	244	-	1 365	-	645	(342)	303
Distribution of profit	-	-	-	-	-	-	-	37 706	-	(37 706)	-	-	-
Other changes	-	-	-	-	-	-	-	64	-	-	64	-	64
As at 31.03.2014	41 120	-	-	310 102	8 158	(1 234)	(2 421)	267 692	9 714	(5 119)	628 012	1 945	629 957
Modified*													
As at 1.01.2013	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2013 after adjustments	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Net profit for the period	-	-	-	-	-	-	-	-	-	(21 085)	(21 085)	(353)	(21 438)
Other comprehensive income	-	-	-	-	5 762	-	(145)	-	4 739	-	10 356	7	10 363
Loss cover	-	-	-	-	-	-	-	(11 928)	-	11 928	-	-	-
Issue of shares	17 909	(17 909)	17 909	78 289	-	-	-	-	-	-	96 198	-	96 198
Other changes	-	-	-	-	-	-	-	(47)	-	-	(47)	-	(47)
As at 31.03.2013	41 120	636	(636)	310 102	8 158	-	(1 492)	230 397	10 073	(21 085)	577 273	1 446	578 719

Additional information and explanations to the condensed consolidated financial statement

	Equity attributable to shareholders of parent entity								Foreign exchange differences on translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity
	Share capital	Basic conditional capital	Due payments for basic capital (negative value)	Share premium account	Revaluation reserve	Other reserve capitals							
						Hedging instruments	Actuarial gains/(losses)	Results from previous years					
Modified*													
As at 1.01.2013	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Corrections of errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Changes of accounting standards	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 1.01.2013 after adjustments	23 211	18 545	(18 545)	231 813	2 396	-	(1 347)	242 372	5 334	(11 928)	491 851	1 792	493 643
Net profit for the period	-	-	-	-	-	-	-	-	-	37 706	37 706	210	37 916
Other comprehensive income	-	-	-	-	5 762	(270)	(1 318)	-	3 015	-	7 189	(92)	7 097
Losses cover	-	-	-	-	-	-	-	(11 928)	-	11 928	-	-	-
Issue of shares	17 909	(18 545)	18 545	78 289	-	-	-	-	-	-	96 198	-	96 198
Other changes	-	-	-	-	-	-	-	(522)	-	-	(522)	497	(25)
As at 31.12.2013	41 120	-	-	310 102	8 158	(270)	(2 665)	229 922	8 349	37 706	632 422	2 407	634 829

*) Details are presented in Note 12 to these condensed consolidated financial statements.

V. ADDITIONAL INFORMATION AND EXPLANATIONS TO THE CONDENSED FINANCIAL STATEMENTS

1. Analysis of financial results of Trakcja PRKiL S.A. for the I quarter of 2014

In the period of I quarter of 2014, Trakcja PRKiL S.A. recognized revenue on sale of PLN 174,877 thousand, which is a 41.2 per cent increase when compared to the analogous period in 2013. The cost of goods sold in the I quarter of 2014 increased by PLN 42,166 thousand, i.e. by 34.6 per cent and amounted to PLN 164,025 thousand. The gross profit margin on sales for the I quarter of 2014 was 6.2 per cent and increased by 4.6 basis point when compared to the margin for the I quarter of 2013.

The overheads amounted to PLN 7,062 thousand and decreased by 8.9 per cent, i.e. by PLN 691 thousand when compared to the comparable period. The costs of sales, marketing and distribution amounted to PLN 178 thousand in the I quarter of 2014.

The balance of other operating activity was negative and amounted to PLN 242 thousand and decreased by PLN 4,708 thousand when compared to the analogous period in 2013 due to the revaluation of investment properties in the amount of PLN 4,148 thousand. For the period from January 1, 2014 to March 31, 2014 the Company incurred a gain on the operating activities in the amount of PLN 3,370 thousand. The results on operating activities increased by PLN 5,247 thousand when compared to the results for the I quarter of 2013, when the loss on operating activities amounted to PLN 1,877 thousand.

The Company's financial revenue amounted to PLN 548 thousand and decreased by PLN 155 thousand when compared to the financial revenue for the I quarter of 2013. The financial costs decreased by PLN 1,477 thousand and amounted to PLN 3,466 thousand.

In the period from January 1, 2014 to March 31, 2014, the Company incurred a gross profit of PLN 452 thousand. The income tax for in the period I quarter of 2014 amounted to PLN 148 thousand and decreased by PLN 1,476 thousand when compared to the analogous period in 2013. The Company's net profit for the period from January 1, 2014 to March 31, 2014 amounted to PLN 304 thousand and the result was higher by PLN 8,045 thousand when compared to the analogous period in the previous year.

The balance sheet total as for March 31, 2014 amounted to PLN 923,657 thousand and was lower by PLN 226,627 thousand than the balance sheet total at the end of 2013.

The value of non-current assets as for March 31, 2014 was PLN 608,249 thousand and increased slightly by PLN 295 thousand. Current assets decreased by PLN 226,922 thousand, i.e. by 41.8 per cent in comparison with the balance as for December 31, 2013 and amounted to PLN 315,408 thousand. The decrease was mainly due to lower trade and other receivables by PLN 221,870 thousand, i.e. by 52.7 per cent, which as for March 31, 2014 amounted to PLN 199,027 thousand. Furthermore, cash and cash equivalents also significantly decreased by PLN 19,515 thousand, i.e. by 57.8 per cent and amounted to PLN 14,229 thousand as for March 31, 2014.

The Company's equity increased as for March 31, 2014 by PLN 640 thousand when compared to the balance as for December 31, 2013.

The non-current liabilities increased as for March 31, 2014 and reached PLN 103,013 thousand and increased by PLN 4,962 thousand when compared to the balance as for December 31, 2013. The current liabilities amounted to PLN 282,401 thousand and decreased by 45.1 per cent, i.e. by PLN 232,229 thousand when compared to the balance as at the end of the previous year. Trade and other liabilities (amounting PLN 155,972 thousand) recorded the largest decrease among the current liabilities and decreased by PLN 173,843 thousand, i.e. by 52.7 per cent. The short-term interest-bearing bank loans and credits decreased by PLN 20,054 thousand amounting to PLN 86,629 thousand.

2. Cyclical and seasonal character of activity

The Company's sales reaches the lowest value in the 1st quarter of the year due to unfavorable weather conditions. In the 1st quarter of 2014 the weather conditions were favorable and as a result Trakcja PRKiL SA has reached a higher level of sales than in the comparable period of the I quarter of 2013.

3. Contingent receivables and liabilities

Contingent receivables and liabilities are presented in the below table:

	31.03.2014 Unaudited	31.12.2013 Modified	1.01.2013 Modified
Contingent receivables			
From related entities due to:	98 326	138 772	123 885
Received guarantees and sureties	87 170	124 254	110 637
Bills of exchange received as collateral	11 156	14 518	13 248
Total contingent receivables	98 326	138 772	123 885
Contingent liabilities			
From related entities due to:	716	716	2 385
Provided guarantees and sureties	716	716	2 385
From other entities due to:	1 931 865	1 867 942	2 687 836
Provided guarantees and sureties	305 516	304 849	385 256
Promissory notes	403 866	493 193	552 934
Mortgages	165 300	165 300	229 800
Assignment of receivables	913 335	778 032	1 335 193
Assignment of rights under insurance policy	71 045	71 045	73 265
Security deposits	33 110	15 831	7 195
Other liabilities	39 693	39 692	104 193
Total contingent liabilities	1 932 581	1 868 658	2 690 221

Due to employment contracts executed with the employees and Members of the Management Board, as for March 31, 2014 the Company had contingent receivables in the amount of PLN 1 630 thousand and contingent liabilities in the amount of PLN 7,874 thousand. Furthermore, in case of breach of duties of a Manager as stipulated in the agreement on non-competition, the Manager will pay the Company, without any undue delay or termination notice or demand by the Company, liquidated damages as a counter value of EUR 25 thousand in PLN for each case of breach, and counter value of EUR 1 thousand in PLN for each day of breach.

Roman Przybył
President of the Board

Marita Szustak
Vice – president of the Board

Stefan Dziedziul
Vice – president of the Board

Nerijus Eidukevičius
Vice – president of the Board

Tadeusz Kałdonek
Vice – president of the Board

Jarosław Tomaszewski
Vice – president of the Board

Person responsible for preparing the financial statement:

Sławomir Krysiński
Head of Financial Reporting Trakcja Group

Warsaw, May 12, 2014