

Consolidated statement of cash flows

Consolidated statement of cash flows for 2014

prepared using the indirect method

PLN '000	Note	Year ended	Year ended
		Dec 31 2014	Dec 31 2013
			(restated)
Cash flows from operating activities			
Net profit		(1,466,372)	39,428
Adjustments:		2,904,163	1,388,160
Income tax	10.1	(657,343)	(98,104)
Share in net loss of equity-accounted associates	16	24,465	18,131
Depreciation and amortisation	9.1	808,941	642,480
Foreign exchange (gains)/losses		366,720	119,591
Interest and dividends		168,177	170,636
(Gain)/loss from investing activities		16,356	(6,401)
Impairment losses on property, plant and equipment and other intangible assets	9.3; 9.4	806,141	(550)
Settlement and valuation of financial instruments	9.5; 9.6	197,849	(112,861)
Decrease in trade receivables		185,148	18,998
(Increase)/decrease in other assets		(6,376)	4,453
Decrease in inventories		1,811,755	232,487
(Decrease)/increase in trade payables		(702,398)	242,659
(Decrease)/increase in other provisions and liabilities		(120,389)	140,907
Increase in employee benefit obligations		5,117	15,734
Income tax paid		(57,303)	(11,311)
Net cash from operating activities		1,380,488	1,416,277
Cash flows from investing activities			
Dividends received - equity-accounted joint ventures	16.1	7,280	6,098
Dividends received from other entities		894	680
Interest received		6,033	6,988
Sale of property, plant and equipment and other intangible assets		14,015	9,428
Sale of organised part of business		4,880	3,722
Sale of shares - equity-accounted joint ventures	16.1	-	3
Loss of control of LOTOS - Air BP Polska Sp. z o.o., net of cash disposed		-	14,907
Effect of final accounting for the acquisition of Heimdal assets	6	12,443	-
Purchase of property, plant and equipment and other intangible assets		(1,002,131)	(975,709)
Accounting for acquisition of shares in Energobaltic Sp. z o.o.		-	(13,112)
Cash contributions - equity-accounted joint ventures	16.1	(339)	(448)
Acquisition of shares in related entities		(23)	-
Security deposit (margin)		10,035	134
Funds contributed to the oil and gas extraction facilities decommissioning			

fund		(407)	(1,654)
Settlement of derivative financial instruments		(11,018)	17,912
Net cash from investing activities		(958,338)	(931,051)
Cash flows from financing activities			
Proceeds from bank borrowings	27.1	562,963	963,045
Proceeds from non-bank borrowings	27.2	106,900	-
Issue of notes	27.3	-	203,050
Cash flows attributable to changes in interest in subsidiaries not resulting in loss of control		(1,681)	(278)
Grants received		1,239	-
Return of a deposit provided as security for repayment of credit facility at Energobaltic Sp. z o.o.		2,111	-
Repayment of borrowings	27.1	(1,030,408)	(1,256,798)
Repayment of non-bank borrowings	27.2	(12,983)	(6,750)
Redemption of notes	27.3	(17,397)	-
Interest paid		(181,297)	(169,123)
Decrease in finance lease liabilities		(18,830)	(16,811)
Settlement of derivative financial instruments		4,439	39,801
Share issue costs		(12,327)	-
Net cash from financing activities		(597,271)	(243,864)
Total net cash flow		(175,121)	241,362
Effect of exchange rate fluctuations on cash held		11,509	(1,553)
Change in net cash		(163,612)	239,809
Cash at beginning of the period		(3,075)	(242,884)
Cash at end of period	20	(166,687)	(3,075)

The Notes to the consolidated financial statements are an integral part of the statements.
(This is a translation of a document originally issued in Polish)