CONSOLIDATED
FINANCIAL STATEMENTS

of the ULMA Construccion Polska S.A.
Capital Group

FOR THE PERIOD OF 12 MONTHS ENDED ON 31 DECEMBER 2014

From the beginning of your projects

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All amounts are stated in PLN '000, unless indicated otherwise

ULMA Construccion Polska S.A.
CAPITAL GROUP
GENERAL INFORMATION

The Group’s business

Subject of activity of the ULMA Construccion Polska S.A. Capital Group
(hereafter referred to as the Group) includes:

- lease and sale of building scaffolding and formwork,
- execution of designs for applications of formwork and scaffolding on commission,
- export of construction services provided by the Group's companies,
- sale of construction materials and raw materials and accessories for concrete,
- transport, equipment and renovation activity, including sale and lease of construction machinery.

The parent entity ULMA Construccion Polska S.A. is a joint stock company (the Company). The Company commenced its business activity on 14 February 1989 under the name of Bauma Sp. z o.o., in a form of a limited liability company (Spółka z o.o.) and was registered under the Rep. No. A.II – 2791. On 15 September 1995, it was converted into a joint-stock company, established by a notarial deed before notary Robert Dor at the Notarial Office in Warsaw, registered under Rep. No. A 5500/95. On 29 October 2001, the District Court in Warsaw, 20th Commercial Division of the National Court Register, entered the Company into the Register of Entrepreneurs under the National Court Register No. 0000055818. On 6 November 2006, the Extraordinary General Meeting of Shareholders, by way of Resolution No. 1, decided to change the Company’s name from BAUMA S.A. to ULMA Construccion Polska S.A. The relevant entry into the National Court Register was made on 14 November 2006.

Registered seat

ULMA Construccion Polska S.A.
Koszajec 50
05-840 Brwinów

Supervisory Board and Management Board

Aitor Ayastuy Ayastuy	Chairman of the Supervisory Board
Lourdes Urcelai Ugarte	Vice-Chairman of the Supervisory Board
Ander Ollo Odriozola	Member of the Supervisory Board until 31 January 2015
Iñaki Irizar Moyua	Member of the Supervisory Board
Félix Esperesate Gutiérrez	Member of the Supervisory Board
Rafał Alwasiak	Member of the Supervisory Board

Audit Committee

Rafał Alwasiak	Chairman of the Committee
Aitor Ayastuy Ayastuy	Member of the Committee
Lourdes Urcelai Ugarte	Member of the Committee

All amounts are stated in PLN ‘000, unless indicated otherwise

Management Board

Andrzej Kozłowski	President of the Management Board
Krzysztof Orzełowski	Member of the Management Board
José Ramón Anduaga Aguirre	Member of the Management Board until 31 January 2015
Ander Ollo Odriozola	Member of the Management from 1 February 2015
José Irizar Lasa	Member of the Management Board
Andrzej Sterczyński	Member of the Management Board

Statutory Auditor

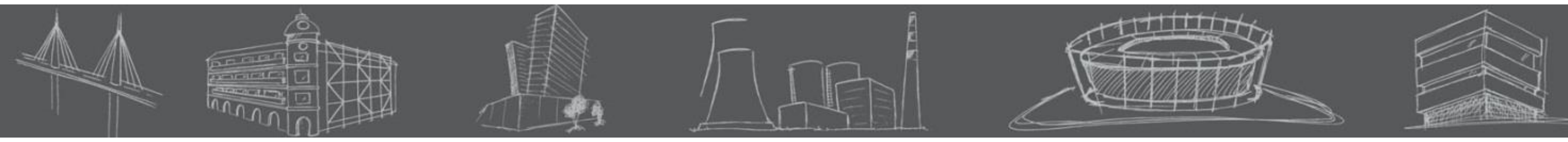
KPMG Audyt Sp. z o.o. spółka komandytowa
ul. Chłodna 51
00-867 Warszawa
The company is entered onto the list of entities authorized to audit financial statements under No. 3546

Banks

mBANK (former BRE Bank S.A.)
PEKAO S.A.
BNP PARIBAS Bank Polska S.A.
PKO Bank Polski S.A.
Banco de SABADEL (Spain)

Stock market quotations

The Company is quoted on the Warsaw Stock Exchange (“GPW”).
Ticker symbol on GPW: ULM.



ULMA Construccion Polska S.A.
Capital Group

CONSOLIDATED FINANCIAL STATEMENTS
for the period of 12 months of 2014

Consolidated statement of financial position

	Note	As at: 31 December, 2014	31 December, 2013
ASSETS			
I. Fixed assets			
1. Tangible assets	5.	220,269	271,427
2. Intangible fixed assets	6.	251	578
3. Interests in associates	8.	(86)	280
4. Other non-current assets	9.	4,123	4,179
5. Long-term receivables	10.	989	921
Total fixed assets		**225,546**	**277,385**
II. Current assets			
1. Inventories	11.	6,856	6,807
2. Trade receivables and other receivables	10.	67,604	70,780
3. Current income tax receivables		24	492
4. Derivative instruments	7.	-	42
5. Cash and cash equivalents	12.	32,110	29,748
Total current assets		**106,594**	**107,869**
Total assets		**332,140**	**385,254**
EQUITY AND LIABILITIES			
I. Equity			
1. Share capital	13.	10,511	10,511
2. Supplementary capital - surplus from the sale of shares at premium	13.	114,990	114,990
3. Exchange differences on translation of foreign operations		(9,882)	(4,498)
4. Retained profit, including:		172,535	178,125
a. Net profit/(loss) in the financial period		*(5,590)*	*93*
Total equity		**288,154**	**299,128**
II. Liabilities			
1. Long-term liabilities			
a. Credits and loans	15.	-	10,604
b. Deferred income tax liabilities	17.	5,051	9,228
c. Long-term retirement benefit liabilities	18.	173	136
Total long-term liabilities		**5,224**	**19,968**
2. Short-term liabilities			
a. Credits and loans	15.	10,625	33,243
b. Short-term retirement benefit liabilities	18.	6	3
c. Short-term financial leasing liabilities	16.	-	139
d. Current income tax liabilities		1,844	1,439
e. Derivative instruments	7.	75	-
f. Trade liabilities and other liabilities	14.	26,212	31,334
Total short-term liabilities		**38,762**	**66,158**
Total liabilities		**43,986**	**86,126**

All amounts are stated in PLN '000, unless indicated otherwise

Total equity and liabilities		**332,140**		**385,254**

Consolidated profit and loss statement and other comprehensive income

	Note	12 months of 2014		12 months of 2013
Revenues from sales	19.	192,492		209,471
Costs of sold goods, products and materials	20.	(168,990)		(183,126)
I. Gross profit on sales		**23,502**		**26,345**
Sales and marketing costs	20.	(12,949)		(8,026)
General administrative costs	20.	(16,179)		(14,793)
Other net operating costs	21.	1,446		381
II. Operating profit (loss)		**(4,180)**		**3,907**
Financial revenues	22.	569		504
Financial costs	22.	(2,571)		(3,511)
Net financial revenues (costs)		*(2,002)*		*(3,007)*
Share in profits (losses) in associated companies		(171)		(507)
III. Profit (loss) before tax		**(6,353)**		**393**
Income tax	23.	763		(300)
IV. Net profit/(loss) in the financial period		**(5,590)**		**93**
Other comprehensive income that may be settled in the future with profit (loss)				
Foreign exchange differences related to net investment in subsidiary		(2,556)		(73)
Income tax related to other comprehensive income items		(213)		(31)
Foreign exchange differences from conversion of foreign subsidiaries		(2,615)		(506)
V. Comprehensive income for the financial period		**(10,974)**		**(517)**
Net profit (loss) in the financial period attributable to the owners of the parent entity	31.	(5,590)		93
Comprehensive income in the financial period attributable to the owners of the parent entity		(10,974)		(517)
Weighted average number of ordinary shares		5,255,632		5,255,632
Basic and diluted profit (loss) per share in the financial period (in PLN per share)		(1.06)		0.02

All amounts are stated in PLN ‘000, unless indicated otherwise

Statement of changes in consolidated equity

Specification	Share capital — nominal value	Surplus from the issue of shares at premium	Exchange differences on translation of foreign operations	Retained profits	Total equity
As at 01.01.2013	**10,511**	**114,990**	**(3,888)**	**188,543**	**310,156**
Comprehensive income in 2013	-	-	(610)	93	(517)
Dividend – distribution of profit for 2012	-	-	-	(10,511)	(10,511)
As at 31.12.2013	**10,511**	**114,990**	**(4,498)**	**178,125**	**299,128**
Comprehensive income in 2014	-	-	(5,384)	(5,590)	(10,974)
Dividend - profit sharing for 2013	-	-	-	-	-
As at 31.12.2014	**10,511**	**114,990**	**(9,882)**	**172,535**	**288,154**

All amounts are stated in PLN ‘000, unless indicated otherwise

Consolidated cash flow statement

	Note	12 months of 2014		12 months of 2013
Net profit in the financial period		**(5,590)**		**93**
Adjustments:				
- Income tax	23.	(763)		300
- Depreciation of tangible assets	5.	67,839		78,129
- Amortisation of intangible fixed assets	6.	364		552
- Net value of formwork sold – tangible assets		8,003		11,110
- Interest expense		1,424		3,642
- Interest revenue		(569)		(488)
- Change in the value of shares in associated entities		366		512
- (Profit)/loss on changes in the fair value of financial instruments		118		107
- (Profit)/loss on foreign exchange differences		446		(312)
- Change in the value of provision for retirement benefits		40		24
Change in the balance of current assets:				
- Inventories		(50)		(829)
- Trade receivables and other receivables		3,176		17,735
- Trade liabilities and other liabilities		(4,679)		(10,805)
		70,125		**99,770**
Income tax paid		(2,754)		(1,920)
Net cash revenues from operating activities		**67,371**		**97,850**
Cash flow from investment activities				
Acquisition of tangible fixed assets		(31,997)		(39,734)
Inflows from the sale of tangible fixed assets		1,100		144
Acquisition of intangible fixed assets		(51)		(344)
Loans granted		(38,161)		(5,000)
Repayment of loans granted		38,161		5,000
Interest received		569		420
Net cash expenses from investment activities		(30,379)		(39,514)
Cash flow from financial activities				
Loans and credits received		-		2,002
Repayment of loans and credits		(33,164)		(46,438)
Payment related to financial leasing		(139)		(145)
Interest paid		(1,482)		(3,802)
Dividend paid		-		(10,511)
Net cash expenses from financial activities		(34,785)		(58,894)
Net increase / (decrease) in cash and overdraft facility		2,207		(558)
Cash and overdraft facility at the beginning of period		29,748		29,538
Foreign exchange (loss)/profit on the valuation of cash and overdraft facility		155		768
Cash and overdraft facility at the end of period	12.	**32,110**		**29,748**

All amounts are stated in PLN '000, unless indicated otherwise

Notes to the Consolidated Financial Statements

1. Description of major accounting principles applied

The basic accounting principles applied during the preparation of these consolidated financial statements are presented below. The principles described herein were applied in all the periods presented on a continuous basis.

A) Basis for preparation

The consolidated financial statements for the period of 12 months ended on 31 December 2014 for ULMA Construccion Polska S.A. Capital Group, whose parent entity is ULMA Construccion Polska S.A. with its registered office in Warsaw, were prepared in accordance with the International Financial Reporting Standards (IFRS) approved by the European Union.

As at 31 December 2014, there were no differences between the IFRS approved by the European Union and the IFRS published by the International Accounting Standards Board (IASB) recorded, which would have an impact on the financial statements of ULMA Construccion Polska S.A. Capital Group.

These statements were prepared in accordance with the historical cost principle, with the exception of financial assets and liabilities (derivative financial instruments) measured at fair value through profit and loss.

B) Consolidation

These consolidated financial statements of the Group have been prepared on the basis of the financial statements of the parent company, financial statements of its subsidiaries and associates. The financial statements of consolidated entities are prepared for the same reporting period.
The accounting principles applied by the subsidiaries were changed, where necessary, to ensure compliance with the accounting principles applied by the Group.
The subsidiaries are entities over which the parent company exercises control. An entity is controlled by the parent company when the parent has, directly or indirectly, through its subsidiaries, more than half of the votes at the shareholders' meeting of that entity, unless it is possible to prove that such holding does not represent control. Control is also exercised if the company has the power to govern the financial or operating policy of an entity so as to obtain benefits from its activities. The subsidiaries are consolidated using the full method. The subsidiaries are subject to full consolidation starting from the day of taking the control by the Group. Consolidation of such subsidiaries ceases on the date of termination of the control.
The acquisition cost is determined as the fair value of the assets transferred, of the equity instruments issued and of the obligations contracted or accepted as at the exchange date, increased by costs directly related with the acquisition. Identifiable assets acquired and liabilities, including contingent liabilities acquired as a result of the merger of business entities are measured at fair value as at the acquisition date, irrespectively of the value of the potential non-controlling shares. Surplus of the acquisition cost over the fair value of the Group’s share in identifiable net assets acquired is carried as goodwill. If the acquisition cost is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the financial result.
Associates are entities over which the parent company directly, or through the subsidiary, has significant influence and that are neither controlled nor jointly controlled. Investments in associates are recognized in the statement of financial position at cost increased or decreased to recognize the investor’s share in the investee’s net assets after the date of acquisition less impairment losses if applicable.

Investments in associates are recognized using the equity method.
Transactions, settlements and unrealized profits on transactions between the Group's companies are eliminated. Unrealized losses are also subject to elimination, unless the transaction provides evidence of impairment of the asset transferred.
Foreign exchange differences arising on a cash item constituting a part of a net investment in an entity operating abroad are recognized initially under a separate item of equity and disclosed in other comprehensive income and upon net investment disposal they are recognized in the financial result.

C) Measurement of items expressed in foreign currencies

1. Functional and presentation currency

The items included in the financial statements of the Group are measured in the currency of the primary economic environment in which a substantial part of the Group operates (functional currency). The functional currency of the parent entity is Polish zloty (PLN), constituting also the presentation currency for the financial statements of the Group.

2. Transactions and balances

Transactions expressed in foreign currencies are converted into the functional currency at the exchange rate in force on the transaction date. Foreign exchange profits and losses related to settlement of such transactions and balance sheet valuation of cash liabilities and assets expressed in foreign currencies are recognized respectively in the financial result. Positive and negative foreign exchange differences related to investment and financial activities are included in financial costs.
Foreign exchange differences related to the performance and balance sheet valuation of trade settlements increase or decrease revenue or cost items with which they are operationally correlated.
The Group adopts the average exchange rate for the specific currency published by the National Bank of Poland as at the balance sheet date as the closing rate for that currency, used for the purpose of balance sheet valuation of cash liabilities and assets expressed in foreign currencies.
Foreign exchange differences arising on a cash item constituting a part of a net investment in an entity operating abroad are recognized initially under a separate item of equity and disclosed in other comprehensive income and upon net investment disposal they are recognized in the financial result.

3. Foreign companies

Financial statements of companies belonging to the Capital Group whose functional currencies are different from the presentation currency are converted into the presentation currency as follows:

a) assets and liabilities are converted at the closing rate as at the balance sheet date,
b) revenues and costs in the statement of comprehensive income are converted separately for each financial month at the closing rate as at the last day of that month,
c) all resulting foreign exchange differences are recognized as a separate item of equity and disclosed in other comprehensive income.

All amounts are stated in PLN '000, unless indicated otherwise

4. Foreign exchange rates and inflation

	The average Polish zloty / Ukrainian hryvnia (UAH) exchange rate published by the National Bank of Poland	The average Polish zloty / Lithuanian litas (LTL) exchange rate published by the National Bank of Poland	The average Polish zloty / tenge (KZT) exchange rate published by the National Bank of Poland	The average Polish zloty / EUR exchange rate published by the National Bank of Poland	Change in the consumer goods and services index published by the Central Statistical Office of Poland
31 December 2014	0.2246	1.2344	0.019232	4.2623	0.0%
31 December 2013	0.3706	1.2011	0.019530	4.1472	0.9%

D) Financial instruments

The financial instruments disclosed in the statement of financial position include cash on hand and at banks, trade receivables and other receivables, financial assets disclosed at fair value and settled through profit or loss, financial assets available for sale, trade liabilities and other liabilities as well as loans and credits.
The methods of presentation and measurement of individual financial instruments are included in sections describing the adopted accounting principles below.
Derivative financial instruments are initially recognized at fair value as at the date of contract conclusion. Subsequently, their value is adjusted to reflect the current fair value. The derivative instruments held by the Group do not qualify as hedge accounting and therefore the result of their measurement to fair value is recognized in the financial result.
As of each balance sheet date, the Group evaluates, whether any circumstances constituting evidence of impairment of financial assets measured at amortised cost have arisen. If any such events occurred, the Group recognizes the accumulated loss, defined as the difference between the carrying value and the recoverable value (current value of planned cash flows), in the financial result, reducing at the same time the carrying value of the relevant asset.

E) Tangible fixed assets

Tangible fixed assets, i.e. buildings, machinery and equipment used for manufacturing, delivery of products and provision of services or for management purposes, were measured as at the balance sheet date at acquisition price or production cost, less accumulated depreciation and impairment write-downs.

Subsequent expenditures are recognized in the carrying value of the relevant asset or as a separate PP&E item (where applicable), only when probable that the Group will derive respective economic benefits and the cost of the relevant item can be reliably measured. Subsequent expenditures not increasing the initial use value of the individual asset are charged to the costs of the period in which they were incurred.

Lands owned by the Group are recognized at acquisition price and are not depreciated. Other property, plant & equipment items are depreciated on a straight-line basis in order to spread their initial value less the potential end value over the time of their use for the individual generic groups.

The periods of use applied for the individual generic groups of PP&E are as follows (in years):

- buildings and structures 25–40
- investments in third party facilities 10
- plant and machinery 3–20
- equipment, formwork systems and other PP&E 2–8

All amounts are stated in PLN ‘000, unless indicated otherwise

The residual value and the periods of use of the PP&E are checked as at every balance sheet date and adjusted, if necessary.

If the carrying value of a PP&E item exceeds the estimated recoverable amount, the carrying value is reduced to the recoverable amount (note 1I).

Profit and loss on the disposal of property, plant & equipment is determined by comparing the revenue from sale with the carrying value and recognized in the financial result.

F) Leasing – lessees (user's) accounting

Leasing of assets, at which a substantial part of the risk and benefits resulting from ownership actually continues to be borne or enjoyed by the lessor, is referred to as operational leasing. The lease payments charged to the Group in relation to operational leasing are charged to the financial result on a straight-line basis throughout the term of the lease agreement.

Leasing of tangible fixed assets, at which the Group assumes a substantial part of the risk and benefits derived from ownership, is referred to as financial leasing. Items under financial leasing are recognized in assets as of the starting date of the lease at the lower of the following amounts: the fair value of the leased item or the present value of the minimum lease payments. Lease payments made in the reporting period in the part related to the principal installments reduce the principal of the financial lease payable, while the remaining part, i.e. the interest, is charged to the financial costs of the period. Lease payments are divided into principal and interest in such a way as to obtain a fixed interest rate for each period with regard to the amount of the payable remaining to be repaid.
Tangible fixed assets under financial lease are disclosed in the statement of financial position on an equal basis with other tangible assets and are depreciated in accordance with the same principles. If there is no reliable assurance that after the termination of the lease agreement, the Group will acquire the ownership right, the relevant assets are depreciated over the lease period or the time corresponding to their economic useful life, whichever is shorter.

G) Leasing – lessor's (financing party's) accounting

Leasing is an agreement, under which the lessor (financing party) transfers, against a payment or a series of payments, to the lessee (user) the right to use a specific asset over a determined time. If the assets are given in operational lease, the relevant asset is disclosed in the statement of financial position according to its nature (type). Operational lease revenue is recognized over the lease period using the straight-line method.

H) Intangible assets

Software

Acquired software licenses are capitalized at the amount of the costs incurred to purchase and to prepare specific software for use. Capitalized costs are written down over the estimate time of use of the software, ranging from 2 to 5 years.

I) Impairment of fixed assets

Fixed assets subject to depreciation/amortization are analyzed for impairment in the case of circumstances indicating the potential failure to realize the carrying value of tangible or intangible fixed assets held. The amounts of revaluation write-downs determined during the analysis (impairment test) reduce the carrying value of the asset they concern and they are charged to the costs of the period. Loss due to impairment is recognized in the amount, by which the carrying value of the asset exceeds the recoverable amount. The recoverable amount is the higher one of the following two amounts: fair value less the costs to sell, and use value (reflected by the present value of cash flow connected with the relevant asset). For the purposes of analysis for potential impairment, assets are grouped at the lowest level in relation to which cash flows occur that can be separately identified (cash-generating units). Non-financial assets other than goodwill impaired in the past are subject to review in relation to the potential reversal of the write-down as of each balance sheet date.

J) Investments

Available-for-sale financial assets

The investments of the Group cover the value of interests and shares in entities other than subsidiaries and associates. Investments in other entities are presented as financial assets available for sale, since the Management Board does not intend to dispose of such investments within the next 12 months. The investments are initially recognized at fair value plus additional transaction costs. Increases in the value of investments related to revaluation to fair value are taken to equity. Decreases in the value of investments, in relation to which increases were made at earlier date, reduce the revaluation reserve. All other decreases resulting from impairment are charged to the financial result. In the case of available-for-sale financial instruments whose fair value cannot be reliably determined (no active market exists for such instruments) valuation is performed at the cost of acquisition of the financial instrument less revaluation write-downs.

K) Inventories

Inventories of raw materials, other materials, semi-finished products and finished products as well as purchased goods are measured as at the balance sheet date at the lower of the following amounts: the acquisition price (production cost) or realisable net selling price. The cost of finished goods and work in progress includes design cost, the value of raw materials used, direct labour costs, other direct costs and the corresponding departmental manufacturing costs (based on normal production capacities), however without the costs of third party financing.

The net selling price is the price of sale performed during normal economic activity, less the estimated costs of completion of production and the variable costs which have to be incurred to perform the sale effectively.
Inventory depletion is measured in accordance with the “first in, first out” (FIFO) principle.
Revaluation write-downs are made on obsolete, unsellable and defective inventories in applicable cases.

L) Trade receivables and other receivables

Trade receivables are recognized initially at fair value and subsequently measured using the amortised cost method, applying the effective percentage rate and reduced by impairment write-downs. Trade receivables regarded as uncollectible are charged to costs at the moment of stating them uncollectible. If the Management Board considers that the Group will not be able to recover the amounts due at their original value as probable, an impairment write-down is made. The write-down amount corresponds to the difference between the book value and the present value of the expected future cash flows, discounted by the original effective interest rate. Changes in the value of revaluation write-downs on trade receivables

are recognized in the financial result, charged to sales and marketing costs, in the period in which the change took place.
The Group adopted a policy according to which the amounts of VAT recovered due to non-repayment or an amount receivable within 150 days from the payment date are disclosed in the balance sheet under "Liabilities due to taxes and other charges".

Prepayments

The capitalized amount of expenses incurred in the relevant financial year and related to the following reporting periods is also disclosed under the item "Trade receivables and other receivables" of the statement of financial position. Their value was reliably determined and these will cause an inflow of economic benefits in the future.

M) Cash and cash equivalents

Cash and cash equivalents are recognized in the statement of financial position at fair value corresponding to the nominal value. These include cash on hand and at banks, other short-term investments with a high degree of liquidity with original maturities not exceeding three months.
Balance of cash and cash equivalents disclosed in the cash flow statement includes cash referred to the above and its equivalents, less outstanding overdraft amounts.
Overdraft facilities are disclosed in the statement of financial position under liabilities — short-term loans and credits.

N) Capitals

Issued capital and reserves

Ordinary shares are classified as equity. Share capital is disclosed at the nominal value of the shares. Surplus from the issue of shares at premium less costs directly related to the issue of the new shares is disclosed as supplementary capital.

Retained profits

In the statement of financial position, the retained earnings item includes accumulated retained profits and losses of the Group from the previous financial periods and the financial result of the current financial year.

Exchange differences on translation of foreign operations

A separate item within the equity shows exchange differences relating to the translation of financial statements of foreign operations into the presentation currency and exchange differences resulting from net investments in a foreign operation.

O) Credits and loans

Credits and loans are initially recognized at fair value, less the transaction costs incurred. In the subsequent periods, loans and credits are measured at the adjusted acquisition price (amortised cost), applying the effective interest rate.

Credits and loans are recognized in short-term liabilities, unless the Group has the unconditional right to defer the repayment of the debt by at least 12 months following the balance sheet date.

P) Provisions

Provisions are created for the Group's existing obligations (under statute or common law) resulting from past events, provided that the probability that the Group's resources will have to be spent in order to fulfill that obligation occurs, and if its estimated value can be determined in reliable manner.

Q) Accruals and deferred income

The Group discloses the following under the item "Trade liabilities and other liabilities" in the statement of financial position:

- reliably estimated values of the costs incurred in the relevant reporting period, not invoiced by the suppliers until the balance sheet date. The time and manner of settlement depends on the nature of the accruals;
- deferred income, including in particular the equivalent of funds obtained or due from contracting parties in relation to performance taking place in subsequent reporting periods.

R) Significant accounting estimates

In the course of preparation of these financial statements in accordance with the International Financial Reporting Standards, the Management Board performs specific accounting estimates and takes its own knowledge and estimates in relation to expected changes in the analyzed figures into account. The actual figures may differ from the estimates.

- The carrying value of tangible fixed assets is determined on the basis of estimates concerning the useful life of individual groups of property, plant & equipment. The useful life periods assumed for tangible fixed assets are subject to periodic review on the basis of analyses performed by the Group. In 2014, the Group, as a result of an analysis of useful life of elements of formwork and scaffolding, introduced changes in the assumed useful life periods by reducing or extending them for specific types of elements. As a result of the above formwork depreciation costs increased by over PLN 7 million in 2014.
- Receivables are reviewed for impairment, provided the occurrence of circumstances suggesting that they may be uncollectible. In that case, the revaluation write-downs are determined on the basis of estimates prepared by the Group.
- Changes in the construction market may have significant impact on the assessment of recoverable amount of assets of individual Group entities. In the event of identifying premises for impairment, the Group estimates the recoverable amount of its tangible fixed assets.
  The analysis of impairment of tangible fixed assets is usually performed by way of estimating the recoverable amount of cash-generating units. Such analysis is based on a number of significant assumptions, part of which is beyond the control of the Group. Significant changes in these assumptions may affect the results of impairment tests and, as a consequence, may lead to significant changes in the Group's financial standing and financial results.
  The impairment test performed was described in note No. 4 to these financial statements.

S) Revenues

Revenues include the fair value of revenues from the sale of products and services, less goods and services tax (VAT), discounts and reductions.

All amounts are stated in PLN '000, unless indicated otherwise

The Group recognizes the revenues from sales, in the cases, in which: the amount of revenue can be reliably measured; it is likely that the entity will obtain economic benefits in the future; and, the specific criteria described below have been met for all kinds of the Group's activity.

1. Revenues from the sale of products and goods

Revenues from the sale of goods and products are recognized, provided that the significant risk and benefits resulting from the right of ownership of goods and products were transferred to the buyer and when the amount of revenue can be measured reliably, and collectability of receivables is sufficiently certain.
This category also includes revenues from the sale of formwork systems, recognized as tangible fixed assets. The result from sale of other tangible fixed assets is recognized in other net profit/(loss).
In the case of domestic sales, the moment of recognizing revenues from the sale of products or goods is the time of release of the products or goods to the buyer from the Group's warehouse. In the case of export sale and intra-Community supply of goods, the moment of recognizing revenues depends on the delivery conditions determined in accordance with Incoterms 2000, included in the performed contract. In the case of contracts concluded under FCA (or EXW) conditions, the moment when revenues from sale are recognized is the moment of release of the products or goods to the recipient from the Group's warehouse. In the case of contracts concluded under CPT and CIP conditions, revenues from the sale of products and goods are recognized as of the date of confirmation of receipt of the delivery by the customer.

2. Revenues from the sale of services

Revenues from the sale of "Construction site services" concern mainly construction formwork leasing services.
Revenues from the sale of services are recognized in the period in which the services were rendered, depending on the completion status of the individual transaction, determined on the basis of the ratio of the work actually performed to all the services to be performed, provided that:

- revenues amount can be measured in a reliable manner;
- it is likely that the entity will acquire economic benefits from the transaction performed;
- completion status of the transaction as at the revenues recognition date can be determined reliably;
- costs incurred in relation to the transaction and to its completion can be measured in a reliable manner.

3. Interest

Interest revenue is recognized on accrual basis, using the effective interest rate method. Such revenue refers to the money paid for using cash by the companies belonging to the Group. If a receivable is impaired, the Group reduces its carrying value to the recoverable amount equal to the estimated future cash flows discounted at the initial effective interest rate of the instrument. Then the discount amount is gradually settled in correspondence with the interest revenues.

4. Dividends

Revenue from dividend is recognized at the moment of acquisition of the right to obtain the payment.

T) Deferred income tax

Deferred income tax assets and liabilities resulting from temporary differences between the tax value of assets and liabilities and their carrying value in the consolidated financial statements are recognized using the balance sheet method. In the cases in which, however, the deferred income tax arose due to the initial recognition of an asset or liability within a transaction other than a merger of business entities, not affecting the financial result or the tax income (loss), such deferred income tax is not disclosed. Deferred income tax is determined using the tax rates (and in accordance with the tax regulations) legally or actually in force as at the balance sheet date, expected to be in force at the moment of realization of the relevant deferred income tax assets or payment of the deferred income tax liabilities.

Deferred income tax assets are recognized if it is likely that taxable income will be achieved in the future which will make it possible to utilize the temporary differences.

Deferred income tax assets and liabilities are set off, provided the existence of a legally enforceable right to set off current tax assets against current tax liabilities.

The Capital Group has a capacity to control the dates of reversal of all temporary differences related to investments in subsidiary entities, associated units and divisions and investments in joint ventures, towards which the deferred income tax has not been recognized and it is likely that these temporary differences are not going to reverse in foreseeable future.

U) Employee benefits

Retirement allowance

The benefits related to the retirement allowance are due, provided that the employee acquires a right to such retirement benefit pursuant to the Labour Code. The amount of the retirement allowance due to the employee acquiring retirement rights is calculated in the amount of additional remuneration for one month, calculated in the same manner as the equivalent for leave.
The Company makes a provision for post-employment benefits in order to allocate the costs of those allowances to the periods to which they relate. The provision raised is recognized as an operating expense in the amount corresponding with accrued future employees' benefits. The present value of these obligations is measured by an independent actuary.
Actuarial gains and losses arising from the change of actuarial assumptions (including change in discount rate) and ex post actuarial adjustments are presented as other comprehensive income.

2. Financial risk management

The activity of the Group is exposed to various kinds of financial risk: foreign exchange risk, risk of change in cash flows and fair value as a result of interest rate changes, credit risk and liquidity risk.
By the management programme, the Group seeks to minimize the effects of financial risks having a negative impact on the Group's financial results. The Group uses forward contracts in order to secure itself against certain risks.

Foreign exchange risk

The Group conducts international activity and is exposed to the risk of changing exchange rates of various currencies, including in particular euro. Foreign exchange risk concerns future commercial transactions (sale of goods and products and purchase of goods and services) as well as the assets and liabilities recognized. Foreign exchange risk arises when future commercial transactions and the assets and liabilities

recognized are expressed in a currency different than the functional currency of the companies which are part of the Group.
The Group hedges net positions using external forward currency contracts.
The analyses conducted do not indicate that the Group is materially exposed to foreign exchange risk in relation to financial instruments. This is due to the fact that the Group's currency exposure is highly balanced.

In addition, within the Capital Group, the parent entity granted loans to the subsidiaries of the total value, as at the balance sheet day, of EUR 3,310 thousand and USD 1,500 thousand. These loans constitute a part of net investment of the parent entity in the subsidiary operating abroad and are expressed in currencies other than the functional currency of the parent entity (Polish zloty) or subsidiary operating abroad (Ukrainian hryvnia or Lithuanian litas). According to IAS 21, foreign exchange differences occurred when converting this loan and recognized in the individual financial statements of the parent entity (for conversion of loan recognized in the individual financial statement of the subsidiary operating abroad (for conversion of loan from EUR or USD to Polish zloty) as well as the foreign exchange differences occurred due to conversion of this loan from EUR/USD to Ukrainian hryvnia or Lithuanian litas) in the consolidated financial statements of the Group are transferred to a separate share capital item and recognized in the other total income.

If the Polish zloty depreciated/appreciated by 10% against EUR/USD, with the other parameters remaining unchanged, foreign exchange differences recognized in the separate item of share capital in relation to the above loan would decrease/increase the consolidated share capital by PLN 1,569 thousand.

Risk of change in cash flows and fair value as a result of interest rate changes

Revenues and cash flows from the Group's operating activities are not significantly exposed to the risk of interest rate change.
The interest rate change risk in the case of the Group concerns long-term debt instruments (Note 15). The interest rates of credits taken by the Group is based on the 1M WIBOR rate plus the bank's margin, exposing the Group to the risk of change in cash flows as a result of changing interest rates. The Group does not have any fixed-interest rate financial instruments for which any change in the interest curve would result in the change of their fair value.

The sensitivity analysis performed by the Group demonstrates that:

- as at 31 December 2014, if the interest rates were higher by 100 base points, the consolidated net profit for the period of 12 months ended on 31 December 2014 would be lower by PLN 86 thousand as a result of the increase in the costs of external financing;
- as at 31 December, 2013, if the interest rates were higher by 100 base points, the consolidated net profit for the period of 12 months ended on 31 December, 2013 would be lower by PLN 356 thousand as a result of the increase in the costs of external financing.

The Group pays its trade liabilities in due time and consequently revenues and cash flows from the Group's operating activities are not significantly exposed to the interest rate risk.

Credit risk

The item exposed to credit risk is the trade receivables item (Note no. 10).

The Group is not exposed to significant concentration of risk related to credit sale. There is no concentration of credit sales due to the relatively high number of recipients of the Group's services and goods. The Group also applies a policy which significantly reduces the sale of services and goods to customers with an inappropriate history of debt repayment. The internal control procedures in place which consist, among other things, in setting credit limits for individual customers depending on an assessment of their financial standing, and the procedures of acceptance of new customers allow the Group to significantly reduce level of credit risk.

Trade receivables in whose case no impairment was found account for 61.2% of the gross value of that group of financial assets, with 47.7% of the value of that group corresponding to trade receivables which are not outstanding (in 2013, the rates were respectively 65.2% and 44.8%).
No financial assets exist for which repayment conditions were renegotiated and with regard to which impairment would have to be determined if there were no renegotiations.
An ageing analysis of financial assets is as follows: (in PLN '000):

	31 December	31 December 2013
Current receivables	31,712	30,883
Outstanding by up to 30 days	5,832	8,889
Outstanding by 31 to 90 days	2,839	5,509
Outstanding by 91 to 180 days	2,046	7,717
Outstanding by 181 to 360 days	13,754	4,658
Outstanding by more than 360 days	52,458	48,020
Total gross assets	**108,641**	**105,675**
Revaluation write-downs	(42,188)	(36,808)
Total net assets	**66,453**	**68,867**

Revaluation write-down relates to receivables outstanding by more than 180 days.
Impairment was determined in the case of financial assets in the trade receivables and other receivables group with a value of PLN 42,188 thousand. These assets were written-down. During determination of the impairment of individual financial assets, the Group evaluates each customer on an individual basis, looking mainly at their financial standing and the security they have in place. As a basic means used in order to secure debt recovery, the Group uses mainly blank promissory notes and insurance of receivables for eastern markets.

With regard to financial assets presented in the table above, outstanding by more than 180 days, the Capital Group recovered PLN 7,886 thousand of VAT as of the balance sheet date, applying so-called VAT relief on bad debts, which were disclosed in trade receivables and other receivables.

Liquidity risk

Liquidity risk management assumes that a suitable level of cash will be maintained, as well as availability of financing owing to a sufficient amount of credit instruments granted and the ability to close market positions. The Group holds sufficient cash resources to pay its liabilities which are due and guarantees potential financing on the basis of the credit facilities granted.
Over 90% of the Group's trade liabilities are due within 2 months of the balance sheet date. A maturity analysis of the Group's bank credits is presented in Note 15 of Additional Information.

Working capital management

Working capital of the individual companies within the ULMA Construccion Polska S.A. Capital Group is managed at the Capital Group level. The main goals of capital management include ensuring a suitable level of operational liquidity and the possibility of implementing investment plans of the individual Group companies in accordance with the approved budgets.

Dividend policy

The dividend policy adopted at the Group is also subordinated to the goals indicated above. Decisions on the payment of dividend are preceded each time by an analysis of the current needs and of needs related to development of each of the companies and of the Capital Group as a whole.

3. New accounting standards and interpretations of the International Financial Reporting Interpretations Committee (IFRIC)

The following standards, changes in already effective standards and interpretations are not endorsed by the European Union or are not effective as at 1 January 2014:

Standard	Description of changes	EU effective date
IFRS 9 Financial Instruments (along with amendments)	Changes to the classification and measurement requirements – replacement of the existing categories of financial instruments with the two following categories: measured at amortised cost and at fair value. Changes to hedge accounting.	1 January 2018
IFRS 14 Regulatory Deferral Accounts	Accounting and disclosure principles for regulatory deferral accounts.	1 January 2016
IFRS 15 Revenue from Contracts with Customers	The standard applies to all contracts with customers, except for those within the scope of other IFRSs (e.g. leasing contracts, insurance contracts and contracts relating to financial instruments). IFRS 15 clarifies principles of revenue recognition.	1 January 2017
Amendments to IFRS 11	Additional accounting guidance for the acquisition of an interest in a joint operation.	1 January 2016
Amendments to IFRS 10 and IAS 28	Deals with the sale or contribution of assets between an investor and its joint venture or associate	1 January 2016
Amendments to IFRS 10 IFRS 12 and IAS 28	Clarification of the provisions on recognition of investment units in the consolidation.	1 January 2016
Amendments to IAS 1	Changes regarding disclosures required in the financial statements	1 January 2016
Amendments to IAS 16 and IAS 38	Clarifies that a method of depreciation/amortisation that is based on the revenue expected to be generated from using the asset is not allowed.	1 January 2016
Amendments to IAS 16 and IAS 41	Accounting for bearer plants.	1 January 2016
Amendments to IAS 19	Simplifies the accounting for contributions by employees or third parties to defined-benefit plans.	1 January, 2015
Amendments to IAS 27	Use of the equity method in separate financial statements.	1 January 2016
Annual improvements to IFRS (cycle 2010-2012)	A collection of amendments dealing with: - IFRS 2 – matter of vesting conditions; - IFRS 3 – matter of conditional consideration; - IFRS 8 – matter of presentation of operating segments; - IFRS 13 – short-term receivables and liabilities; - IAS 16 / IAS 38 – matter of disproportionate change in gross amount and accumulated depreciation/amortisation in revaluation method; - IAS 24 – definition of key management personnel	1 January, 2015
Annual improvements to IFRS (cycle 2011-2013)	A collection of amendments dealing with: - IFRS 3 – change in the scope of exception for joint ventures; - IFRS 13 – scope of paragraph 52 (portfolio exception); - IAS 40 – clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property.	1 January 2015
Annual improvements to IFRS (cycle 2012-2014)	A collection of amendments dealing with: IFRS 5 – changes in methods of disposal; IFRS 7 – regulations regarding servicing contracts, and applicability of the amendments to IFRS 7 to interim financial statements; IAS 19 – discount rate: regional market issue; IAS 34 – additional guidance relating to disclosures in interim financial statements.	1 January 2016

All amounts are stated in PLN ‘000, unless indicated otherwise

The Group intends to adopt the above mentioned new standards, amendments to standards and interpretations of IFRS published by the International Accounting Standards Board but not effective until the date of approving these publication, when they become effective.

The influence of new regulations on future consolidated financial statements of the Group

The new IFRS 9 Financial Instruments introduces fundamental changes in respect of classifying, presenting and measuring of financial instruments. These changes will possibly have material influence on future financial statements of the Group. As at the date of preparation of these financial statements not all phases of IFRS 9 have been published and the standard has not yet been approved by the European Union. As a result analysis of its impact on the future financial statements of the Group has not been finished yet.

The new IFRS 15 aims to standardize the revenue recognition rules (except for these within the scope of other IFRS/IAS) and indicate the extent of disclosure required. The analysis of its impact on the future financial statements of the Group has not been finished yet.

Other standards and their changes should have no significant impact on future financial statements of the Group. Amendments to standards and interpretations that entered into force in the period from 1 January 2014 to the date of approval of these consolidated financial statements did not have significant influence on these financial statements.

4. Information concerning segments of activity

The ULMA Construccion Polska S.A. Capital Group distinguishes two basic segments in its business activity:

- construction site services — a segment comprising lease of formwork systems and scaffolding along with widely understood logistic services and settlement of the construction site at the end of the contract,
- sale of construction materials — a segment comprising the sale of formwork systems, constituting tangible fixed assets (property, plant and equipment) as well as current assets (products and services) of the Group as well as of other construction materials.

Information concerning the segments is measured in accordance with the principles presented in the accounting policy.

No cases of customer concentration occur within the Group.

All amounts are stated in PLN ‘000, unless indicated otherwise

The results of the individual segments are as follows:

Period of 12 months ended on 31 December 2014

Item description	Construction site services	Sale of construction materials	Capital Group
Total revenues from sales	147,432	66,343	213,775
Intersegment sales	(714)	(20,569)	(21,283)
Revenues from sales	**146,718**	**45,774**	**192,492**
Operating costs without amortization/depreciation	(90,277)	(38,192)	(128,469)
EBITDA	**56,441**	**7,582**	**64,023**
Amortization and depreciation	(66,113)	(2,090)	(68,203)
Profit (loss) at operating level — EBIT	**(9,672)**	**5,492**	**(4,180)**

Period of 12 months ended on 31 December 2013

Item description	Construction site services	Sale of construction materials	Capital Group
Total revenues from sales	174,174	63,999	238,173
Intersegment sales	(1,027)	(27,675)	(28,702)
Revenues from sales	**173,147**	**36,324**	**209,471**
Operating costs without amortization/depreciation	(91,832)	(35,051)	(126,883)
EBITDA	**81,315**	**1,273**	**82,588**
Amortization and depreciation	(76,581)	(2,100)	(78,681)
Profit (loss) at operating level — EBIT	**4,734**	**(827)**	**3,907**

In 2014, the Capital Group recorded loss at operating level in the "Construction site services" segment, amounting to PLN (9,672) thousand, against PLN 4,734 thousand of profit in the same period of the previous year (decrease by PLN 14,407 thousand). This resulted from a decrease in revenues, with practically fixed level of costs, typical for this segment.

Decrease in revenues of this segment in 2014 resulted from a downturn in the construction sector in Poland and decreasing unit prices of products and services offered, stemming from price wars between market participants.

In turn, increasing profitability of the Capital Group's operations in the "Sale of construction materials" segment which includes mainly export sales in Kazakhstan, allowed for a partial offsetting of losses incurred in the business segment of "Construction site services".

All amounts are stated in PLN '000, unless indicated otherwise

In connection with the loss in the "Construction site services" segment incurred in 2014, The Capital Group commenced the assessment of risk of impairment of assets held (formwork systems and scaffoldings) and used in this segment. The recoverable amount of assets was determined based on the estimation of the use value of assets in accordance with the discounted net cash flow method, taking into account the following criteria:

- long-term forecast of operations of the Capital Group in Poland, in the light of the new EU perspective for the years 2016–2020 which assumes the disbursement of new budget funds for further development of road and railway infrastructure, as well as investment in the industry sector, including the energy sector;
- development forecasts for residential and non-residential construction segment based on studies conducted by PMR, Euroconstruct and on own estimates;
- export forecasts, assuming opportunities for further expansion;
- assumptions regarding the principles of setting the pricing policy;
- assumptions regarding the principles of renovation activities and material capacity;
- assumptions regarding necessary replacement or development investments;
- and assumptions regarding the level of operating costs, including the personnel development policy.

Moreover, in order to determine the valuation model in a comprehensive manner, the Group assumed a reliable degree of standardization of the Capital Group's material capacity in different countries of operation and, consequently, its capacity to freely relocate formwork and scaffolding from countries that experience a downturn in the construction sector to other countries.

For discounting purposes, the rate assumed in the model amounted to 9.62%.

As a result, the Group obtained a reliable confirmation of the absence of risk of impairment of the Capital Group's assets.
The sensitivity analysis results demonstrated that the factor with the greatest impact on the use value of measured assets is the value of the financial surplus generated (net profit + depreciation/amortization) and weighted average cost of capital. Impairment of tangible fixed assets would occur if the weighted average cost of capital applied in the calculation was 16.73% or if the generated financial surplus decreased by 37.75% in comparison with the forecast applied in the calculation.

Reconciliation of profit (loss) at operating level [EBIT] to the Group's net financial result is presented below.

	12 months of the year 2014	12 months of the year 2013
Segment EBIT	**(4,180)**	**3,907**
Interest revenues	569	488
Other financial revenues	-	16
Interest expenses	(1,430)	(3,642)
Other financial costs	(1,141)	131
Share in the results of associates	(171)	(507)
Profit (loss) before tax	**(6,353)**	**393**
Income tax	763	(300)
Net profit (loss)	**(5,590)**	**93**

All amounts are stated in PLN '000, unless indicated otherwise

Assets allocated to the individual segments are presented in the table below.

Item description	Construction site services	Sale of construction materials	Unallocated items	Capital Group
As at 31 December 2014	179,513	20,909	131,718	332,140
As at 31 December 2013	233,074	15,884	136,296	385,254

Reconciliation of the segment assets to the Group's total assets is presented below. The Group allocates no liabilities to individual segments.

Item description	31 December 2014	31 December 2013
Segment assets	200,422	248,958
Unallocated tangible fixed assets	93,156	98,150
Unallocated intangible fixed assets	251	571
Investments in associate	(86)	280
Other non-current assets	4,123	4,179
Tax receivables and other receivables	2,164	3,326
Derivative instruments	-	42
Cash and cash equivalents	32,110	29,748
Total assets	**332,140**	**385,254**

Geographic breakdown of the Group's revenues and fixed assets is as follows:

Item description	2014	2013
Revenues from domestic sales	136,007	156,940
Revenues from export sales	56,485	52,531
Total revenues from sales	**192,492**	**209,471**
Domestic fixed assets	219,600	268,537
Foreign fixed assets	5,043	7,647
Total fixed assets	**224,643**	**276,184**

All amounts are stated in PLN '000, unless indicated otherwise

5. Tangible fixed assets

Table of movements in tangible fixed assets between 1 January 2013 and 31 December 2014

	Lands, buildings and structures	Plant, machinery and means of transport	Formwork systems	Other property, plant & equipment	PP&E under construction	Total tangible fixed assets
GROSS VALUE						
As at 1 January 2013	**85,530**	**8,479**	**530,341**	**2,623**	**19,889**	**646,862**
Increase due to purchase	21,665	2,256	25,421	664	870	50,876
Increase — inventory surplus, reclassification	-	4	4,171	6	(19,889)	(15,708)
Decrease — sale	(152)	(236)	(24,153)	(145)	-	(24,686)
Decrease — liquidation, shortage and reclassification	(1,376)	(105)	(14,563)	(171)	-	(16,215)
Foreign exchange differences	(4)	(25)	(567)	(7)	-	(603)
As at 31 December 2013	**105,663**	**10,373**	**520,650**	**2,970**	**870**	**640,526**
Increase due to purchase	9	433	26,974	195	182	27,793
Increase — inventory surplus,	415	13	4,203	0	(870)	3,761
Decrease — sale	(1,592)	(740)	(34,424)	(17)	-	(36,773)
Decrease — liquidation, shortage and reclassification	(524)	(28)	(18,402)	(48)	-	(19,002)
Foreign exchange differences	(57)	(202)	(9,538)	(97)	-	(9,894)
As at 31 December 2014	**103,914**	**9,849**	**489,463**	**3,003**	**182**	**606,411**
ACCUMULATED DEPRECIATION						
As at 1 January 2013	**9,928**	**5,095**	**305,719**	**2,170**		**322,912**
Depreciation for the period	2,727	1,042	73,753	607		78,129
Decrease — sale	(98)	(192)	(17,583)	(140)		(18,013)
Decrease — liquidation, reclassification	(1,336)	(95)	(11,915)	(166)		(13,512)
Foreign exchange differences	(2)	(14)	(395)	(6)		(417)
As at 31 December 2013	**11,219**	**5,836**	**349,579**	**2,465**		**369,099**
Depreciation for the period	2,805	1,024	63,758	252		67,839
Decrease — sale	(602)	(730)	(29,155)	(18)		(30,505)
Decrease — liquidation, reclassification	(35)	(23)	(16,117)	(48)		(16,223)
Foreign exchange differences	(19)	(121)	(3,857)	(70)		(4,067)
As at 31 December 2014	**13,368**	**5,986**	**364,208**	**2,581**		**386,143**
REVALUATION WRITE-DOWN						
As at 1 January 2013	**-**	**-**	**482**	**-**	**-**	**482**
Increase	-	-	(482)	-	-	(482)
As at 1 January 2014	**-**	**-**	**-**	**-**	**-**	**-**
Decrease	-	-	-	-	-	-
As at 31 December 2014	**-**	**-**	**-**	**-**	**-**	**-**
NET VALUE:						
As at 31 December 2014	**90,546**	**3,863**	**125,255**	**422**	**182**	**220,269**
As at 31 December 2013	**94,444**	**4,537**	**171,071**	**505**	**870**	**271,427**

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As at 1 January 2013	**75,602**	**3,384**	**224,140**	**453**	**19,889**	**323,468**

The depreciation charge on tangible fixed assets increased by:

Specification	12 months of the year 2014	12 months of the year 2013
Costs of sold goods, products and materials	65,634	76,629
Sales and marketing costs	4	10
General administrative costs	2,201	1,490
Total	**67,839**	**78,129**

As at 31 December 2014, bank credit facilities are secured by tangible fixed assets (formwork). Security value under the pledge agreements concluded as at signing the credit agreements is PLN 123,944 thousand. As at 31 December 2013, the security amounted to PLN 270,151 thousand.
The net value of the tangible fixed assets used under financial leasing agreements amounts to, as at 31 December 2014, PLN 384 thousand and as at 31 December 2013 — PLN 461 thousand.

6. Intangible fixed assets

Table of movements in intangible fixed assets between 1 January 2013 and 31 December 2014.

	Licenses and software	Other	Total intangible assets
GROSS VALUE			
As at 1 January 2013	**4,416**	**42**	**4,458**
Increase	344	-	344
Decrease — disposal	(40)	-	(40)
Foreign exchange differences	(2)	-	(2)
As at 31 December 2013	**4,718**	**42**	**4,760**
Increase	50	-	50
Decrease — liquidation	(266)	-	(266)
Foreign exchange differences	(12)	(2)	(14)
As at 31 December 2014	**4,490**	**40**	**4,530**
ACCUMULATED DEPRECIATION			
As at 1 January 2013	**3,631**	**40**	**3,671**
Depreciation for the period	551	1	552
Decrease — disposal	(40)	-	(40)
Foreign exchange differences	(1)	-	(1)
As at 31 December 2013	**4,141**	**41**	**4,182**
Depreciation for the period	363	1	364
Decrease — liquidation	(266)	-	(266)
Foreign exchange differences	1	(2)	(1)
As at 31 December 2014	**4,239**	**40**	**4,279**
NET VALUE:			
As at 31 December 2014	**251**	**0**	**251**
As at 31 December 2013	**577**	**1**	**578**

All amounts are stated in PLN '000, unless indicated otherwise

As at 1 January 2013	**785**	**2**	**787**

The amortization charge on tangible fixed assets increased by:

Specification	12 months of the year 2014	12 months of the year 2013
Costs of sold goods, products and materials	10	46
Sales and marketing costs	-	-
General administrative costs	354	506
Total	**364**	**552**

7. Financial instruments

	Carrying amount		Fair value		Fair value hierarchy
	31 December 2014	31 December 2013	31 December 2014	31 December 2013	
Financial assets held for trading					
Cash	32,110	29,748	32,110	29,748	*
Receivables and loans granted					
Trade receivables and other receivables	67,604	70,780	67,604	70,780	*
Loans granted	989	921	989	921	*
Derivative instruments					
Financial instruments measured at fair value through profit or loss	-	42	-	42	Level 2
Financial liabilities					
Credits with variable interest rates	10,625	43,847	10,625	43,847	*
Trade liabilities and other liabilities	13,574	22,196	13,574	22,196	*
Derivative instruments					
Financial instruments measured at fair value through profit or loss	75	-	75	-	Level 2

Level 2: Derivative instruments recognized in the consolidated statement of financial position concern the contracts for defined period of time for purchase/sale of currency. Fair value of instruments as at the balance

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sheet date is determined on the basis of the exchange rate on the maturity specified by the bank, in which the instrument was purchased individually for each concluded contract.

*) Fair value approximates carrying amount.

8. Interests in associates

Name (business name) of the entity, with an indication of the legal form	Seat	Scope of business	Carrying value of interests	% of share capital held
ULMA Cofraje S.R.L.	Bucharest Romania	sale and lease of formwork, sale of construction materials	(86)	30.00

Basic data concerning the associate:

	31 December 2014	31 December 2013
Assets	13,311	9,840
Liabilities	9,935	5,263
Revenues from sales	7,442	1,850
Net financial result	(571)	(1,173)

9. Other non-current assets

Other non-current assets include the right of perpetual usufruct of land in the amount of PLN 4,123 thousand. The right of perpetual usufruct of land expires on 5 December 2089.
The Group discloses the above right of perpetual usufruct of land as operating leasing.

10. Trade receivables and other receivables

	As at:	
	31 December 2014	31 December 2013
Trade receivables from unrelated entities	107,559	103,844
Revaluation write-down on trade receivables	(42,188)	(36,808)
Trade receivables — net	*65,371*	*67,036*
Other receivables	566	1,396
Prepayments and deferred expenses	585	517
Trade receivables from related entities	1,082	1,831
Loan receivables	989	921

All amounts are stated in PLN '000, unless indicated otherwise

Total trade receivables and other receivables	**68,593**	**71,701**
including:		
Long-term portion	989	921
Short-term portion	67,604	70,780

On the basis of analyses performed the Group determined that the carrying value of individual receivables presented in these consolidated financial statements was equal to the fair value of those receivables.

There is no concentration of credit risk related to trade receivables due to large number of customers hold by the Group.

The net value of revaluation write-downs on receivables increased by the amounts of receivables written off in the total amount of PLN 9,997 thousand (PLN 4,662 thousand in 2013) was recognized in sales and marketing costs in the statement of comprehensive income.

Changes in revaluation write-downs on trade receivables and other receivables were as follows:

	12 months of the year 2014	12 months of the year 2013
As at the beginning of period	**36,808**	**32,686**
Increase — revaluation write-downs on trade receivables	12,206	4,916
Increase — revaluation write-downs on late payments interest	-	-
Utilization	(3,844)	(104)
Adjustment to earlier write-down	(1,188)	(337)
Foreign exchange differences	(1,794)	(353)
As at the end of the period	**42,188**	**36,808**

All revaluation write-downs on receivables concern short-term receivables.

11. Inventories

	As at:	
	31 December 2014	31 December 2013
Materials	5,255	4,263
Goods	1,941	2,884
Gross value of inventories	**7,196**	**7,147**
Revaluation write-down on inventories	(340)	(340)
Net value of inventories	**6,856**	**6,807**

All amounts are stated in PLN '000, unless indicated otherwise

12. Cash and cash equivalents

	As at:	
	31 December 2014	31 December 2013
Cash in hand and at bank	32,110	29,748
Short-term bank deposits	-	-
Total cash, including:	**32,110**	**29,748**
Cash with limited availability	92	156

For the purposes of the cash flow statement, cash and overdraft facilities include the following:

	As at:	
	31 December 2014	31 December 2013
Cash and cash equivalents	32,110	29,748
Overdraft facility (note 15)	-	-
Cash and cash equivalents disclosed in the cash flow statement	**32,110**	**29,748**

13. Share capital and reserves

	Number of shares	Nominal value of share	Surplus from the issue of shares at premium	Total
As at 1 January 2013	**5,255,632**	**10,511**	**114,990**	**125,501**
- increase	-	-	-	-
- decrease	-	-	-	-
As at 31 December 2013	**5,255,632**	**10,511**	**114,990**	**125,501**
- increase	-	-	-	-
- decrease	-	-	-	-
As at 31 December 2014	**5,255,632**	**10,511**	**114,990**	**125,501**

All shares are ordinary bearer shares with the nominal value of PLN 2.00 PLN. All shares are paid up.

As at 31 December 2014, the shareholding structure of the Company is as follows:

	Share capital	Votes at the General Meeting

All amounts are stated in PLN '000, unless indicated otherwise

	Number of	%	Number of votes	%
ULMA CyE, S. Coop	3,967,290	75.49	3,967,290	75.49
OFE Aviva BZ WBK	466,679	8.88	466,679	8.88
Free float	821,663	15.63	821,663	15.63

14. Trade liabilities and other liabilities

	As at:	
	31 December 2014	31 December 2013
Trade liabilities towards unrelated entities	8,680	16,700
Liabilities towards related entities	1,681	2,706
Liabilities due to taxes and other charges	12,638	9,138
Accruals	2,833	2,547
Deferred income	-	1
Other liabilities	380	242
Total trade liabilities and other liabilities	**26,212**	**31,334**
Including:		
Long-term portion	-	-
Short-term portion	26,212	31,334

15. Credits and loans

	As at:	
Long-term	31 December 2014	31 December 2013
Bank credits	-	10,604
Total long-term credits	**-**	**10,604**
	As at:	
Short-term	31 December 2014	31 December 2013
Overdraft facility (note 12)	-	-
Bank credits	10,625	33,243
Total short-term credits	**10,625**	**33,243**

The bank credit facilities are secured by formwork (registered pledges and conveyance of ownership agreements) according to information included in note 5. Additional security is provided by blank promissory notes.

All amounts are stated in PLN '000, unless indicated otherwise

The interest rates on bank credit is calculated in monthly periods and based on the current WIBOR rate increased by the margin determined in the individual credit agreements.

The effective interest rates as at the balance sheet date were as follows:

	31 December 2014	31 December 2013
Overdraft facility	-	-
Bank credits	4.86	5.13

The Group has the following unused credit limits available, which were granted to the Group:

	As at:	
	31 December 2014	31 December 2013
With variable interest rate:		
- expiring within one year	9,000	6,000
- expiring after one year	-	-
Total unused credit limits	**9,000**	**6,000**

16. Leases

a) Financial leasing

Assets used under financial leasing agreements listed in the table below include formwork cleaning machines.

	As at:	
	31 December 2014	31 December 2013
Initial value of leased tangible fixed assets	768	768
Depreciation	(384)	(307)
Net book value	**384**	**461**

Depreciation of tangible fixed assets used on the basis of financial leasing agreements concluded in the period of 12 months ended on 31 December 2014 amounted to PLN 77 thousand, whereas in the period of 12 months ended on 31 December 2013 — PLN 77 thousand.

	As at:	
	31 December 2014	31 December 2013
Less than one year	-	139
1 to 5 years	-	-
Total amount of minimum lease payments by maturity period	**-**	**139**

All amounts are stated in PLN '000, unless indicated otherwise

	As at:	
	31 December 2014	31 December 2013
Less than one year	-	139
1 to 5 years	-	-
Total present value of minimum lease payments by maturity period	**-**	**139**

An analysis performed by the Group demonstrated that the total amount of minimum lease payments did not differ significantly from the total present value of these payments.

Significant provisions of leasing agreements

- the leasing period is usually 5 years,
- the basis for determining the amount of lease payments is WIBOR plus the bank's margin,
- the leasing agreements include the option of purchase of the leased item after the end of the contractual term,
- no limitations result from the contractual provisions concerning additional debt or additional leasing agreements.

b) Operational leasing

Right of perpetual usufruct of land acquired by way of purchase was included in operational leasing agreements.
Total amount of minimum future payments related to the right of perpetual usufruct of land is as follows:

	As at:	
	31 December 2014	31 December 2013
Less than one year	9	9
1 to 5 years	35	35
Over 5 years	619	628
Total	**663**	**672**

The right of perpetual usufruct of land expires, pursuant to the agreement, on 5 December 2089.

17. Deferred income tax

	As at:	
	31 December 2014	31 December 2013
Deferred income tax assets:	6,299	5,417

All amounts are stated in PLN '000, unless indicated otherwise

Deferred income tax liabilities:	(11,350)	(14,645)
Carrying value of deferred income tax assets (liabilities)	**(5,051)**	**(9,228)**

Movements in deferred income tax assets and liabilities during the year (before their set-off within a single jurisdiction) are as follows:

Deferred income tax liabilities

Reason for temporary differences	Valuation of tangible fixed assets	Unrealized foreign exchange differences	Other	Total
As at 01.01.2013	**16,090**	**17**	**31**	**16,138**
Credited to profit/loss	(1,492)	(184)	(160)	**(1,836)**
Debited to profit/loss	-	191	152	**343**
As at 31.12.2013	**14,598**	**24**	**23**	**14,645**
Credited to profit/loss	(3,479)	(137)	(123)	**(3,739)**
Debited to profit/loss	-	314	130	**444**
As at 31.12.2014	**11,119**	**201**	**30**	**11,350**

Deferred income tax assets

Reason for temporary differences	Tax losses	Valuation of tangible fixed assets	Provisions for costs	Unrealized foreign exchange differences	Total
As at 01.01.2013	**77**	**1,212**	**3,441**	**211**	**4,941**
Credited to profit/loss	-	1,217	1,033	210	**2,460**
Debited to profit/loss	(77)	(145)	(1,501)	(230)	**(1,953)**
Recognized in equity	-	-	-	(31)	**(31)**
As at 31.12.2013	**-**	**2,284**	**2,973**	**160**	**5,417**
Credited to profit/loss	-	292	1,892	232	**2,416**
Debited to profit/loss	-	(54)	(1,188)	(79)	**(1,321)**
Recognized in equity	-	-	-	(213)	**(213)**
As at 31.12.2014	**-**	**2,522**	**3,677**	**100**	**6,299**

All amounts are stated in PLN ‘000, unless indicated otherwise

18. Liabilities related to retirement benefits

	As at:	
	31 December 2014	31 December 2013
Liabilities recognized in the statement of financial position, related to:		
Retirement benefits	179	139
Total	**179**	**139**

The Group performs actuarial measurement of the provision for retirement benefits at the end of each financial year.

	12 months of 2014	12 months of 2013
Deduction for retirement benefit provision	17	8
Interest expense	7	5
Actuarial profit and loss, net	16	19
Benefits paid	-	(9)
Total recognized in employee benefit costs	**40**	**23**

Movement in balance sheet liability:

	12 months of 2014	12 months of 2013
Retirement benefit provision at the beginning of the period	139	116
Deduction for retirement benefit provision	17	8
Interest expense	7	5
Actuarial profit and loss, net	16	19
Benefits paid	-	(9)
Retirement benefit provision at the end of the period	**179**	**139**

All amounts are stated in PLN ‘000, unless indicated otherwise

19. Revenues from sales

	12 months of 2014	12 months of 2013
Revenues from sales related to construction site services	146,718	173,148
Revenues from sales of goods and construction materials	45,774	36,323
Total revenues from sales	**192,492**	**209,471**

Revenues from sales to the entity exercising control over the ULMA Construccion Polska S.A. Capital Group in the period of 12 months ended on 31 December 2014 amounted to PLN 4,206 thousand (in 2013 — PLN 2,932 thousand).

20. Costs by type

	12 months of 2014	12 months of 2013
Depreciation of tangible and amortization of intangible fixed assets	68,203	78,681
Employee benefit costs (note 20 a)	30,630	30,895
Consumption of raw materials, auxiliary materials and energy	12,491	14,837
Transport services	11,266	12,864
Lease and rental services	11,892	12,604
Repair and maintenance	3,687	4,503
Installation services	5,875	1,089
Other third party services	18,571	20,324
Other costs	15,509	10,618
Value of sold goods and materials	19,994	19,530
Total costs by type	**198,118**	**205,945**
Movements in products and work in progress and costs of performance for the entity's own purposes	-	-
Sales and marketing costs (including revaluation write-downs on receivables)	(12,949)	(8,026)
Administrative costs	(16,179)	(14,793)
Costs of sold goods, products and materials	**168,990**	**183,126**

20 a) Employee benefit costs		
Costs of remuneration and costs of termination benefits	25,137	25,132
Costs of social insurance and other benefits for the employees	5,493	5,763
Total costs of employee benefits	**30,630**	**30,895**

All amounts are stated in PLN '000, unless indicated otherwise

21. Other operating revenues and costs

21 a) Other operating revenues	12 months of 2014	12 months of 2013
Inventory surplus	1,132	941
Profit on the change in fair value of forward contracts	66	173
Compensation obtained — lost current and non-current assets	632	75
Liabilities written off	8	9
Sale of tangible fixed assets	1,104	166
Revaluation write-down on property, plant and equipment	-	482
Re-invoicing	385	441
Other revenues	277	240
Total other operating revenues	**3,604**	**2,527**

21 b) Other operating costs	12 months of 2014	12 months of 2013
Inventory shortage	(687)	(476)
Loss on the change in fair value of forward contracts	(84)	(167)
Liquidation of tangible fixed assets	(1,299)	(1,172)
Revaluation write-down on assets	(2)	(287)
Other costs	(86)	(44)
Total other operating costs	**(2,158)**	**(2,146)**

22. Financial revenues and costs

22 a) Financial revenues	12 months of 2014	12 months of 2013
Interest on funds in bank account	280	454
Interest on loan	289	34
Profit on the change in fair value of forward contracts — financial activity	-	16
Total financial revenues	**569**	**504**

22 b) Financial costs		
Interest expenses:		
- bank credits	(1,424)	(3,619)
- leasing	(4)	(14)
- other — related to late payment of liabilities	(2)	(9)

All amounts are stated in PLN '000, unless indicated otherwise

	(1,430)	**(3,642)**
Foreign exchange differences	(989)	247
Credit acquisition costs	(74)	(76)
Bank Guarantee Fund	(31)	(40)
Losses on the change in fair value of forward contracts — financial activity	(47)	(40)
Total financial costs	**(2,571)**	**(3,511)**

22 c) Foreign exchange profit/loss

The impact of foreign exchange differences on the financial result of ULMA Construccion Polska S.A. Group is presented below::

	12 months of 2014	12 months of 2013
Revenues from sales	434	(279)
Costs of sold goods, products and materials	(257)	(231)
Financial costs	(989)	247
Total foreign exchange profit (loss)	**(812)**	**(263)**

23. Income tax

	12 months of 2014	12 months of 2013
Current tax	(3,627)	(2,300)
Deferred tax (note 17)	4,390	2,000
Total income tax	**763**	**(300)**

The income tax on the Group's profit before taxation differs in the following manner from the theoretical amount, which would be obtained by applying the weighted average rate of tax applicable to the profits of consolidated companies:

	12 months of 2014	12 months of 2013
Profit (loss) before tax	**(6,353)**	**393**
Tax calculated in accordance with the applicable rates (19% for Poland, 23% for Ukraine and 20% for Kazakhstan and 15% for Lithuania)	(1,729)	(302)
Non-taxable income	(315)	(447)
Non-deductible costs	1,494	1,080
Deferred tax liabilities recognized in equity	(213)	(31)
Income tax charged to profit/loss	**(763)**	**300**

All amounts are stated in PLN '000, unless indicated otherwise

Tax authorities may audit the books of account and tax settlements within 5 years of the end of the year, in which tax declarations were filed (in Ukraine: within 3 years) and charge additional tax to the Companies from the Group, along with penalty interest. In the Management Board's opinion, there are no circumstances suggesting that significant liabilities might arise in relation to the above.

24. Dividend per share

In the analyzed period, the Company did not pay out any dividend.

25. Contingent items

On request of ULMA Construccion Polska S.A. mBANK granted one of the clients of the Company performance bond for rental agreement. The performance bond expires on 16 October 2016 and its amount will fluctuate thorough the term. The bond is related to the construction of a Logistics Centre in Gdańsk. The investment project is expected to be commissioned in Q1 2015. The Group will use the Logistics Centre under a long-term rental agreement.
As at the balance sheet date, the amount of granted performance bond is PLN 2,539 thousand.

26. Investment (off-balance sheet) liabilities

As at the balance sheet date, there are no future contractual investment liabilities at the ULMA Construccion Polska S.A. Capital Group incurred.
Future operational leasing liabilities (*in which the company of the Group acts as the lessee*) are presented in Note 16b.

27. Measurement of financial instruments at fair value

On the basis of analyses performed, the Group determined that the carrying value of individual financial instruments presented in these consolidated financial statements was similar to the fair value of those instruments.

28. Significant events after the balance sheet date

Since November last year, when the Ukrainian government decided not to sign the association agreement with the European Union and the free trade agreement, the economic situation of this country deteriorated dramatically.

Political and social unrest combined with the growing tension and the risk of armed intervention by Russia further exacerbated the economic crisis of the country and led to a dramatic increase in the budget deficit, and in its consequence to the exhaustion of currency reserves by the National Bank of Ukraine. This led to the reduction in the rating indicators for the entire economy.

In February 2014, after devaluation of the national currency, difficult financial situation forced the National Bank of Ukraine to introduce administrative restrictions relating to the limitation of freedom to acquire foreign currencies. At the same time, the beginning of preparations for the introduction of a floating exchange rate regime for the native currency was announced.

The final result of this difficult situation and the political and economic effects of the current crisis are virtually impossible to quantify which, however, does not rule out the situation in which Ukraine's economy could suffer even more.

The Management Board of the Capital Group is constantly trying to respond to new views of the conflict in Ukraine, and while conducting in-depth monitoring of the turn of events, as well as in direct contact with the Management Board of ULMA Opałubka Ukraine, it is trying to maintain the stability of business activities in that country. However, political and social turbulence, including possible outbreak of a military conflict, may adversely affect the results and financial position of the subsidiary company operating in Ukraine.

The major risk is still the risk of devaluation of Ukraine's currency, i.e. UAH which, if occurs, will have a negative impact on the valuation of intragroup loans granted by Ulma Construccion Polska S.A. (parent company) in EUR and USD to Ulma Opalubka Ukraine, but also on the financial position of Ulma Opalubka Ukraine disclosed in its separate financial statements after conversion to PLN, when consolidated in accordance with the least favorable exchange rate.

These financial statements reflect the current evaluation of the Capital Group's Management Board as to the influence exerted by the geopolitical situation on the results generated by the subsidiary company and its ability to maintain financial stability in the future, and does not recognize any reserves in case of cessation of free activities.

29. Related party transactions

Control over the Group is exercised by ULMA C y E, S. Coop. with its registered office in Spain, which holds 75.49% of the Company's shares. The remaining 24.51% of the shares are held by more than one shareholder.

The ULMA Construccion Polska S.A. Capital Group is composed of the following companies:

Parent company:

ULMA Construccion Polska S.A. with its registered seat in Koszajec (Brwinów Commune)

Subsidiaries:

- ULMA Opalubka Ukraina with its registered seat in Kiev, at the address: Gnata Yury 9, established on 18 July 2001, registered at the Sviatoshyn State Administration Division for the City of Kiev under No. 5878/01, ID code 31563803. The company's business comprises of the sale and lease of formwork and sale of construction materials. The issuer holds 100% of the share capital and of the total number of votes.

- ULMA Opalubka Kazakhstan, a limited liability company with its registered seat in Astana, at the address Tashenova 25, established on 27 August 2010. The strategic objective of the company is developing the core business of the Capital Group, i.e. the lease of formwork systems and scaffolding, and dissemination of knowledge related to the application of the formwork technology in the construction process in the area of Kazakhstan. The issuer holds 100% of the share capital and of the total number of votes.

- ULMA Construccion BALTIC with its registered seat in Vilnius, at the address Pylimo 41-12, established on 27 April 2012. The Company's business consists in: lease of scaffolding and formwork for construction, wholesale and retail sale of scaffolding and formwork for construction, sale and lease of other construction equipment and other commercial activity. The issuer holds 100% of the share capital and of the total number of votes.

The Group also holds shares in an associate:

ULMA Cofraje SRL with its registered seat in Bragadiru, at the address: Soseaua de Centura No. 2-8 Corp C20 (Romania), established on 9.10.2007. Entered in the State Office of the Commercial Register in Bucharest, under No. 22679140. The Company's business consists in the lease and sale of scaffolding and formwork for construction, including on the basis of leasing agreements. The issuer holds 30% of the share capital and of the total number of votes. The remaining 70% of the Company's share capital is held by the entity controlling the Group, i.e. ULMA C y E, S. Coop. with its registered seat in Spain.

The subsidiaries are consolidated using the full method, whereas the associate is consolidated using the equity method.

Transactions concluded by companies from the ULMA Construccion Polska S.A. Capital Group with related entities were typical and routine transactions, concluded on an arm's length basis, and their nature and conditions resulted from the carrying out of on-going operational activities.

Figures related to transactions between entities from the ULMA Construccion Polska S.A. Capital Group and entities from the ULMA C y E, S. Coop. Group:

Settlements as at the balance sheet date	As at:	
	31 December 2014	31 December 2013
Receivables of ULMA Construccion Polska S.A. from the Group's entities	1,082	1,831
Liabilities of ULMA Construccion Polska S.A. towards the Group's entities	1,681	2,706
Loan receivables – ULMA Cofraje s.r.l. Romania (EUR '000)	221	221
Loan interest receivables (EUR '000)	1	1

Sales and purchases from Group entities	12 months of 2014	12 months of the year 2013
Sales by ULMA Construccion Polska S.A. to the Group's entities	8,492	4,480
Purchases by ULMA Construccion Polska S.A. from the Group's entities	30,534	18,396
Loan interest revenue	289	21

Transactions with members of the Management Board, Supervisory Board of the Parent Company, their spouses, siblings, ascendants, descendants and their other relatives, as well as key management personnel of the Parent Company and companies of the ULMA Group with related entities.

The Group considers that the key management personnel of the Parent Company and companies of the ULMA Group include members of the Management and Supervisory Board of the Parent Company, as well as members of the Management and Supervisory Boards of subsidiaries and associates. In 2014 and in 2013 the Group companies did not grant to managing and supervising persons and their relatives any advances, borrowings, loans, guarantees and sureties, or concluded other agreements obliging them to render services to the Parent Company and its related parties.

As at 31 December 2014 and as at 31 December 2013 there were no loans granted by the Group companies to neither the managing and supervising persons or their relatives.

30. Remuneration of Management Board and Supervisory Board Members

In 2014, the Members of the Management Board and Supervisory Board obtained the following remuneration and bonuses:

	12 months of the year 2014	12 months of the year 2013
Management Board of ULMA Construccion Polska S.A.		
Andrzej Kozłowski	1,008	1,007
Andrzej Sterczyński	443	454
Krzysztof Orzełowski	385	386
ULMA Opalubka Ukraine		
Dmitriv Lyakhovetskiy	210	237
Denys Kvachuk	116	141
ULMA Opalubka Kazakhstan		
Ewa Giersz	521	447
ULMA Construccion BALTIC		
Vykintas Kuzmickas	193	193
Supervisory Board of ULMA Construccion Polska S.A.		
Rafał Alwasiak	39	54

The remaining Members of the Management Board and of the Supervisory Board receive no remuneration.

31. Profit (loss) per share

The basic profit per share is calculated as the quotient of dividing the profit attributable to the Company's shareholders by the weighted average number of ordinary shares during the year.

	12 months of 2014	12 months of 2013
Profit (loss) attributable to the shareholders of the parent entity	(5,590)	93
Number of ordinary shares as at the balance sheet date	5,255,632	5,255,632
Weighted average number of ordinary shares	5,255,632	5,255,632
Basic profit (loss) per share (in PLN per single share)	(1.06)	0.02
Diluted profit (loss) per share (in PLN per single share)	(1.06)	0.02

All amounts are stated in PLN '000, unless indicated otherwise

32. Selected financial data converted into EUR

The selected financial data converted into EUR is presented in the following table:

	PLN '000		EUR '000	
SPECIFICATION	12 months of the year 2014	12 months of the year 2013	12 months of the year 2014	12 months of the year 2013
Net revenues from the sale of products, goods and materials	192,492	209,471	45,949	49,744
Profit (loss) on operating activities	(4,180)	3,907	(998)	928
Gross profit (loss)	(6,353)	393	(1,516)	93
Net profit (loss)	(5,590)	93	(1,334)	22
Net cash flow from operating activities	67,371	97,850	16,082	23,237
Net cash flow from investment activities	(30,379)	(39,514)	(7,252)	(9,384)
Net cash flow from financial activities	(34,785)	(58,894)	(8,303)	(13,986)
Net cash flows	2,207	(558)	527	(133)
Diluted profit per share	(1.06)	0.02	-	-
Profit/(loss) per ordinary share (in PLN/EUR)	(1.06)	0.02	-	-
	PLN '000		EUR '000	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
Total assets	332,140	385,254	77,925	92,895
Liabilities	43,986	86,126	10,320	20,767
Long-term liabilities	5,224	19,968	1,225	4,815
Short-term liabilities	38,762	66,158	9,094	15,952
Equity	288,154	299,128	67,605	72,128
Share capital	10,511	10,511	2,466	2,535
Weighted average number of shares	5,255,632	5,255,632	5,255,632	5,255,632
Number of shares as at the balance sheet date	5,255,632	5,255,632	5,255,632	5,255,632

Book value per share (in PLN/EUR)	54.83	56.92	12.86	13.72

The individual items in assets, equity and liabilities were converted into EUR at the average exchange rates published by the President of the National Bank of Poland in force as at the balance sheet date. Average PLN/EUR exchange rate as at 31 December 2014 was 4.2623, whereas as at 31 December 2013 — 4.1472.

The rate applied to convert items in the statement of comprehensive income and in the cash flow statement was the weighted average of exchange rates in force as at the last day of each month in the specific period, i.e. data for the period 1.01.–31.12.2014 was converted at the PLN/EUR exchange rate of 4.1893, whereas data for the same period in 2013 at the PLN/EUR exchange rate of 4.2110.

On behalf of the Management Board of ULMA Construccion Polska S.A.

Andrzej Kozłowski,
President of the Management Board ....

Andrzej Sterczyński,
Member of the Management Board ....

Krzysztof Orzełowski,
Member of the Management Board ....

José Irizar Lasa,
Member of the Management Board ....

Ander Ollo Odriozola,
Member of the Management Board ....

Signature of the person entrusted with keeping the books of account

Henryka Padzik,
Chief Accountant ....

Koszajec, on 19 March 2015

All amounts are stated in PLN ‘000, unless indicated otherwise