A CONSOLIDATED FINANCIAL STATEMENT OF

Group EMC Instytut Medyczny SA

for a financial year

as at 31st December of 2014

Wrocław, 9th March 2015

Content

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An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

Wrocław, 9th March 2015

[in PLN thousand]

A CONSOLIDATED INCOME STATEMENT
for the year ended on 31st December 2014

AN INCOME STATEMENT (a comparable method)	As at		
	Notes	31/12/2014	31/12/2013
Revenues from sales	14.1	**243 132**	**172 556**
Net revenues from sales of products		241 138	169 909
Net revenues from sales of goods and materials		1 994	2 647
Operating expenses		**250 332**	**169 075**
Amortisation and depreciation		12 608	9 121
Consumption of materials and energy		38 160	21 804
External services		87 668	62 779
Taxes and charges		2 935	2 178
Payroll	14.6	88 881	58 762
Social insurance and other benefits	14.6	15 661	10 240
Other costs by type		2 891	2 187
Value of sold goods and materials		1 528	2 004
Profit (loss) on sales		**-7 200**	**3 481**
The other operating revenues	14.2	3 295	2 405
The other operating expenses	14.3	1 489	1 633
Profit on operating activities		**-5 394**	**4 253**
Financial revenues	14.4	1 147	175
Financial expenses	14.5	2 781	3 082
Profit (loss) on business activities		**-7 028**	**1 346**
Gross profit / loss		**-7 028**	**1 346**
Income tax	15	**-1 211**	**569**
Net profit (loss), including:		**-5 817**	**777**
parent undertaking's shareholders	17	**-5 450**	**797**
non-controlling shareholders		**-367**	**-20**
The average number of shares		12 019 524	8 438 212
Profit / loss for stockholders of a dominant unit per one share [in PLN]		**-0,4534**	**0,0945**
- diluted from the profit for the stockholders of a dominant unit [in PLN]		-0,4534	0,0945

*comparable data transferred due to the final settlement of acquiring „Zdrowie" Sp. z o.o.

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An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

Wrocław, 9 March 2015

[in PLN thousand]

A CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
for the year ended on 31st December 2014

Other comprehensive income	As at	
	31/12/2014	**31/12/2013***
Net profit (loss)	**-5 817**	**777**
Other comprehensive income		
Items being reclassified to the profit/loss in next financial periods:	36	36
Exchange currency differences due to revaluation of foreign entities	36	36
Other net comprehensive income being reclassified to the profit/loss in next financial periods	**36**	**36**
Items not being reclassified to the profit/loss in next financial periods:	-837	-159
Actuarial profits/losses due to the programmes of particular benefits	-837	-159
Income tax concerning other comprehensive income	159	30
Other net comprehensive income not being reclassified to the profit/loss in next financial periods	**-678**	**-129**
Other net comprehensive income	**-642**	**-93**
Comprehensive income for the period	**-6 459**	**684**
Comprehensive income for:		
Shareholders of a dominant undertaking	**-6 092**	**704**
Non-controlling shareholders	**-367**	**-20**
Total comprehensive income	**-6 459**	**684**

* comparable data transferred due to the final settlement of acquiring „Zdrowie" Sp. z o.o.

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Wrocław, 9th March 2015

[in PLN thousand]

A CONSOLIDATED FINANCIAL STATEMENT
for the year ended on 31st December 2014

Assets	Note	As at	
		31/12/2014	31/12/2013*
Fixed assets		**192 183**	**151 522**
Intangible assets	19	7 768	3 992
Tangible fixed assets	20	178 175	132 561
The other financial assets (long-term)	22	934	11 691
Assets due to deferred tax	15.3	5 305	3 276
Long-term prepayments		1	2
Current assets		**50 469**	**79 690**
Stocks	28	2 945	1 981
Receivables due to deliveries and services	29	27 773	16 814
The other receivables	29	749	403
Receivables due to income tax	29	1 320	12
Prepayments		751	795
Cash and its equivalent	30	16 931	59 685
Total assets		**242 652**	**231 212**

* comparable data transferred due to the final settlement of acquiring „Zdrowie” Sp. z o.o.

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An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

Wrocław, 9th March 2015

[in PLN thousand]

Liabilities	Note	As at	
		31/12/2014	31/12/2013*
Equity		**129 418**	**135 518**
Initial capital	31	48 078	48 078
Supplementary capital	32	81 317	81 325
Reserve capital	32	-4 635	-4 635
Exchange currency differences due to revaluation of foreign entities	32	228	192
Retained earnings	32.2	4 430	10 558
Capital of non-controlling shareholders	32	**7 831**	**4 258**
Total equity		**137 249**	**139 776**
Long-term liabilities		**45 235**	**42 871**
Reserves due to deferred income tax	15.3	998	1 127
Reserves for liabilities due to employee benefits	27,34	5 536	2 493
The other reserves	34	187	1 648
Credits and loans	33	15 010	16 940
Due to issuance of debt securities	33	6 895	6 860
Due to leasing	21	2 381	1 636
The other liabilities	35.1	8 495	8 831
Long-term prepayments	35.3	5 733	3 336
Short-term liabilities		**60 168**	**48 565**
Reserves for liabilities due to employee benefits	27,34	706	285
The other short-term reserves	34	1 354	879
Credits and loans	33	22 104	21 537
Due to deliveries and services	35.2	18 050	13 205
Due to issuance of debt securities	33	167	168
Due to leasing	21	1 659	1 679
Due to income tax	35.2	51	185
The other liabilities	35.2	11 982	8 305
Short-term prepayments	35.3	4 095	2 322
Total liabilities		**242 652**	**231 212**

* comparable data transferred due to the final settlement of acquiring „Zdrowie" Sp. z o.o.

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An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

Wrocław, 9th March 2015

[in PLN thousand]

A CONSOLIDATED CASH FLOW STATEMENT
for the year ended on 31st December 2014

ITEMS	Note	31/12/2014	31/12/2013*
Cash flows from operating activities			
Net profit (loss)		**- 7 028**	**1 346**
Total adjustments		**15 160**	**8 845**
Amortization and depreciation		12 608	9 121
Foreign exchange gains (losses)		-2	-4
Interest and profit sharing (dividends)		2 078	2 580
Profit (loss) from investment activity		54	-832
Changes in reserves	36	1 185	582
Changes in stock	36	-56	-273
Changes in receivables	36	1 228	356
Changes in short-term liabilities, except for loans and credits	36	-3 889	-4 416
Changes in prepayments and accruals	36	2 492	2 652
Other adjustments – commissions on credits and bonds	36	99	114
Income tax paid	36	-637	-1 035
Net cash flows from operating activities		**8 132**	**10 191**
Cash flows from investment activities			
Inflows			
Purchase of intangible assets and tangible fixed assets		**41 799**	**28 673**
Purchase of financial assets in the related parties adjusted to cash gained		22 717	16 795
Purchase of financial assets in the other parties	36	19 082	774
Other investment outflows	22		10 729
Net cash flows from investment activities			375
Cash flows from financial activities		**-41 799**	**-28 673**
Inflows			
Net inflows from issuance of shares and other capital instruments and from surcharge to capital		**2 569**	**78 809**
Credits and loans			60 996
Issue of debt securities		2 569	17 813
Outflows		**11 658**	**12 170**
Dividends and other payments for the owners			18
Credits payment		7 264	7 602
Repayment of debt securities		2 174	1 638
Obligations payment due to the contracts of financial leasing		2 212	2 912
Interest		8	
Net cash flows from financial activities		**-9 089**	**66 639**
Total net cash flows		**-42 756**	**48 157**
Balance sheet change in cash, including:		**-42 754**	**48 161**
change in cash due to exchange differences		**-2**	**-4**
Cash at the beginning of the period	30	**59 685**	**11 524**
Cash at the end of the period	30	**16 929**	**59 681**

* comparable data transferred due to the final settlement of acquiring „Zdrowie" Sp. z o.o.

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Wrocław, 9th March 2015

Principles (policy) of accountancy and additional explanatory notes to a consolidated financial statement are its integral part (pages from 11 to 98)

[in PLN thousand]

A CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Item	Initial capital	Supplementary capital	Changes in currency translation differences form conversion (of a foreign unit)	Reserve capital	Retained earnings	Total capital of shareholders of a dominant unit	Capital for shareholders not making control	Total equity
As at 01/01/2014	**48 078**	**81 325**	**192**	**(4 635)**	**10 558**	**135 518**	**4 258**	**139 776**
Results for the year					(5 450)	**(5 450)**	(367)	**(5 817)**
Other comprehensive income, including:			36		(678)	**(642)**		(642)
Exchange rate differences from revaluating a foreign unit			36			**36**		**36**
Actuarial profits/losses concerning the programmes of particular benefits					(678)	**(678)**		**(678)**
Total income for the period			**36**		**(6 128)**	**(6 092)**	(367)	**(6 459)**
Increasing capital in a subsidiary undertaking							3 940	**3 940**
Costs of obtaining capital		(8)				**(8)**		**(8)**
As at 31/12/2014	**48 078**	**81 317**	**228**	**(4 635)**	**4 430**	**129 418**	**7 831**	**137 249**

Item	Initial capital	Supplementary capital	Changes in currency translation differences form conversion (of a foreign unit)	Reserve capital	Retained earnings	Total capital of shareholders of a dominant unit	Capital for shareholders not making control	Total equity
As at 0/01/2013	**33 309**	**25 204**	**156**	**(4 635)**	**10 155**	**64 189**	**3 099**	**67 288**
Results for the year					797	**797**	(20)	**777**
Other comprehensive income, including:			36		(129)	**(93)**		(93)
Exchange rate differences from revaluating a foreign unit			36			**36**		**36**
Actuarial profits/losses concerning the programmes of particular benefits					(129)	**(129)**		**(129)**
Total income for the period			**36**		**668**	**704**	(20)	**684**
Capital transactions with the shareholders not making control					(265)	**(265)**	(110)	**(375)**
Changes of capital for shares not making control connected with acquiring the company							1 307	**1 307**
Increasing capital in the Company	14 769	57 231				**72 000**		**72 000**
Costs of obtaining the capital		(1 110)				**(1 110)**		**(1 110)**
Dividend payment							(18)	**(18)**
As at 31/12/2013*	**48 078**	**81 325**	**192**	**(4 635)**	**10 558**	**135 518**	**4 258**	**139 776**

* comparable data transferred due to the final settlement of acquiring „Zdrowie" Sp. z o.o.

An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

PRINCIPLES (POLICY) OF ACCOUNTANCY AND ADDITIONAL EXPLANATORY NOTES

1. General information

A Capital Group EMC Instytut Medyczny ('Group') consists of EMC Instytut Medyczny SA ('a parent undertaking', 'Company') and its subsidiary undertakings (see the Note no. 5).

According to a Company's statute the subject of a basic activity is as follows:

- activity in the scope of human health care,
- the research and development work in the field of medicine and pharmacy,
- out -of - school forms of education,
- financial leasing and financial agency services,
- real property services.

A consolidated financial statement of the Group includes a year ended as at 31st December of 2014 and comparable data for a year ended as at 31st December of 2013.

A dominant undertaking is entered the National Court Register under number KRS 0000222636 in the District Court for Wrocław Fabryczna, 6th Commercial Division of the National Court Register.

A statistical number REGON 933040945 was conferred.

The time of parent undertaking and entities included in Capital Group existence is indefinite.

The Issuer is a dominant undertaking and compiles consolidated financial statements.

2. The assumption of continuing a business activity

A given financial statement of EMC Instytut Medyczny S.A. was compiled working on the assumption that the Company will continue its business activity in the predictable future, at least 12 months after a balance day (31 December 2013).

The Board of Management of a dominant unit does not claim facts and circumstances showing threats for the possibility of an activity continuation in the period at least 12 months after a balance day as the result from intended or obligatory abandonment or from important activity limitation.

A financial result of the Group ended as at 31st December of 2014 shows a net loss in the amount of PLN 5.817 thousand. As at 31/12/2014 short-term liabilities exceeded current assets by PLN 9.699 thousand.

In credit contracts signed by the Issuer with the banks BGŻ and DnB Bank Polska SA there are mentioned financial ratios. If they are not met, the conditions of the contracts may change or even the contract may be terminated. As at 31st December of 2014 the Issuer and the subsidiary undertaking Powiatowe Centrum Zdrowia Kowary Sp. z o.o. exceeded three pointed by BGŻ borderline values of financial ratios, consequently a long-term liability in the amount of PLN 14.785 thousand resulting from the investment credit contracts was presented in the part of short-term liabilities in a financial statement – it was described in a note no. 33 of a given consolidated financial statement. Credits were not renounced although financial conditions were not fulfilled as at 31st December of 2014. On the 13th January 2015 the Issuer has received the letter from the BGŻ bank that despite not realizing financial provisions, the bank does not predict to impose sanctions. On the basis of discussing and corresponding with the bank BGŻ the Board of Management does not expect the repayment of the credit to be requested. Additionally, negotiations concerning the aspects of the level of contractual rations are being made.

Financial plans due to a year 2015 and forecast of future cash flows made by the Board of Management do not reveal the threat of losing liquidity in the period of 12 months after a balance day assuming that financial results planned by the Company will be realized in the period of next 12 months after a balance day.

Increasing share capital of the dominant company by PLN 72.000 thousand in a year 2013 has resulted in a current financial situation.

Increasing share capital of the EMC Instytut Medyczny SA by PLN 72.000 thousand in a year 2013 has resulted in significantly decreasing the potential risk of not meeting financial plans. Consequently, a financial statement was conducted with assumption of business activity continuation (due to the Company and the Group) in the period of at least 12 months after a balance day (after 31st December of 2014).

3. Periods concerning a given statement

Financial statements and comparable data are presented for the following periods: from 01/01/2014 to 31/12/2014 and from 01/01/2013 to 31/12/2013.

4. A parent undertaking's governing bodies

During the year 2014 and as at the day of compiling a financial statement, the following changes in the Management Board body occurred:

On the 17th July of 2014 Piotr Gerber resigned from being the member of the Management Board and fulfilling the function of the President of the Management Board (from the 1st September 2014). It was informed in a current report no. 66/2014 on the 17th July 2014.

On the 30th July of 2014 the Supervisory Board appointed Mrs Agnieszka Szpara as a member of the Management Board and developed upon her the function of the President of the Management Board of EMC Instytut Medyczny SA (from 1st September of 2014). It was informed in a current report no. 73/2014 on the 30th July 2014.

On the 26th November 2014 Mrs Krystyna Wider-Poloch resigned from being the Vice-President and the member of the Management Board of EMC Instytut Medyczny SA (from the 1st January 2015). It was informed in a current report no. 98/2014 on the 26th November 2014.

On the 3rd December 2014 the Supervisory Board appointed Mr Tomasz Suchowierski as a member of the Management Board (from the 1st January 2015). It was informed in a current report no. 102/2014 on the 3rd December 2014.

On the 26th February 2015 Mr Józef Tomasz Juros resigned from being the member of the Management Board of EMC Instytut Medyczny SA. It was informed in a current report no. 29/2015 on the 27th February 2015.

The Staff of the Management Board as at 31/12/2014 is as follows:

- Agnieszka Kazimiera Szpara — the President of the Management Board
- Krystyna Wider-Poloch — the Vice-President of the Management Board
- Józef Tomasz Juros — the Member of the Management Board
- Zdzisław Andrzej Cepiel — the Member of the Management Board

The Staff of the Management Board as at the day of compiling a financial statement is as follows:

- Agnieszka Kazimiera Szpara the President of the Management Board
- Tomasz Suchowierski the Member of the Management Board
- Zdzisław Andrzej Cepiel the Member of the Management Board

During the year 2014 and as at the day of compiling a financial statement, the following changes in the Supervisory Board body occurred:

On the 14th May 2014 Mr Michał Wnorowski resigned from being the member of the Supervisory Board of EMC Instytut Medyczny SA. On that day, the General Meeting of Shareholders appointed Mr Jędrzej Litwiniuk as a member of the Supervisory Board. It was informed in a current report no. 52/2014.

On the 12th August 2014 the General Meeting of Shareholders appointed Mr Piotr Gerber as a member of the Supervisory Board. It was informed in a current report no. 78/2014.

On the 8th September 2014 Mr Piotr Gerber started fulfilling the function of the Chairman of the Supervisory Board.

On the 20th November 2014 Piotr Gerber resigned from being the President and the member of the Supervisory Board of EMC Instytut Medyczny SA. It was informed in a current report no. 95/2014.

On the 24th November 2014 Mrs Hanna Gerber resigned from being the member of the Supervisory Board of EMC Instytut Medyczny SA. It was informed in a current report no. 96/2014 on the 24th November 2014.

In accordance with Piotr Gerber resignation, on the 3rd December 2014 the Supervisory Board selected Mr Vaclav Jirkú as the Chairman of the Supervisory Board and Mr Waldemar Krzysztof Kmiecik as the Vice-Chairman.

The Staff of the Management Board as at 31/12/2014 is as follows:

- Vaclav Jirkú the Chairman of the Supervisory Board
- Waldemar Krzysztof Kmiecik the Vice-Chairman of the Supervisory Board
- Eduard Maták the Member of the Supervisory Board
- Artur Smolarek the Member of the Supervisory Board
- Jędrzej Litwiniuk the Member of the Supervisory Board

On the 15th January 2015 the General Meeting of shareholders changed the set of the Supervisory Board. Mr Eduard Matáka was dismissed and Mr Mateusz Słabosz was appointed as the member of the Supervisory Board. It was informed in a current report no. 3/2015 on the 15th January 2015.

The Staff of the Management Board as at the day of publishing a financial statement is as follows:

- Vaclav Jirkú the Chairman of the Supervisory Board
- Waldemar Krzysztof Kmiecik the Vice-Chairman of the Supervisory Board
- Mateusz Słabosz the Member of the Supervisory Board
- Artur Smolarek the Member of the Supervisory Board
- Jędrzej Litwiniuk the Member of the Supervisory Board

(in PLN thousand)

5. Capital Group

5.1 Changes in the Capital Group

Subsidiary undertakings as at 31st December 2014 were as follows:

Company	Register seat	The date of purchasing shares	The number of shares	% share in the capital	% share in the number of votes at a General Meeting of Shareholders
Lubmed Sp. z o.o.	Lubin	January 2005	4.214	100,00%	100,00%
Mikulicz Sp. z o.o.	Świebodzice	July 2006	8.824	94,27%	94,27%
EMC Health Care Limited	Ireland	April 2007	300.300	100,00%	100,00%
EMC Silesia Sp. z o.o.*	Katowice	November 2008	12.735	65,82%	65,82%
PCZ Kowary Sp. z o.o.	Kowary	January 2009	16.322	96,17%	96,17%
Silesia Med Serwis Sp. z o.o.**	Katowice	March 2010	600	100,00 %	100,00 %
„EMC Piaseczno" Sp. z o.o.***	Piaseczno	November 2010	9.800	100,00%	100,00%
„Zdrowie" Sp. z o.o.	Kwidzyn	July 2013	34.538	87,49%	87,49%
Regionalne Centrum Zdrowia Sp. z o.o.****	Lubin	July 2014	51.730	100,00%	100,00%

*On the 28th November 2014 the Extraordinary Meeting of Shareholders made the resolution about increasing share capital in the subsidiary undertaking EMC Silesia Sp. z o.o with its register seat in Katowice by creating 5.545 shares with nominal value PLN 1 thousand each. 3.939 shares in share capital of the Company were taken up by Miasto Katowice, 1.606 shares were taken up by the EMC Instytut Medyczny. After increasing share capital the Issuer possesses 65,82% shares in the capital of EMC Silesia Sp. z o.o. By the day of compiling the given financial statement, increasing capital had not been registered in the National Court Register yet.

**On the 20th August 2014 the Extraordinary Shareholder's Meeting adopted the resolution on increasing share capital in the subsidiary undertaking Silesia Med Serwis Sp. z o.o. with its register seat in Katowice via creating 500 shares with a nominal value PLN 0,5 thousand. All shares in share capital of the Company will be taken up by the sole associate - EMC Instytut Medyczny SA.

***As for the resolution of the General Meeting, on 10th January of 2014 the share capital was increased in a subsidiary undertaking EMC Piaseczno sp. z o.o. with its register seat in Piaseczno. Share capital was increased by PLN 3.499 thousand by creating 3.499 shares with the nominal value PLN 1 thousand. All shares of share capital were taken up by a sole associate - EMC Instytut Medyczny SA. The information about increasing share capital in a subsidiary undertaking was presented in a current report no. 7/2014 on 10th January of 2014. Increasing capital was registered in the National Court Register on the 20th January 2014.

(in PLN thousand)

**** On the 23rd December of 2013 the Issuer (the Buyer) signed with a Lubiński Poviat (the Seller) a preliminary contract of selling 100% shares in the Regionalne Centrum Zdrowia Sp. z o.o with its register seat in Lubin. The price of selling 51.730 shares in the company RCZ was established at the level PLN 30.003 thousand. The information was included in a current report no. 117/2013 on the 23rd December of 2013. By 31st December of 2013 the Issuer had increased the expenditures on acquiring shares in the amount of PLN 10.729 thousand. On the 11th February of 2014 the promised contract of selling 100% shares in a Regional Health Centre with its register seat in Lubin was concluded and the Issuer gained the control under the Company. The information was included in a current report no. 24/2014 on the 11th February of 2014. The rest of the amount due as for purchasing shares was paid on the 11th February of a year 2014.

On 27th March of 2014 the Management Board of EMC Instytut Medyczny S.A. (the company taking acquisition) made the resolution on joining Zespół Przychodni Formica Sp. z o.o. (the company being acquired). The Issuer is currently the shareholder of 100% in the company being acquired. The goal of the decision about joining is to optimize the activities of the Capital Group EMC Instytut Medyczny S.A., to decrease the costs of functioning companies as well as to simplify the shareholders structure.

The companies intend to join under the art. 492 § 1 p. 1 in connection with the art. 515 § 1 of the Code of Commercial Companies via transferring total property of Zespół Przychodni Formica Sp. z o.o. (the company being acquired) to the Issuer (the company taking acquisition), without increasing share capital of EMC Instytut Medyczny SA and without shares exchange. As a result of joining, Zespół Przychodni Formica Sp. z o.o. (the company being acquired) will be ended without liquidation and all assets and liabilities of the company being acquired will be transferred or will be acquired by the Issuer (the company taking acquisition) by general succession. The Issuer (the company taking acquisition) will enter into the company's being acquired all rights and obligations.

On the 16th July of 2014 the District Court Wrocław Fabryczna, VIth Commercial Department of the National Court Register registered the joining the Issuer and the subsidiary undertaking Zespół Przychodni Formica Sp. z o.o. The Issuer was informed on the 23rd July 2014.

The information about adopting the resolution was included in a current report no. 46/2014 on the 27th March 2014. The information about the joining was presented in a current report no. 71/2014 on the 23rd July of 2014.

Subsidiaries undertakings as at 31st December 2013 were as follows:

Company	Register seat	The date of purchasing shares	The number of shares	% share in the capital	% share in the number of votes at a General Meeting of Shareholders
Lubmed Sp. z o.o.	Lubin	January 2005	4.214	100,00%	100,00%
Mikulicz Sp. z o.o.	Świebodzice	July 2006	8.824	94,27%	94,27%
EMC Health Care Limited	Irlandia	April 2007	300.300	100,00%	100,00%
EMC Silesia Sp. z o.o.	Katowice	November 2008	11.129	80,63%	80,63%
PCZ Kowary Sp. z o.o.	Kowary	January 2009	16.322	96,17%	96,17%
Zespół Przychodni Formica Sp. z o.o.*	Wrocław	December 2009	1.000	100,00%	100,00 %

(in PLN thousand)

Silesia Med Serwis Sp. z o.o.	Katowice	March 2010	100	100,00 %	100,00 %
„EMC Piaseczno" Sp. z o.o.	Piaseczno	November 2010	6.301	100,00%	100,00%
„Zdrowie" Sp. z o.o.**	Kwidzyn	July 2013	34.538	87,49%	87,49%

* On the 30th April of 2013 the associate's (owing 7,87% shares in share capital of the Company) shares were remitted. As a result, EMC Instytut Medyczny possessed 100 % shares in share capital of ZP Formica Sp.z o.o.

** On the 31st May of 2013 the Issuer signed an initial contract of purchasing and using shares in a company "Zdrowie" Sp. z o.o. with a Kwidzyński poviat, Kwidzyn city, PEC sp. z o.o. in Kwidzyn, and PWiK sp. z o.o. As a result of the agreement, the Issuer will be using for 5 years 87,4867% of shares of "Zdrowie" Sp. z o.o. owned by the Sellers. After this period, until 1st June of 2018, a final contract of purchasing shares will be signed. As a result, the Issuer will possess the shares used before. On 29th May of 2013 the Issuer paid the advance that shall be included in the selling price in the amount of PLN 1200 thousand for each Seller proportionally to the number of shares. The information about the agreement was included in a current report no. 53/2013 on 31st May of 2013. On 26th July of 2013 the district court Gdańsk-Północ in Gdańsk issued a decision changing the contract of "Zdrowie" Sp. z o.o. and the Issuer has been in control of a company since that day

All entities are consolidated by means of a full method.

5.2 Settling the acquisition of new entities in the Group

a) Final settling the acquisition of the company „Zdrowie" Sp. z o.o.

In the first half of a year 2014 the EMC Group made final settlement of acquiring the company "Zdrowie" Sp. z o.o. As at the day of taking control (31/07/2014), the following assets and liabilities of the company „Zdrowie" Sp. z o.o. were recognized:

	Final fair value
Other intangible assets	545
Lands	1 341
Buildings, premises, civil and water engineering structures	9 444
Technical equipment and machines	1 184
Vehicles	33
Other tangible fixed assets	3 331
Tangible fixed assets under construction	104
Long-term investments – real properties	973
Assets due to deferred income tax	724
Other prepayments	13
Materials	485
Receivables due to deliveries and services	3 035
Other receivables	354
Cash in hand and at bank	115
Other cash	358
Short-term prepayments	91

(in PLN thousand)

	Final fair value
Reserve due to deferred income tax	(140)
Reserve due to retirement benefits and similar ones	(1 484)
The other reserves	(747)
Credits and loans	(1 532)
Other financial liabilities	(88)
Other liabilities	(3 610)
Liabilities due to deliveries and services	(2 406)
Liabilities due to z tax, customs, insurance and other benefits	(549)
Liabilities due to payroll	(116)
Special funds	(317)
Other accruals	(690)
Net assets acquired	**10 451**
Payment in cash	1 247
Liability due to the promised amount of shares payment	6 800
Liability due to shares usage	713
Evaluation of liabilities by means of the method of discounted cash flows	(478)
Total remuneration due to acquisition	**8 282**
Not-controlling shares evaluated proportionally to the share in net assets	1 307
Fair value of acquired net assets	**10 451**
Profit on bargain acquisition	**862**

The fair value of net assets of the company 'Zdrowie' Sp. z o.o. amounted to PLN 10.451 thousand as the day of taking control, in which the value of net assets for the Group amounted to PLN 9.144 thousand
After final evaluation of acquired net assets to the fair value and after final settlement the profit on bargain acquisition was settled in the amount of PLN 862 thousand.

- The amount of the profit on bargain acquisition was included as the other operational revenue in the item 'result recognized due to taking control under subsidiaries' in an income statement for the period 01/01/2013-31/12/2013 (disclosure in a note 5.3).

- The following factors significantly influenced an attractive price of acquiring the shares of the company „Zdrowie":
  - sellers' awareness of the necessity of significant financial expenditures on modernizing and adjusting a hospital to future law principles (year 2016) conditioning contracts with the NHF,
  - regarding the specificity of activities conducted by the company, a number of potential investors meeting the criteria of tender was limited what increased the negotiation power of the client and allowed to get an attractive price,
  - EMC Group on the basis of current experience in acquit=ring hospitals perceived the possibility of extending the scope of medical activities, optimizing costs in the managerial-administrative area as well as using the synergy effect in the Group.

(in PLN thousand)

The methods used for final evaluation of net assets to the fair value of the „Zdrowie" Sp. z o.o. are presented in the table below:

Items to which fair value adjustments is concerned	**Method**
Other intangible assets	Establishing fair value by expert's evaluation
Buildings, premises, civil and water engineering structures	Establishing fair value by expert's evaluation
Technical equipment and machines	Establishing fair value by expert's evaluation
Vehicles	Establishing fair value by expert's evaluation
Other tangible fixed assets	Establishing fair value by expert's evaluation
Assets and reserves for deferred income tax	Calculation adjustment
Reserves for employee benefits	Calculating reserves acc. to the policy of the Group
The other reserves	Recognizing reserves for patients' claims acc. to the policy of the Group
The other liabilities	Method based on evaluating the probability of realizing obligation
Prepayments	Method based on evaluating the probability of realizing obligation

b) Final settling the acquisition of the company "Regionalne Centrum Zdrowia Sp. z o.o."

In the fourth quarter of a year 2014 the EMC Group finally settled the acquisition of the company Regionalne Centrum Zdrowia Sp. z o.o. According to the IFRS 3, the day 31st January 2014 was set as the day of taking control.
As at the day of taking control (31/01/2014), the following assets and liabilities of the company „Zdrowie" Sp. z o.o. were recognized:

	Final fair value
Other intangible assets	461
Lands	3 921
Buildings, premises, civil and water engineering structures	16 077
Technical equipment and machines	650
Vehicles	65
Other tangible fixed assets	7 386
Tangible fixed assets under construction	98
Assets due to deferred income tax	1 924
Materials	908
Receivables due to deliveries and services	10 065
Receivables due to taxes, subsidies, customs, insurance and other benefits	62
Receivables pursued through courts	2 543
Other receivables	222
Cash in hand and at bank	337

(in PLN thousand)

	Final fair value
Other cash	1
Short-term prepayments	648
Reserve due to deferred income tax	(698)
Reserve due to retirement benefits and similar ones	(456)
Credits and loans	(3 338)
Other long-term liabilities	(725)
Liabilities due to deliveries and services	(7 300)
Liabilities due to z tax, customs, insurance and other benefits	(2 000)
Liabilities due to payroll	(1 208)
Other short-term liabilities	(889)
Special funds	(240)
Other prepayments	(1 763)
Net assets acquired	**26 751**
Payment in cash	30 003
Total remuneration due to acquisition	**30 003**
Fair value of acquired net assets	**26 751**
Goodwill	**3 252**

Costs connected with acquiring incurred by 31st December 2014 in the amount of PLN 397 thousand burdened the result of a current period and were included in the amount of:

- PLN 300 thousand - tax and charges,
- PLN 97 thousand – the other costs by type.

The company Regionalne Centrum Zdrowia Sp. z o.o. until 31st December 2014 generated revenues from sales in the amount of PLN 56.214 thousand and the profit in the amount.

5.3 The influence of taking control under the subsidiary undertaking on a consolidated financial statement for the comparable period

Regarding the final settlement of the transaction of acquiring the company „Zdrowie" Sp. z o.o., the following changes in a consolidated financial statement for the comparable period were made:

ASSETS	As at 31/12/2013		
	published in an annual financial statement	transferred due to final settlement of acquisition	adjustment connected with final settlement of acquisition
Fixed assets, including:	**151 707**	**151 522**	**-185**
Intangible assets	4 177	3 992	-185
Current assets	**79 690**	**79 690**	**0**
Total assets	**231 397**	**231 212**	**-185**

(in PLN thousand)

LIABILITIES	As at 31/12/2013		
	published in an annual financial statement	**transferred due to final settlement of acquisition**	**adjustment connected with final settlement of acquisition**
Equity, including:	**134 880**	**135 518**	**638**
Profits retained	9 920	10 558	638
Equity of non-controlling shareholders	**4 141**	**4 258**	**117**
Total equity	**139 021**	**139 776**	**755**
Long-term liabilities, including:	**43 471**	**42 871**	**-600**
The other liabilities	7 545	8 831	1 286
Long-term accruals	5 222	3 336	-1 886
Short-term liabilities, including:	**48 905**	**48 565**	**-340**
The other liabilities	8 072	8 305	233
Short-term accruals	2 895	2 322	-573
Total liabilities	**231 397**	**231 212**	**-185**

AN INCOME STATEMENT (a comparable method)	For the period 01/01/2013-31/12/2013		
	published in an annual financial statement	**transferred due to final settlement of acquisition**	**adjustment connected with final settlement of acquisition**
Revenues from sales	**172 556**	**172 556**	**0**
Operating expenses	**169 075**	**169 075**	**0**
Profit on sale	**3 481**	**3 481**	**0**
The other operating revenues	**1 799**	**2 405**	**606**
Subsidies	244	8	-236
Profit recognized due to taking control under subsidiaries		862	862
Other operating revenues	1 555	1 535	-20
The other operating costs	**1 633**	**1 633**	**0**
Profit on operating activities	**3 647**	**4 253**	**606**
Financial revenues	**175**	**175**	**0**
Financial costs	**3 082**	**3 082**	**0**
Profit (loss) on business activities	**740**	**1 346**	**606**
Gross profit (loss)	**740**	**1 346**	**606**
Income tax	**569**	**569**	**0**
Net profit	**171**	**777**	**606**

Before finally settling the acquisition the Issuer made final analyses and verified subsidies and donations received by the company „Zdrowie" Sp. z o.o. Subsidies not treated as riskful have been referred to profits retained, however, risky subsidies have been transferred from accruals to long-term liabilities.

(in PLN thousand)

6. Declarations of the Management Board

The Management Board of a dominant unit:

- Agnieszka Kazimiera Szpara – the President of the Management Board,
- Tomasz Suchowierski – the Member of the Management Board,
- Zdzisław Andrzej Cepiel – the Member of the Management Board.

declares that the entity authorized to audit financial statements and analysing a consolidated financial statement was selected in accordance with regulations in force. The Board also declares that a mentioned entity and auditors auditing this statement were appropriate to express an unbiased and independent opinion on the statement in accordance with regulations in force and professional norms.

Additionally, it declares that according to their the best knowledge a consolidated financial statement and comparable data were conducted pursuant to accountancy principles and that the statement correctly, reliably and transparently presents both a material and financial standing and the financial result of the Company. The Members of the Management Board declare also that the statement includes a real expression of the Issuer's development and achievements, including the description of basic threats and risks.

A consolidated financial statement was approved by the Board of Management on 9th March of 2014.

7. Important values based on professional judgments and estimates

7.1 Professional judgment

In the process of using accountancy principles (politics) professional judgment apart from accounting estimates was the most important. The values received in this way do not frequently cover with real results. Amongst assumptions and estimates, the most important ones in evaluating assets and liabilities are as follows

Estimates concerning the amount of write-offs due to the surplus of medical services

The Board of Management estimates the amount of the surplus of medical services qualified as revenues on the basis of own assessment. The surplus means medical services conducted above the value of contracts signed with NHF. In an income statement the write offs are presented as the element of net revenues from products sale (revenues from products sale minus write-offs due to the surplus of medical services).

The table presents write-offs on the surplus of medical services generated in a year 2014 (as at 31st December 2014):

The Company	The surplus of medical services	Write-off	Net in revenues
EMC Instytut Medyczny S.A.	533	471	62
EMC Piaseczno Sp. z o.o.	111	68	43
Lubmed Sp. z o. o.	61	14	47
Mikulicz Sp. z o. o.	380	223	157
PCZ Kowary Sp. z o. o.	148	103	45

(in PLN thousand)

EMC Silesia Sp. z o. o.	426		426
Regionalne Centrum Zdrowia Sp. z o.o.*	5 817	2 827	2 990
Zdrowie Sp. z o.o.	14	14	0
Total	**7 490**	**3 720**	**3 770**

* for the period of control 01/02/2014-31/12/2014

The Boards of Management the Group entities, being not certain about the NHF payment and using the rule of caution, made the write-off on total surplus for a given period.

Additionally, taking into consideration a lack of possibilities of settling the surplus of medical services in a year 2012 and 2013 by Mazowiecki Department of NHF in a subsidiary EMC Piaseczno" Sp. z o.o, the Board of Management made a decision about creating the write-off in the amount of PLN 709 thousand generated in a year 2012 and 2013 and not included in the write-off.

The amount of write-offs created in a year 2014 for the surplus of medical services for a year 2013 in the company EMC Instytut Medyczny SA amounted PLN 63 thousand and in the company Mikulicz Sp. z o.o. PLN 55 thousand.

Assumptions concerning financial forecast

The Board of Management estimates forecast assumption in order to compile tests for losing goodwill of the Company on the basis of own assessment.

Classifying leasing agreements

The Group classifies leasing as operational or financial on the basis of the price, the scope in which risks and advantages concern two sides of the agreement. The assessment is based on economical content of each transaction.

7.2 Estimates' uncertainty

Basic assumptions concerning the future and other crucial sources of uncertainty occurring as at a balance sheet day, with that significant risk of meaningful adjustment of balance values of assets and liabilities in next financial year is connected with, were described below..

The loss of assets' value

The Group makes tests of fixed assets value if there are premises for losing value of any element of non-financial fixed assets. Regarding goodwill the assessment is made every year. It requires estimating usable value of the unit working out cash to which fixed assets belong to. The estimation of usable value means setting future cash flows generated by the unit working out cash and needs to set a discount rate for counting current value of these cash flows. The assumptions made were presented in a note. no. 24.

Reserves for retirement benefits and similar ones

Estimating the amount of reserves for retirement benefits and similar ones is conducted in accordance with actuarial methodology. Establishing the amounts of these reserves is based on assumptions due to both macro-economic conditions and employees' turnover, death risk, and others.

The assets' element due to a deferred tax

The company recognizes the assets' element due to a deferred tax assuming that in the future an income profit enabling its using will be gained. Worsening tax results in the future could cause that this assumption could be unjustified.

Amortisation rates

The amount of amortization write-offs is established on a basis of a predicted period of economic usefulness of fixed asset's elements and intangible assets. Every year the group verifies assumed periods of economic usefulness on a basis of fixed assets' technical state and current estimates.

8. The basis of compiling a consolidated financial statement

A consolidated financial statement was compiled on the basis of financial statements of a parent undertaking and subsidiary undertakings and set as if the Capital Group would constitute a unit.

A given consolidated financial statement was based on the principle of a historic cost.

A given consolidated financial statement is presented in PLN. All amounts presented in the financial statements are presented in these statements in PLN thousand, unless it was indicated otherwise.

A given consolidated financial statement was compiled assuming the continuation of business activity by companies of the Group in a predictable future. The description of threats due to business activity continuation and remedial measures made were presented by the Board of Management of a dominant unit in a note no. 2 about principles (politics) of accountancy and additional explanatory notes.

8.1 Conformity statement

A given consolidated financial statement of EMC Instytut Medyczny S.A. was compiled in accordance with the requirements specified in the International Financial Reporting Standards (IFRS) in the version approved by the European Union. As at the day of approving a given financial statement, taking into consideration the process of implementing standards of IFRS in UE and the activities of the Group, there are differences between new standards of IFRS and standards approved by UE in the scope of accountancy politics used by the Group. The Group used the possibility (in a case of using IFRS approved by UE) of using IFRIC 21 since annual periods beginning on 1st January 2015, changes to IFRS 2 and IFRS 3 being the part of Changes resulting from the review IFRS 2010-2012 since the periods beginning on 1st January 2016.

IFRS include standards and interpretation approved by International Accountancy Standards Board ('IASB") and International Financial Reporting Interpretation Committee ('IFRIC').

The Group runs its accounting records in accordance with accountancy politics (principles) determined by an Accounting Act (Journal of Laws [Dz.U.] of 2002, no.76, item 694 as amended) of 29 Sep. 1994 (Polish standards of accountancy) and with resolutions based on it. A consolidated financial statement includes adjustments not included in accounting records of Group's entities implementing in order to make financial statements of these entities consistent with IFRS.

8.2 Functional currency and currency of financial statements

A functional currency of a dominant unit and of the most of companies described in a given consolidated financial statement and a currency of a given consolidated financial statement is PLN. A functional currency of EMC Health Care Ltd is EUR.

9. Changes of accountancy principles used

Accountancy principles (politics) used for compiling a given consolidated financial statement are consistent with principles used while compiling a consolidated financial statement for a year ended on 31st December of 2032 excluded the usage of the following changes of standards and new interpretation being compulsory for annual periods with the beginning on 1st January of 2043:

- IFRS 10 *Consolidated financial statements* and IAS 27 *Unitary financial statements*

IFRS 10 replaces a part of a previous IAS 27 'Consolidated and unitary financial statements' in the scope of consolidated financial statements and implements a new definition of controlling. IFRS 10 might cause changes within a consolidated group in the scope of possibilities of consolidating units that since that moment have been consolidated or *vice versa*. It does not incorporate changes in the scope of consolidating procedures and methods of settling transactions in a consolidated financial statement.

Using the changes influenced neither a financial situation nor financial results of the Group.

- IFRS 11 *Mutual contractual agreements* and IAS 28 *Investments in the associated entities and mutual activities*

IFRS 11 includes mutual contractual agreements: mutual activities and appropriate evaluation methods.

Using the standard might result in changing evaluation methods for mutual contractual agreements (i.e. activities classified earlier as mutually controlled units and evaluated proportionally can be classified as mutual activities and evaluated by means of the property rights method.

IAS 28 has been changed and includes directions for using property rights method for mutual activities.

Using the changes influenced neither a financial situation nor financial results of the Group.

- IFRS 12 *Disclosing information about shares in other entities*

IFRS 12 includes disclosures in the scope of entity's engagement in subsidiaries, associated entities or mutual activities. Using the standard can result in widen disclosures in a financial statement, i.e.:

- core financial information including risk connected with the Group's activities,
- disclosing a share in non-consolidated special entities and risk connected with those activities,
- information about every activity, in which there are non-controlling shares,
- disclosing important judgment and assumptions made during classifying particular activities as subsidiaries, co-related entities or associated ones.

Using the changes influenced neither a financial situation nor financial results of the Group.

- *Investment units* – changes to IFRS 10, IFRS 12 and IAS 27

The changes implement the notion of investment units that were released from the obligation of consolidating subsidiaries and that after changes make evaluation of their subsidies in the fair value via profit or loss.

Using the changes influenced neither a financial situation nor financial results of the Group.

- *Compensating financial assets and liabilities* – changes to IAS 32

The changes included in IAS 32 precise the notion and consequences of valid legal title to compensating the element of financial assets and liabilities and precise criteria of compensating for gross settlement systems (like the settlement house).

Using the changes influenced neither a financial situation nor financial results of the Group.

- *Disclosing concerning the receivable value of non-financial assets* – changes to IAS 36

The changes eliminated not intended consequences of IFRS 13 concerning dislosures required in acc. with IAS 36. Moreover, the changes implement additional disclosures of receivable value for assets or items creating cash (CGU), for which the value loss in a given period was recognized or diversed (when usable value relates to fair value decreased by selling cost.

Using the changes influenced neither a financial situation nor financial results of the Group.

- *Renewing derivatives and continuing the accountancy of securities* – changes to IAS 39

The changes of IAS 39 concern using the accountancy of securities after renewing derivatives and release from the obligation of stopping using securities when renewal meets particular criteria defined in the IAS 39.

Using the changes influenced neither a financial situation nor financial results of the Group in the scope of information presented in a consolidated financial statement of the Group.

The Group did not decide to earlier use another standard, interpretation or change that was published, but did not come into force in terms of UE regulations.

10. New standards and interpretation that were published but did not come into force

The following standards and interpretation were prepared by the Council of International Accountancy Standards or International Financial Reporting Interpretation Committee but they did not come into force:

- IFRS 9 *Financial instruments* (published on the 24th July 2014) - for annual periods beginning on 1st January 2018 or later; until the day of approving a financial statement not approved by UE,
- IFRIC 21 *Public charges* (published on the 20th May 2013) – for annual periods beginning on 1st January 2014 or later, in UE for annual periods beginning on the 17th June 2014 at the latest or later,
- Changes to IAS 19 *Programmes of particular benefits: employee contribution* (published on the 21st November 2013) – for annual periods beginning on 1st July 2014 or later, in UE for annual periods beginning on the 1st February 2015 at the latest or later,
- *Changes resulting from the review of IFRS 2010-2012* (published on the 12th December 2013) – some of changes for for annual periods beginning on 1st July 2014 or later, some of them prospectively for transactions on the 1st July 2014 or later, in UE for annual periods beginning on the 1st February 2015 at the latest or later,
- *Changes resulting from the review of IFRS 2011-2013* (published on the 12th December 2013) – for annual periods beginning on 1st July 2014 or later, in UE for annual periods beginning on the 1st January 2015 at the latest or later,
- IFRS 14 *Regulatory prepayments* (published on the 30th January 2014) – for annual periods beginning on 1st January 2016 or later – the decision about the term in which EFRAG will conduct particular stages of work leading to approve a given standard has not been made - until the day of approving a financial statement not approved by UE,
- Changes to IFRS 11 *Settling the acquisition of contribution in mutual activities* (published on the 6th May 2014) - for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- Changes to IAS 16 and IAS 38 *Explaining admissible methods of amortization* (published on the 12 May 2014) – for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- IFRS 15 *Revenues due to contracts with clients* (published on the 28th May 2014) – for annual periods beginning on 1st January 2017 or later, until the day of approving a financial statement not approved by UE,
- Changes to IAS 16 and IAS 41 *Agriculture: productive plants* (published on the 30th June 2014) – for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- Changes to IAS 27 *Property rights method in a unitary financial statement* (published on the 12th August 2014) – for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,

- Changes to IFRS 10 and IAS 28 *Transactions of sale or contributing assets between an investor and its associated entity or mutual undertaking* (published on the 11th September 2014) for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- *Changes resulting from the review of IFRS 2012-2014* (published on the 25th September 2014) - for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- Changes to ISFR 10, ISFR 12 and IAS 28 *Investment unit*: *Using the exclusion concerning consolidation* (published on the 18 December 2014) - for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE,
- Changes to IAS 1 *Disclosures* (published on the 18th December 2014) - for annual periods beginning on 1st January 2016 or later, until the day of approving a financial statement not approved by UE.

As at the day of approving a given consolidated financial statement, the Board of Management does not predict that implementation of mentioned standards and interpretation will influence significantly accountancy principles (politics) used by the Group.

11. The adjustment of errors

The Group did not make the adjustment of errors in a year 2014.

12. Change of estimates

In a given period there were not significant changes concerning areas and methods of assumptions made.

13. Important accountancy principles

13.1 Consolidation principles

A given consolidated financial statement includes a financial statement of EMC Instytut Medyczny SA and financial statements of its subsidiary undertakings compiled as at 31st December of 2014. Financial statements of subsidiary undertakings after considering adjustments leading to conformity with IFRS reported for the same reporting period as for a dominant unit and they use coherent accountancy principles on the basis of homogeneous accountancy principles used for transactions and economic actions with a similar character. The adjustments are included in order to eliminate any divergences in used accountancy principles.

All important balances and transactions between units of the Group, of which: non-realized profits resulting from transactions within the Group were eliminated. Non-realized losses are eliminated. They are not eliminated when they prove a value loss.

Subsidiary undertakings have been taken to consolidation since the day of making control under them by the Group. They are not consolidated after the day of stopping control.

Making control by a dominant unit takes place in the situation when:

• it is in power on a given entity,

• it is exposed on changeable returns or possesses rights to changeable returns of its engagement in a given unit,

• it has possibility of using power so as to create a level of generated returns.

The Company verifies the fact of taking control under other entities if there is a situation suggesting the change of one or more mentioned conditions of taking control.

In the situation when the company possesses less than most of votes rights in a given unit, but possessed votes rights are enough for one-side directing important activities of its unit, it means that it is in power on it. At the moment of assessing if votes rights in a given unit are enough for exercising power, the Company analyses all important circumstances including:

• the seize of votes right pocket in comparison with the seize of shares and the degree to be dispersed of votes rights possessed by other shareholders,

• potential votes rights possessed by the Company, other shareholders or other parties,

• rights resulting from other contractual agreements, and

• additional circumstances that might prove that Company possesses or does not possess the possibilities of directing important activities at the moments of making decisions, including the schemes of voting observed at the previous meetings of shareholders.

Changes in an ownership contribution of a dominant unit that do not result in losing control under undertakings are included as capital transactions. In such cases in order to reflect changes in relative contribution in undertakings, the Group makes an adjustment of balance value of controlling and non-controlling shares. All differences between the amount of non-controlling shares adjustment and equitable value of paid or received amount are given to equity and are attributed to owners of a dominant unit.

13.2 Investment in associated units and mutual undertakings

The associated units are those units that a dominant unit directly or by subsidiary undertakings influences significantly associated parties. The associated parties are neither its subsidiary undertakings nor common undertakings. Common undertakings constitute contractual agreements pursuant to those two or more parties undertake a business activity being under co-control.

A financial year of associated units, common undertakings, and of a dominant unit is the same. Associated companies and common undertakings use the accountancy principles included in the Act. Before counting the contribution in net assets of associated units and common undertakings, appropriate adjustments are made so as to conform financial data of those entities to IFRS used by the Group.

The Group's investments in associated units and common undertakings are included in a consolidated financial statement by means of method of property rights. According to the method of property rights, an investment in an associated unit or common undertaking is included in the beginning due to the cost and then, the investment is adjusted to consider the Group's contribution to a financial result and another comprehensive income of an associated unit or common undertaking. If the Groups' share in the losses of an associated unit or common undertaking exceeds the value of its shares in that unit, the Group finishes including its share in further losses. Additional losses are included only in the scope of legal and customary approved by the Group or payments made on the behalf of an associated unit or common undertaking.

The investment in an associated unit or common undertaking is included by means of the property rights method since the day of receiving the status of an associated unit or common undertaking. Regarding the day of making the investment in an associated unit or common undertaking, the amount by which investments costs exceed the value of the Group's share in net fair value of the unit's assets and liabilities possible to be identified is included as goodwill in balance value of that investment. The amount by which the Group's share in net fair value in assets and liabilities possible to be identified exceeds the investment costs is included directly in a financial result in the period of making the investment.

Assessing the necessity of including the value loss of the Group's investment in an associated unit or common undertaking, the requirements of IAS 39 are used. If it is necessary, the whole balance amount of the investment is tested due to losing the value acc. to IAS 36 'Loss of assets' value' as a single element of assets comparing its receivable value with balance one. The value loss constitutes the part of investments' balance value.

The Group finishes using the property rights method when a given investment stops being its associated unit or common undertaking and in the situation when it is classified for sale. The difference between the balance value of the associated unit or common undertaking (as at the day of stopping using the property rights method) and fair value of kept shares due to selling the part of them in a given unit is taken into consideration in counting the profit or loss as for selling a given associated unit or common undertaking.

The Group continues using the property rights method if the investment in an associated unit becomes the investment in a common undertaking or vice versa. In the case of such changes of ownership shares, the value overestimation is not made.

If the Group decreases the share in an associated unit or common undertaking, but it still settles it using the property rights method, it transfers (to a financial result) a part of profit or loss previously included in another comprehensive income referring to share decrease, if that profit or loss is reclassified for a financial result at the moment of selling assets and liabilities.

13.3 Shares in common undertakings

Common undertakings constitute contractual agreements based on which entities making co-control have rights to net assets and obligation resulting from the liabilities. Co-control means control division under a business activity defined in an agreement, it occurs when strategic, and operational financial decisions connected with that activity require mutual agreement of sides possessing co-control.

If the unit being the part of the Group runs a business activity in the scope of common activities, the Group as the side of those activities includes the following items:

Assets, including the share in assets being the joint ownership;

Liabilities, including the share in common liabilities;

Revenues from sale of the share in products produced by common undertaking;

Its share in revenues from sale of products of common undertaking;

Incurred costs, including the share in costs occurred mutually.

The Group settles assets, liabilities, revenues and costs connected with shares in common undertakings acc. to appropriate IFRS concerning particular elements of assets, liabilities, revenues, and costs.

If the unit belonging to the Group make transactions with a common undertaking that side is another unit not belonging to the Group, it is regarded that the Group made a transaction with other parties of the common undertaking and profits and losses which result from that transaction are included in a consolidated financial statement of the Group only in the scope concerning the share of the other side in the common undertaking.

In the case if the unit belonging to the Group makes a transaction with a common undertaking in which another unit belonging to the Group is the party, the Group does not include its share in profits and losses until the sale of those assets for the third party.

In a given financial period the Group did not take part in common undertakings.

13.4 Evaluation for fair value

The Group evaluates financial instruments such as the instruments available for sale and derivative instruments in the fair value for each balance day.

Fair value is understood as the price that would be obtained from selling the element of assets or paid so as to transfer the liability in a transaction conducted with normal conditions of selling the assets' element amongst the members of the market on the day of evaluating with current market conditions. The evaluation of fair value is based on the assumption that the sale transaction of assets' element or the transaction of transferring the liability is conducted:

- on the main market for a particular assets' element or the liability,
- in a case of a lack of the main market, on the most useful market for a particular assets' element or the liability.

Both the main market and the most useful market must be available for the Group.

The fair value of assets' element or the liability is measured assuming that market participants act on their best business interest setting the price of assets' element or the liability.

The evaluation of the fair value of not-financial assets takes into consideration the ability of the market participant to create economic advantages by the best using the assets' element or the selling to another market participant that would ensure the best usage of the assets' element.

The Group uses the techniques of evaluation that are appropriate for circumstances and with satisfactory data for evaluating fair value with maximum usage of suitable observable input data and minimum usage of not observable input data.

All assets and liabilities that are evaluated for the fair value or their fair value is revealed in a financial statement are classified in the hierarchy of fair value in the way described below on the basis of the lowest level of input data that is important for evaluating for fair value treated as the whole:

- Level 1 – Noted (not adjusted) market prices on active market for the same assets or liabilities,
- Level 2 – Techniques of evaluation for which the lowest level of input data important for evaluating for fair value as the whole is directly or indirectly observable,
- Level 3 - Techniques of evaluation for which the lowest level of input data important for evaluating for fair value as the whole is not observable.

According to each balance date, in a case of assets and liabilities occurring on particular balance dates in a financial statement, the Group assesses whether transfers between hierarchy levels occurred by repeated classification assessment to particular levels following the importance of input data from the lowest level that is significant for evaluation for fair value treated as the whole.

Using IFRS 13 influenced neither a financial situation, financial results of the Group nor the scope of information presented in a financial statement of the Group.

(in PLN thousand)

13. Revaluation of items in a foreign currency

Transactions expressed in a foreign currency are evaluated according to the exchange rate as at the day of a transaction.

As at a balance day assets and liabilities expressed in a foreign currency are evaluated using the average exchange rate of the National Bank of Poland as at the balance day. Exchange differences are included in the item ‘financial revenues (expenses)’ or are capitalized in the value of assets in the cases determined by the principles (politics) of accountancy. Non-cash assets and liabilities are included according to historical cost expressed in a foreign currency are presented due to a historical exchange rate as at the day of a transaction. Non-cash assets and liabilities are included according to fair value expressed in a foreign currency are evaluated due to the exchange rate as at the day of revaluating for fair value.

The following exchange rate was assumed for financial evaluation needs:

	31/12/2014	31/12/2013
EUR	4,2623	4,1472

A functional exchange rate of a foreign undertaking is EURO. As at the balance day assets and liabilities of undertaking are evaluated for an exchange rate of Group’s presentation due to the exchange rate as at the balance day and its income statements are evaluated pursuant to the arithmetic average exchange rate of average rates as at the day finishing every month of a given financial year. Exchange differences arising from the evaluation are included in another comprehensive income and accumulated in a separate item of equity. In the situation of disposing a foreign unit deferred exchange differences accumulated in equity concerning a given foreign unit are included in the income statement.

The average exchange rates at the day finishing every month of a given financial year are presented in the table below:

2014		2013	
Date	**The average exchange rates**	**Date**	**The average exchange rates**
31/01/2014	4,2368	31/01/2013	4,1870
28/02/2014	4,1602	28/02/2013	4,1570
31/03/2014	4,1713	29/03/2013	4,1774
30/04/2014	4,1994	30/04/2013	4,1429
30/05/2014	4,1420	31/05/2013	4,2902
30/06/2014	4,1609	28/06/2013	4,3292
31/07/2014	4,1640	31/07/2013	4,2427
29/08/2014	4,2129	30/08/2013	4,2654
30/09/2014	4,1755	30/09/2013	4,2163
31/10/2014	4,2043	31/10/2013	4,1766
28/11/2014	4,1814	29/11/2013	4,1998
31/12/2014	**4,2623**	**31/12/2013**	**4,1472**
The average exchange rate per year	**4,1893**	**The average exchange rate per year**	**4,2110**

13.6 Tangible fixed assets

Tangible fixed assets are valued accordingly to the acquisition prices / cost decreased by the accumulated amortization write-offs and possible impairment losses. The initial value of fixed assets includes the price of purchasing increased by all expenses directly connected with the purchase and the adjustment of a property element to the state of possibility of using. The cost of exchanging parts of machines and equipment in the moment of appearing the cost if criteria of recognition are fulfilled is also the element of expenses. As for the transaction of not paid purchase of tangible fixed assets the Group settles the purchase accordingly to IAS 20.

If a donation concerns the assets' element, its fair value is included in the account of revenues of future periods and then gradually by equal annual write-offs is included in the profit or the loss in the estimated period of using the assets' element connected with it.

Expenses borne after the day of giving fixed assets for using such costs of maintenance and repairing charge a profit or a loss at the moment of bearing these costs.
Fixed assets at the moment of purchasing are divided into parts being important items for which it is possible to assign an individual period of economic usefulness. The costs of general repairs are also the part of fixed assets.

Amortization is counted by means of a line method during the period of economic usefulness.

The approved amortisation rates are as follows:

Type	**Rate**
Buildings and structures	2,5 %
Machines and fittings	4-30 %
Means of transport	20 %
Computers	33 %
Investment in foreign fixed assets	10 %

A final value, a period of using and the method of fixed assets amortization are verified every year and corrected (if it is necessary) due to the effect from the beginning of a current year.

A given item of tangible fixed assets can be removed from the balance sheet after selling or in the case when none financial advantages of further using such an element of fixed assets are not expected. All profits or losses resulting from removing a given element of a balance sheet (calculated as the difference between potential net sales inflows and a balance value of a given item) are included in profits or losses of the period in which the removal was made.

Investments begun concerns fixed assets being within building or assembly and they are presented due to purchase prices or production costs decreased by potential write-offs due to value loss. Fixed assets under construction are not amortized until finishing building and transferring the fixed asset for using.

13.7 Fixed assets for sale

Fixed assets and their groups are treated as for sale when their balance value will be regained rather as a result of sale transaction than as a result of their further use. The condition can be fulfilled only when the sale transaction is highly probable and the assets' element is available for a sudden sale. The classification of the assets' element for sale assumes the government bodies' intention to make the sale transaction during one year since making the classification. Fixed assets classified for sale are evaluated with lower value of: balance value or fair value decreased by costs connected with sale.

If the Group wants to make the sale transaction, as a result of which it would lose control under a subsidiary, all assets and liabilities of the subsidiary are classified for sale independently on the fact whether the Group will keep the shares not giving control after the transaction.

If the Group is obliged to realize the sale plan (selling an investment in a common undertaking or associated unit or even the part of the investment), the investment or its part for sale is classified for sale after meeting the criteria and the Group stops using the property rights method for settling the part of the investment classified for sale. The other part of the investment in an associated unit or common undertaking not classified for sale is still settled by means of the property rights method. The Group stops using the property rights method at the moment of selling if the sale transaction causes the loss of significant influence on an associated unit or common undertaking.

After making the sale transaction, the Group settles kept shares acc. to IAS 39 unless those shares enable further classification of that unit as an associated unit or common undertaking – in that case the Group still uses the property rights method.

13.8 Investment real estates

Investments in real estate are valued according to the acquisition prices or manufacturing costs (taking into consideration transactional costs) decreased by the accumulated amortization and write-offs due to possible impairment losses of value.

Investment real estates are removed from a balance sheet in a case of their selling or in the case of constant withdrawing a given investment real estate from using when none of future advantages of its sale are not expected. All profits or losses resulting from deleting an investment real estate from a balance sheet are included in profit or loss in a given period in which the extraction was made.

Transferring assets to investment real estates is made only when the change of way of their using is confirmed by finishing the usage of an assets’ element (by the owner) or by signing a contract of operating leasing. If an assets’ element is used by the owner (the Group becomes an investment real estate) the Group uses principles described in a part ‘Tangible fixed assets’ until the day of changing a way of using this real estate.

13.9 Intangible assets

Intangible assets given in a separate transaction or used (if they meet criteria of recognizing expenses of development work) are valued in the beginning in the purchase price or production costs. The purchase price of intangible assets purchased in the transaction of combining units is equal their fair value as at a joining day. After the beginning, intangible assets are presented in the purchase price or the production cost decreased by amortization and write-offs due to value loss. Expenditures due to intangible assets produced in the own range, excluded activated expenditures on developing work, are not activated and are included in costs of the period in which they are made.

The Group determines whether the period of using intangible assets is defined or non-defined. Intangible assets with a defined period of using are amortized in the period of using tested in accordance with value loss when there are premises pointing a loss of their value. The period and an amortization method of intangible assets with a defined period of using are verified at least at the end of each financial year. The changes in an expected period of using or an expected way of consuming financial advantages of a given element of assets are included as the change of the period or the method of amortization and treated as the changes of approximate values. An amortization write-off of intangible assets’ elements with a defined period of using are included in a profit or in a loss of the category that is connected with a function of a given intangible assets’ element.

Intangible assets with non-defined period of using and intangible assets that are not used are tested due to value loss every year regarding particular assets or at the level of the unit creating cash.

Periods of using are verified every year and, if it is necessary, they are corrected due to the effect from the beginning of a current year.

Costs of research and development work

Costs of research and development work are included in a profit or loss at the moment of incurring the cost. Expenditures due to research and development work done within a given undertaking are transferred for the next period if it can be regarded that they will be gained in the future. After the beginning a model of historic cost is used. It requires including assets' elements due to purchase prices/manufacture costs decreased by accumulated amortization and accumulated write-offs due to value loss. Capitalized expenditures are amortized in a predicted period of gaining revenues from sale from a given undertaking.

The summary of principles used in reference to intangible assets of the Group is presented below:

	Patents and licence	Relationships with clients	Software
Periods of using	For patents and licence used on a basis of a contract signed with a defined period this period is assumed including an additional period for that usage may be prolonged.	30 years	2 years
Amortization method used	Amortized in a period of contracting	30 years (line method)	2 years (line method)
Internally produced or purchased	Purchased	Manufactured internally	Purchased
Test due to value loss	Annual assessment due to premises confirming value loss	Annual assessment due to premises confirming value loss	Annual assessment due to premises confirming value loss

Profits or losses resulting from eliminating intangible assets from a balance sheet are evaluated due to the difference between inputs of net sales and a balance value of a given assets' element and they are included in a profit or in a loss at the moment of their removal from a balance sheet.

13.9.1 Goodwill

A company value due to merging a unit is in the beginning included in accordance with purchase prices as the amount of the surplus:

- of a sum of:

(i) transferred payment,

(ii) the amount of all non-controlling contribution in a merged unit and

(iii) in a case of joining units realized with the stages of fair value as at the day of merging the contribution in capital of the merged unit belonging previously to the merging unit,

- over a net amount established as at a day of merging values possible to identify merged assets and merged obligations.

After the beginning, a company value is presented due to a purchase price decreased by all cumulated write-offs due to a value loss. The test according to a value loss is conducted once a year and more frequent when premises for the earlier test occur. A value company is not amortized.

As at merging day, goodwill is allocated in each unit making cash that can use merging synergy. Every unit or a group of units to which a company value was attributed:

- is at the lowest level in the Group – at this level goodwill is monitored for internal managerial needs and

- is not bigger than one operating section determined in accordance with ISFR 8 Operating segments.

A write-off due to a value loss is determined by appraising receivable value of the unit making cash in whom a given value company was allocated. In a case when a receivable value of a unit making cash is lower than a balance value a write-off due to a value loss is included. In a case when a value company constitutes a part of the unit making cash and a part of activities is sold in the scope of the unit, a value company connected with the activity sold is included in its balance value in the circumstances of setting sales profits or losses. In such circumstances, a company value sold is established on a basis of a relative value of a sold activity and a value of the other part of the unit working out cash.

13.10 Leasing

The Group as an entity using leasing:

Financial leasing contracts that transfer to the Group the whole risk and advantages of leasing are included in a financial statement as at the day of beginning leasing in accordance with a lower value from the following one: a fair value of a fixed asset constituting a subject of leasing or a current value of minimal leasing fees. Leasing fees are distributed between financial expenses and decreasing a liabilities balance due to leasing in a way enabling to obtain a stable interest rate due to the rest of the liability obliged to be paid. Financial costs are included in a profit or in a loss unless capitalization requirements are fulfilled.

Fixed assets used due to financial leasing contracts are amortized in a shorter period from the following: an appraised period of using the fixed asset or a period of leasing.

Leasing agreements with the whole risk and advantages of leasing are included in operating leasing contracts. Leasing charges due to operating leasing and later leasing rates are included as operating costs in a profit or in a loss (a line method) in a period of leasing.

Conditional leasing charges are included as the cost in a period in which they become accrued.

13.11 Loss of non-financial fixed assets' value

As at every balance day, the Group assesses if there are any premises pointing that a loss of value of any non-financial fixed assets might have occurred. The Group assesses a receivable value of a given element of assets or of a unit making cash to which a given element of assets belongs to if it is necessary to conduct an annual test checking whether a loss of value occurred or in a case when there are any premises pointing that a loss of value of any non-financial fixed assets might have occurred.

A receivable value of an element of assets or a unit making cash corresponds to a fair value decreased by costs of leading the element of assets or a unit making cash or its usable value to the sale (it depends on a higher value). A receivable value is set for particular assets if a given element of assets independently generates financial inputs that in the most of cases are independent on inputs generated by other assets or groups of assets. If a balance value of assets' element is higher than its receivable value a loss of value occurs and write-off for an established receivable value is made. In the process of assessing a usable value predicted cash flows are discounted to their current value using before taking into consideration the results from taxing a discount rate reflecting current market assessment of money value in time and risk typical to a given assets' element. Write-offs due to a loss of assets' elements value used in an activity continued are included as a separate item in an appropriate type of costs.

As at each balance day the Groups assesses if there are premises pointing the fact that a write-off due to a loss of value that was included in previous periods regarding a given element of assets is unnecessary or it should be decreased. If such premises occur, the Group assesses a receivable value of this element of assets. A write-off included previously due to a loss of value is turned when appraised values used for establishing a receivable value of a given assets' element have changed since the last write-off was included. In such a case, a balance value of an assets' element is increased to its receivable value. An increased amount cannot exceed a balance value of assets' element that would be established (after taking into consideration amortization) if in previous years, a write-off due to a loss of value in accordance with an assets' element had not been included. Reversing a write-off due to a loss of assets' element value is immediately included as revenue. After reversing a write-off in next periods a write-off concerning a given assets' element is corrected in a way that allows to make continual write-offs of its verified balance value decreased by a final value in the remaining part of period of using.

13.12 Expenses of external financing

External financing expenses are capitalized as the part of the cost of producing fixed assets, investment fixed property and intangible assets. The elements of external financing expenses are as follows: interest counted using interest rate effective method, financial obligations due to financial leasing contracts and current exchange differences made by external financing to the amount corresponding to the interest costs adjustment.

13.13 Financial assets

Financial assets are divided into the following categories:

- Financial assets kept to the maturity date,
- Financial assets evaluated in a fair value by a financial result,
- Loans and the payments due,
- Financial assets available for sale.

Financial assets kept to the maturity date are noted on an active market of financial assets non-being derivative instruments with defined or possible to be defined payments and with defined maturity date that the Group intends and is able to keep, other than:

- determined in the beginning as evaluated in a fair value by a financial result,
- determined as available for sale,
- fulfilling the criteria of loans and the payments due.

Financial assets kept to the maturity date are evaluated according to an amortized cost using the effective interest rate method. Financial assets kept to the maturity date are classified as long-term assets if their maturity date exceeds 12 months from a balance day.

The element of financial assets evaluated in a fair value by a financial result is the element meeting one from the following conditions:

a) is classified as the element allotted to the turnover. Financial assets' elements are classified to the turnover if:

   - purchased so as to sell them in a short-long time,
   - they are the part of portfolio of particular financial instruments managed together and it is probable that they will be profitable in a short-term time,
   - they are derivative instruments excluded derivative instruments being the elements of protection accountancy and financial guarantee contracts,

b) in the beginning it was classified to this category in accordance with ISA 39.

Financial assets evaluated in a fair value by a financial result are evaluated in a fair value considering their market value as at a balance day without taking into consideration sale transactions. Changes of value of these financial instruments are included in income statement as financial revenues or costs. If a contract includes one or more derivative instruments, the whole contract can be classified in the category of financial assets evaluating in a fair value by a financial result. It does not concern the cases when an included derivative instrument does not significantly influence cash flows from the contract. It does not also concern the cases if it is obvious without analyzing that if a similar hybrid instrument was considered, separating an included derivative instrument would be forbidden. Financial assets can be in the beginning classified into categories evaluated in a fair value by a financial result if the following criteria are fulfilled: (i) such a classification eliminates or significantly decreases incoherence in the scope of including or evaluating (financial non-adjustment); or (ii) assets are the part of a group of financial assets that are managed and assessed on a basis of a fair value in accordance with a substantiated strategy of managing risk; or (iii) financial assets include internal derivative instruments that should be separately included. As at 31st December 2014, none financial assets were classified to categories evaluated in a fair value by a financial result (as at 31st December 2013 such a classification was not also made).

Loans and payments due mean financial assets not included in financial derivative instruments and that have determined or possible to be determined payments unless the demanded term of paying exceeds 12 months from a balance day. Loans granted and payments due with the maturity day exceeding 12 months from a balance day is included in fixed assets.

Financial assets available for sale mean financial assets not being derivative instruments, which were classified as available for sale or not belonging to none three categories of assets having been mentioned. Financial assets available for sale are included due to a fair value increased by transaction costs that can be directly attributed to purchase or issue of financial assets' element. In a case of a lack of Stock Exchange quotations on an active market and of a lack of possibility of reliable defining their fair value using alternative methods, financial assets available for sale are evaluated in a purchase price corrected by a write-off due to a loss of value. A positive and negative difference between a fair value of assets available for sale (if there is a market price established in another reliable way) and their purchase price after decreasing by deferred tax is included in other comprehensive income. Decreasing the value of assets available for sale caused by a loss of value is included as a financial cost.

Purchasing and selling financial assets are recognized as at a day of making a transaction. In the beginning, financial assets' element is evaluated in a fair value increased by (in a case of an element of assets not classified as evaluated in a fair value by a financial result) transaction costs that can be directly attributed to purchasing.

Financial assets' element is removed from a balance sheet if the Group losses control under contractual rights of a given financial instrument. They are removed in a case of selling an instrument or when all cash flows attributed to a given instrument are transferred to an independent third party.

In the case when the Group:

- possesses valid legal title to compensate amounts included and
- intends to settle in the net amount or simultaneously to realize the assets' element and to realize obligation

the element of financial assets and financial obligation are compensated and disclosed in a financial statement in the net amount.

A framework agreement described in IAS 32.50 does not constitute the base for compensation unless both criteria having been described above are met.

13.14 Loss value of financial assets

As at each balance day, the Group assesses whether there are objective premises for losing value of a financial assets' or financial assets group's element.

13.14.1 Assets included according to the amortized cost

If there are objective premises that the loss due to the value loss of loans granted and payments due evaluated according to the amortized cost, the amount of a write-off due to the loss of value is equal to the difference between a balance value of financial assets' element and a current value of future cash flows (excluded future losses due to not exacting payments due that has not been incurred yet) discounted with using a primal (established in the beginning) effective interest rate. A balance value of assets' element is directly decreased by using the adjustment write-offs statement. The amount of a loss is included either in a profit or in a loss.

In the beginning, the Group assesses whether there are objective premises of losing the value of particular financial assets that individually are not meaningful. If after analyzing it is said that there are not objective premises of losing a value of an individually assessed financial assets' element (if it is meaningful or not) the Group includes this element in the group of financial assets with similar characteristics of credit risk and assesses the value loss. Assets individually assessed due to the loss of value and assets for which a write-off due to the loss of value was included or it was regarded that a current write-off would not change are not taken into consideration while total assessment of the group of assets according the loss of value.

If during the next period a write-off due to the loss of value decreased and this decrease can be objectively connected with the event after including the write-off, previously included write-off reverses. Later reversing a write-off due to the loss of value is included in a profit or in a loss in the range in which as at a day of reversing a balance value of an assets' element does not exceed its amortized cost.

13.14.2 Financial assets revealed due to the cost

If there are objective premises that the loss of value of not Stock Exchange quoted capital instrument that is not disclosed due to a fair value as its fair value cannot be reliably established the loss of a derivate instrument that is connected and has to be accounted by a delivery such a not quoted capital instrument, the amount of a write-off due to the loss of value is set as the difference between a balance value of financial assets' element and a current value of appraised future cash flows discounted by means of current market margin for similar financial assets.

13.14.3 Financial assets available for sale

If there are objective premises that the value loss of financial assets' element available for sale, the amount constituting the difference between the purchase price of the assets' element (decreased by all capital and amortization repayments) and its current fair value decreased by all write-offs due to the loss of value of this element previously included in a profit or in a loss, is out posted from equity and classified to a profit or to a loss. It is forbidden to include in a profit or in a loss a reversed write-off due to the loss of value of capital instruments classified as available for sale. If next period a fair value of a debt instrument increases and this increase can be objectively joined with the event occurring after including a write-off due to the loss of value in a profit or in a loss, the amount of the reversed write-off is included in a profit or in a loss.

13.15 Inventories

Inventories are evaluated in accordance with lower of one of the following values: purchase price/production cost or net sale price possible to obtain.

Costs of providing each inventory's element for its current place and state – both regarding a present and previous year – are included in a following way:

Materials	• in a purchase price set by a method 'first in first out'
Goods	• in a purchase price set by a method 'first in first out'

A net sale price possible to obtain is an estimated price of sale conducted during a typical business activity decreased by finishing costs and appraised costs necessary to realize the sale.

13.16 Receivables due to deliveries and services and the other receivables

Receivables due to deliveries and services are included and disclosed due to the amounts primarily invoiced with taking into consideration a write-off for doubtful receivables. A write-off for receivables is estimated when a full amount is not likely to realize.

In a case when the impact of money value in time is important, a value of receivables is determined by discounting predicted future cash flows to a current value with using a discounted rate reflecting current market assessments of money value in time. If a discounting method is used, receivables' increase due to time is included as financial revenues.

Advance payments are presented in accordance with the character of assets – fixed assets or current assets respectively. Advance payments as non-cash assets are not discounted.

Budget receivables are presented in the scope of the other non-financial assets excluded receivables due to legal persons' income tax that constitute a separate item in a balance sheet.

13.17 Cash and equivalent to cash

Cash and short-term deposits disclosed in a balance sheet include cash in a bank and in cash at hand and short-term deposits with a primary maturity day not exceeding 3 months.

A balance of cash and its equivalents disclosed in a consolidated cash flow statement includes cash and its equivalents.

13.18 Charged interest of bank credits, loans and debt securities

In the beginning, all bank credits, loans and debt securities are included due to a fair value decreased by expenses connected with obtaining a credit or a loan.

After the beginning, charged interest of credits, loans and debt securities are evaluated due to the amortized cost by using the method of an effective interest rate.

Setting the amortized cost, the costs connected with receiving a credit, a loan, and a discount or bonuses due to the liability are taken into consideration.

Revenues and costs are included in a profit or in a loss at the moment of removing the liability from a balance sheet and as a result from accounting by an effective interest rate method.

13.19 Liabilities due to deliveries and services and the other liabilities

Short-term liabilities due to deliveries and services are disclosed in the amount requiring the payment.

Financial liabilities evaluated in a fair value by a financial result include financial liabilities allotted to the turnover and financial liabilities primarily classified to categories evaluated to a fair value by a financial result. Financial liabilities are classified as allotted to the turnover if they were purchased due to sale goals in a near future. Derivative instruments including outsourced internal instruments are also classified to the turnover if they are not regarded as effective protective instruments. Financial liabilities can be primarily classified to categories evaluated in a fair value by a financial result if the following criteria are fulfilled: (i) such a classification eliminates or significantly decreases incoherence when both evaluation and the principles of recognizing losses or profits are subject to other regulations; or (ii) liabilities are the part of a group of financial liabilities that are managed and assessed on a basis of a fair value in accordance with a substantiated strategy of managing risk; or (iii) financial liabilities include internal derivative instruments that should be separately included. As at

31st December 2014 and 31st December 2013, none financial liabilities were classified to categories evaluated in a fair value by a financial result.

Financial liabilities are evaluated in a fair value with a financial result taking into consideration their market value as at a balance day without taking into consideration costs of sale transactions. Changes in a fair value of these instruments are included in a profit or in a loss as financial expenses or revenues.

Other financial liabilities, not being financial instruments evaluated in a fair value with a financial result, are evaluated due to the amortized cost using an effective interest rate method.

The Group excludes a financial liability from its balance sheet when the liability has ended (when the obligation determined in a contract was fulfilled, amortized, or finished). Replacing a current debt instrument by an instrument with different conditions (conducted between the same units) is included by the Group as finishing a primary financial liability and including a new financial liability. Similar modification of conditions of the contract concerning an existing financial liability is included by the Group as finishing a primary liability and including a new financial liability. Differences of balance values due to reversing are included in a profit or in a loss.

The other non-financial liabilities include especially liabilities according to the tax office due to VAT, income tax, liabilities towards the Social Insurance Institution as well as liabilities due to received advance payments that will be accounted by delivery of goods, services or fixed assets. The other non-financial liabilities are included in the amount demanding the payment.

13.20 Reserves

Reserves are created when the Group is obliged legally or customarily due to past events and when it is probable that fulfilling the obligation will cause the necessity of financial advantages output and it is possible to reliably assess the amount of the obligation. If the Group expects that costs with reserves will be returned for instance due to an insurance contract the return is included as a separate assets' element but only in a situation when the return will certainly occur. Costs concerning a given reserve are disclosed in an income statement after decreasing by any returns.

In a case when the impact of cash value in time is important, the amount of reserve is determined by discounting predicted future cash flows to a current value using a discounting rate reflecting current marker assessments of a money value in time and possible risk connected with a given liability. If a method concerning discounting has been used, reserves increase due to time is included as financial costs.

13.21 Retirement gratuities and anniversary rewards

According to companies' remuneration systems employees of the Groups' companies have the right to anniversary rewards and retirement gratuities. Anniversary rewards are paid after working over a defined number of years. Retirement gratuities are paid only once at the moment of retiring. The amount of retirement gratuities and anniversary rewards depends on work experience and average payroll of the employee. The Group creates a reserve for future liabilities due to retirement gratuities and anniversary rewards so as to assign costs to periods to which they concern. According to IAS 19 anniversary rewards are other long-term employee benefits, however, retirement gratuities are programmes of particular benefits after employment. A current value of these liabilities as at every balance day is counted by an actuarial method. Liabilities counted are equal to discounted payments that in the future will be made with taking into consideration job rotation and that concern the period to a balance day. Demographic information and information about turnover is based on historical data. Profits and losses of actuarial counting are included in other comprehensive income and they are not reclassified to the profit or the loss. The costs of current and future employment are included in the profit or in the loss.

13.22 Revenues

Revenues are included in the amount that the Group is likely to obtain financial advantages connected with a given transaction and when the amount revenues can be evaluated in a reliable way. Revenues are recognized in a fair value of received or accrued payment after decreasing by VAT and discounts. Due to including revenues, the following criteria are also compulsory.

13.22.1 Sale of goods and products

Revenues are included if meaningful risk and advantages resulting from a property right to goods and products were transferred to the customer and if the amount of revenues can be evaluated in a reliable way.

13.22.2 Rendering services

Revenues due to rendering services are included at the moment of making the service due to the price resulting from the contract/agreement.
In a case of the surplus of services the value of the surplus is included in revenues with the rates determined in the list of NHF's products.
Due to doubtful receivables, write-offs are created decreasing the value of revenues calculated.

13.22.3 Interest

Revenues due to interest are included successively in the process of calculating (with taking into consideration a method of effective interest rate constituting a rate discounting future cash inputs in an appraised period of financial instruments existence) in comparison with a net balance value of a given financial assets' element.

13.22.4 Dividends

Dividends are included at the moment of setting dividends rights of shareholders or stockholders.

13.22.5 Revenues due to lease

Revenues due to the lease of investment fixed property are included with a line method in a period of leasing according to open contracts.

13.22.6 Governmental subsidies

If there is justified certainty that a subsidy will be received and all conditions connected with it will be met, government subsidies are included according to their fair value.

If a subsidy concerns a given cost item, it is included as revenue comparably to costs that the subsidy shall compensate. If a subsidy concerns the element of assets, its fair value is included in the account 'future periods revenues' and next by equal annual write-offs it is included in a profit or in a loss during an estimated period of using connected with the element of assets.

13.23 Taxes

13.23.1 Current tax

Liabilities and receivables due to a current tax for a current period and previous periods are evaluated in the amount of predicted payment for tax organizations (being returned from tax organizations) with using tax rates and regulations that legally or in real were compulsory as at a balance day.

13.23.2 Deferred tax

According to financial reporting, deferred taxi s counted by a method of balance liabilities in comparison with temporary differences occurring as at a balance day between a tax value of assets and liabilities and their balance value presented in a financial statement.

The reserve for deferred taxi is included regarding all positive temporary differences:

- excluding the situation when the reserve for deferred tax appears as a result of beginning including a company value or beginning including assets' or liabilities element during the transaction not constituting the combination of units and at the moment of making the transaction not influencing either a gross financial result or income for taxing or tax loss, and
- according to positive temporary differences resulting from investment in undertakings or associate units and contribution in mutual activities – excluding the situation when the terms of reversing temporary differences are under investor's control and when it is probable that in the nearest future temporary differences will not reverse.

Assets due to deferred tax are included regarding all negative temporary differences, not used tax deduction, and not used tax losses transferred for future years in such an amount that it is probable that income for taxing will be achieved (it allows to use mentioned differences, assets, and losses):

• excluding the situation when assets due to deferred tax concerning negative temporary differences appear as a result of beginning including assets' or liabilities' element during the transaction not constituting the combination of units and at the moment of making the transaction not influencing either a gross financial result or income for taxing or tax loss, and

• according to negative temporary differences resulting from investment in undertakings or associate units and contribution in mutual activities assets' element due to deferred tax is included in a balance sheet in such an amount that it is probable that in the nearest future mentioned differences will turn and income for taxing will be achieved what allows to deduct negative temporary differences.

A balance value of assets' element due to deferred taxi is verified as at every balance day and is decreased by the amount that it is not probable to attain income for taxing enough for partial or total realizing assets' element due to deferred income tax. Not including assets' element due to deferred income tax is assessed again as at each balance day and is included to the amount reflecting the probability to achieve income for taxing in the future (such income will allow to regain the assets' element).

Assets due to deferred income tax and reserves for deferred tax are evaluated with using tax rates that according to forecasting will be obliged in a period when assets' element is realized or the reserve is ended (the basis is tax rate and regulations compulsory as at a balance day or that tax rates and regulations which obligation in the future is certain as at a balance day).

Income tax concerning items included beyond a profit or a loss is included apart from a profit or a loss in another comprehensive income (items included in another comprehensive income) or directly in equity (items included in equity).

The Group compensates assets due to deferred income tax with reserves due to deferred income tax only in the situation when possesses a legal title for conducting compensating receivables and liabilities possible to be enforced and when deferred income tax is connected with the same payer and the same tax organisation.

13.23.3 Value added tax

Revenues, costs, assets and liabilities are included after decreasing by VAT, excluding:

- the situation when VAT is paid during the purchase of assets or services is not possible to regain from tax organizations; thus, it is included as the part of a purchase price of assets' element or as the part of a cost item,
- receivables and liabilities that are presented with taking into consideration the amount of VAT.

(in PLN thousand)

A net amount of VAT possible to regain or accrued for paying for tax organizations is included in a financial statement as the part of the other not financial receivables or the other not financial liabilities

13.24 Net profit per share

Net profit per share for each period is counted by dividing net profit for a given period by weight average number of shares in a given financial year.

There are not diluting potential ordinary shares.

13.25 Operating segments

The activity of the Capital Group EMC Instytut Medyczny S.A. is uniform due to sold services (the sale of healthcare services). Nevertheless, it is distinguished by the form of rendering services. In accordance with the criterion four operational segments were distinguished – hospital care, outpatient healthcare, open chemist's and clinic tests.
The Group analyses the results of particular hospitals and outpatient clinics at the level of details, which allows to aggregate them to mentioned segments. The analysis is focused on information prepared in accordance with the resolution of accountancy so the Group presents the segments in such a form.
Transaction prices used during transactions between operating segments are established using market principles what is a similar way of conducting transactions with non-related companies.

As at 01/01/2014- 31/12/2014	Hospital care	Outpatient healthcare	An open chemist's	Clinic tests	Not assigned	Activity totally	Consolidation adjustments and IAS	TOTAL
Revenues of the segment, including:	**222 327**	**21 239**	**1 987**	**729**	**271**	**246 553**	**-3 421**	**243 132**
Sale for external customers	219 236	20 927	1 987	729	253	243 132		243 132
Sale between segments	3 091	312			18	3 421	-3 421	0
Total costs of the segment, including:	**219 220**	**20 486**	**1 898**	**367**	**9 327**	**251 298**	**-966**	**250 332**
Amortization and depreciation	11 351	914	29	6	642	12 942	-334	12 608
Operating profit	**2 373**	**383**	**85**	**362**	**-8 976**	**-5 773**	**379**	**-5 394**
EBITDA	13 724	1 297	114	368	-8 334	7 169	45	7 214
Revenues / net financial expenses	-2 578	-59			570	- 2 067	433	-1 634
Approval / encumbrance due to income tax	-1 251	34			-130	-1 347	136	-1 211
Profit/ Loss	**1 046**	**290**	**85**	**362**	**-8 276**	**-6 493**	**676**	**-5 817**
The segment's assets	**219 339**	**9 435**	**243**	**100**	**110 919**	**340 036**	**-97 384**	**242 652**
The segment's liabilities	**183 653**	**8 766**	**294**	**13**	**147 310**	**340 036**	**-97 384**	**242 652**

(in PLN thousand)

As at 01/01/2013- 31/12/2013*	Hospital care	Outpatient healthcare	An open chemist's	Clinic tests	Not assigned	Activity totally	Consolidation adjustments and IAS	TOTAL
Revenues of the segment, including:	**144 454**	**27 778**	**2 645**	**784**	**482**	**176 143**	**-3 587**	**172 556**
Sale for external customers	142 260	27 286	2 645	784	438	173 413		173 413
Sale between segments	2 194	492			44	2 730	-3 587	-857
Total costs of the segment, including:	**136 033**	**25 741**	**2 406**	**570**	**8 116**	**172 866**	**-3 791**	**169 075**
Amortization and depreciation	7 762	1 060	30	5	606	9 463	-342	9 121
Operating profit	**8 580**	**1 795**	**235**	**210**	**-7 657**	**3 163**	**1 090**	**4 253**
EBITDA	16 342	2 855	265	215	-7 051	12 626	748	13 374
Revenues / net financial expenses	-1 805	-39			-400	-2 244	-663	-2 907
Approval / encumbrance due to income tax	213	213			37	463	106	569
Profit/ Loss	**6 562**	**1 543**	**235**	**210**	**-8 094**	**456**	**321**	**777**
The segment's assets	**161 204**	**10 718**	**266**	**48**	**123 382**	**295 618**	**-64 406**	**231 212**
The segment's liabilities	**128 380**	**10 481**		**5**	**156 752**	**295 618**	**-64 406**	**231 212**

*comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

The Group has changed the allocation of assets and liabilities to particular segments' activities since 1st January 2014.
Consequently, the note for the period 01/01/2013-31/12/2013 has been presented acc. to the principles approved in a current period – described below.

'Items of an income statement not assigned' constitute the items that cannot be directly assigned to presented segments, revenues and costs realized in the field of activities of the Management Board in the company EMC Instytut Medyczny SA.

'Assets not assigned' include a sum of company's value and the assets of the EMC Instytut Medyczny presented below:
- long-term financial assets excluding long-term loans granted,
- short-term investments excluding short-term loans granted,
- tangible fixed assets excluding those used for medical activities – referred respectively to hospital care, outpatient clinic, open chemist's and clinic tests,
- receivables due to deliveries and services, assets due to deferred income tax and the other prepayments of the EMC Instytut Medyczny, excluding those resulting from medical activities – referred respectively to hospital care, outpatient clinic, open chemist's and clinic tests. The allocation was made proportionally to the share of the particular segment's revenues in total value of revenues of the Company.

(in PLN thousand)

‘Liabilities not assigned’ include the equity of the EMC Instytut Medyczny and elements as follows:
- credits, loans, liabilities due to bonds, financial liabilities – excluding liabilities for extending and modernizing medical infrastructure,
- the other liabilities and reserves of the company EMC Instytut Medyczny not mentioned below – excluding included respectively in hospital care, outpatient clinic, open chemist’s and clinic tests. The allocation was made proportionally to the share of the particular segment’s revenues in total value of revenues of the Company.

As segments’ data are prepared in accordance with the Accountancy Act, the item ‘Consolidating adjustments and IAS’ includes:
- exclusions of mutual settlements and other consolidating adjustments
- adjustment of the companies of the Group to ISFR, including:
a) goodwill as a result of joining entities EuroMediCare Instytut Medyczny Sp. z o.o. and EuroMediCare Serwis Sp. z o.o that were under common control, yet a controlling unit did not possess 100% of shares in both entities. According to the Accountancy Act, the joining was settled with the purchase method and it resulted in goodwill. According to IFRS, transactions were settled with the method of joining shares,
b) capitalization of costs of totally financing in the amount of fixed assets under construction due to IAS 23 that in accordance with the Accountancy Act burden a financial result,
c) netting assets and liabilities due to deferred income tax,
d) netting company’s social benefit funds.

14. Revenues and costs

14.1 Revenues from sale

Item	**As at**			
	31/12/2014		**31/12/2013**	
NHF	209 947	86,36%	141 228	81,85%
Commercial clients	26 332	10,83%	23 454	13,59%
Insurance agencies	2 489	1,02%	4 334	2,51%
The other revenues	4 364	1,79%	3 540	2,05%
Total	**243 132**	**100%**	**172 556**	**100%**

14.2 The other operating revenues

The other operating revenues	**As at**	
	31/12/2014	**31/12/2013***
Profit on selling fixed assets	94	5
Grants	104	8
Finished reserves	92	299
Donations	264	256
Adjustments for receivables’ revaluation write-offs		4
Stock-taking surplus	43	14
Overdue liabilities	3	1
Received compensation, penalties return	190	169
Refunding of Health Ministry, labour office and others	1 372	468

(in PLN thousand)

The other operating revenues	As at	
	31/12/2014	31/12/2013*
PFRON refunding	470	
Fixed assets received free of charge	411	106
Overpayment refund (Social Insurance Institution)	28	14
Annual adjustment of VAT	22	51
PIT tax return	7	6
Surplus of brokerage fees received	36	36
Redeeming the tax on real properties	72	36
Result recognized due to taking control under subsidiaries		862
Others	87	70
Total	**3 295**	**2 405**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

14.3 The other operating costs

The other operating costs	As at	
	31/12/2014	31/12/2013
Loss of selling fixed assets	22	
Actualizing receivables value	188	305
Other operating costs, of which:	1 279	1 328
Reserves for jubilee awards*		587
Reserves for liabilities	799	463
Damages, penalties	116	88
Written-off receivables	2	7
Written-off medicine past its sell-by date	14	1
Donations	7	9
Costs of liquidating fixed assets	29	54
Stock-taking shortage	9	14
Investments abandoned	104	
Costs of court affairs	93	74
Others	106	31
Total	**1 489**	**1 633**

*Since 2014 the Group has changed the presentation of costs of creating jubilee reserves and presents them in remuneration costs. In 2014 costs of creating jubilee reserves transferred to remuneration costs amounted PLN 2.456 thousand.

(in PLN thousand)

14.4 Financial revenues

Financial revenues	The year ended on	
	31/12/2014	31/12/2013
Surplus of positive exchange differences over negative ones		
Interest	831	172
Others	316*	3
Total	**1 147**	**175**

* Including PLN 299 thousand due to solving not necessary reserves created for interest costs.

14.5 Financial costs

Financial costs	As at	
	31/12/2014	31/12/2013
Interest on credits, loans	1 450	1 840
The other interest	341	200
Commissions on credits	67	46
Costs of issuing bonds	78	116
Costs of Stock Exchange service	41	17
Surplus of negative foreign exchange gains and losses over positive	423	480
Interest on bonds	205	260
Interest on leasing	62	111
Discount of credits and bonds	114	12
Total	**2 781**	**3 082**

14.6 Costs of employee benefits

Costs of employee benefits	As at	
	31/12/2014	31/12/2013
Payroll	88 289	58 196
Costs of social insurance	14 716	9 497
Costs of retirement pension	592	566
The other costs of employee benefits	945	743
Total costs of employee benefits	**104 542**	**69 002**

15. Income tax

15.1 Tax burden

Main elements of tax charge as at 31/12/2014 and 31/12/2013 are as follows:

	As at	
	31/12/2014	31/12/2013
Included in a profit or in a loss		
Current income tax		

Current burden due to income tax	491	958
Adjustments concerning current income tax from previous years	-937	64
Deferred income tax		
Connected with creating and reversing temporary differences	-765	-453
Tax burden disclosed in a consolidated profit or a loss	-1 211	569

15.2 Agreeing an effective interest rate

Agreeing income tax due to a gross financial result before taxing due to a statutory interest rate with income tax counted due to an effective tax rate of the Group as at 31st December of 2014 and 31st December of 2013 is as follows:

	As at	
	31/12/2014	**31/12/2013***
Gross profit (loss) before taxing from a continuing activity	-7 028	1 346
Gross profit (loss) before taxing	-7 028	1 346
Tax due to a statutory tax rate compulsory in Poland and amounting 19%	-1 335	256
Dissolved assets from previous years	6	68
Dissolved reserves from previous years		-27
CIT adjustments from previous years	-937	64
Reserves from previous years		108
Not included tax losses	441	
Costs not being tax costs of receiving revenues	631	204
Revenues not being the base of taxing with income tax	-170	-169
Reserves connected with consolidating adjustments	8	
The others	145	65
Tax due to an effective tax rate amounting 17% (as at 31/12/2013: 42%)	-1 211	569
Income tax (burden) revealed in an income statement	-1 211	569

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

15.3 Deferred income tax

Deferred income tax results from the following items:

Item	Assets due to deferred income tax	A balance sheet		An income statement		Comprehensive income statement	
		31/12/ 2014	31/12/ 2013	01/01/2014 - 31/12/2014	01/01/2013 - 31/12/2013	01/01/2014 - 31/12/2014	01/01/2013 - 31/12/2013
1.	Write-offs for the surplus of services	2 164	522	-740	116		
2.	Unpaid Social Insurance Institution benefits	417	282	-69	24		
3.	Contribution evaluation	806	806				
4.	Interest on current liabilities	10	5	80	1		
5.	Reserves for retirement benefits and similar	1 778	897	-454	-152	-159	-30

(in PLN thousand)

6.	Interest on bonds	31	31		13		
7.	Interest on loans	3	10	46	6		
8.	Receivables amortization write-offs	58	16	-26	2		
9.	Tax losses	1 255	595	-577	352		
10.	Lawsuits	285	313	28	-63		
11.	Overdue liabilities	207	602	769	-456		
12.	Tangible fixed assets received free of charge	349	283	-64	-206		
13.	Write-off for company's social benefit fund not covered by cash contribution	8	34	26	22		
14.	Reserves for liabilities	396	101	-239	-9		
15.	The surplus of balance amortization over tax amortization	250	85	-165	-85		
16.	Rent for leasing the real property received in advance	105	123	18	8		
17.	Others	43	13	10	78		
	Total gross assets	**8 165**	**4 718**	**-1 357**	**-349**	**-159**	**-30**
	Total net assets	**5 305**	**3 276**	**1 503**	**1 093**	**-159**	**-30**

Item	**Reserves due to deferred income tax**	**A balance sheet**		**An income statement**		**Comprehensive income statement**	
		31/12/ 2014	**31/12/ 2013**	**01/01/2014 - 31/12/2014**	**01/01/2013 - 31/12/2013**	**01/01/2014 - 31/12/2014**	**01/01/2013 - 31/12/2013**
1.	Interest on loans		19	-19	-3		
2.	Surplus of tax amortisation over balance amortisation	1 979	1 374	153	-108		
3	Receivables due to the surplus of medical services	1 295	588	463	-46		
4.	Credits evaluation	26	30	-4	-10		
5.	The value of relationships with patients	411	426	-15	-15		
6.	Bonds evaluation	20	27	-7	-10		
7.	Costs of external financing	113	105	8	105		
8.	Others	14		13	-17		
	Total gross reserves	**3 858**	**2 569**	**592**	**-104**	**0**	**0**
	Total net reserves	**998**	**1 127**	**-2 268**	**-1 546**	**0**	**0**
	Deferred income tax in an income statement			**-765**	**-453**	**-159**	**-30**

Assets and reserves due to deferred income tax are netted at the level of companies of the Group

Assets and reserves for deferred income tax changes increased a financial result of the Group for a year 2014 by PLN 765 thousand.
Assets and reserves changes not influencing a financial result are as follows: assets in the amount of PLN 1.924 thousand and reserves in the amount of PLN 698 thousand resulting from purchasing a subsidiary undertaking 'Zdrowie' Sp. z o.o.

16. Social property and the liabilities of company's social benefit fund

The resolution about company's social benefit fund as at 4th March of 1994 with later amendments requires from a company with a number of employees fully contracted – 20 or more to create and run company's social benefit fund. Some companies of the Group create such a fund and make periodic write-offs in the amount of a basic write-off. The goal of a fund is to finance a social activity, loans granted for employees and other social costs.

(in PLN thousand)

The Group compensated assets of a fund with its liabilities due to a fund as these assets do not constitute separate Group's assets. Thus, a net balance as at 31st December 2014 amounts PLN 0 thousand (as at 31st December 2013 - PLN 0 thousand).

17. Profit per one share

Net profit per share for each period is counted by dividing net profit for a given period by weight average number of ordinary shares issued in a given financial year.

Diluted profit per share is the same as basic profit since there are not diluting potential ordinary stocks.

Data concerning profit and stocks that contributed to count basic and diluted earnings per one share are presented below:

	As at	
Profit (loss) per one share:	**31/12/2014**	**31/12/2013***
Net profit/loss for dominant unit's stockholders	-5 450	797
Weight average number of shares	12 019 524	8 438 212
Profit / loss per one share in PLN	-0,4534	0,0945
- diluted from the profit for dominant unit's stockholders in PLN	-0,4534	0,0945

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

In the period between a balance day and a day of compiling a given financial statement there were no other transactions concerning ordinary shares and potential ordinary shares.

Calculating the average number of shares as at 31st of December 2014 the issuance of 3.692.310 H series bearer shares was taken into account– it was decided by the Extraordinary Meeting of Shareholders of EMC Instytut Medyczny SA on 19th December of 2013 (it is revealed in the point 31.1). As at the day of publishing a financial statement increasing capital by issuing H series shares has not been registered in the National Court Register, however, according to IAS 33 H series shares have been added to the average number shares from the day in which the payment has become due. The following shares were revealed: 19th December of 2013 for 2.743.940 shares contemplated by CareUp B.V (the day of signing a final contract of contemplating H shares), 24th December of 2013 for 948.370 shares contemplated by PZU FIZ AN BIS 2 (the day of signing a final contract of contemplating H shares).

18. Dividends paid and dividends proposed to be paid

Dividends from shares for a year 2013 were not paid.

A subsidiary undertaking ZP Formica Sp. z o.o. paid the dividend including the dividend for shareholders not taking control: for a year 2012 in the amount of PLN 18 thousand.

(in PLN thousand)

19. Intangible assets

As at 31st December of 2014

Item	Description	Goodwill	Acquired concessions, patents, licence and others		Total intangible assets
			Total	Including software	
I	Gross value of intangible assets at the beginning of the period	1 151	4 513	2 111	5 664
1.	Increases of which as a result of:	3 252	1 048	1 048	4 300
a)	Acquisitions		585	585	585
b)	acquisition of a subsidiary undertaking (a note no. 5.1.)	3 252	461	461	3 713
c)	Reclassification				
d)	other – adjustments		2	2	2
2.	Decreases				
II.	Gross value of intangible assets at the end of the period	4 403	5 561	3 159	9 964
III.	Accumulated amortization (depreciation) at the beginning of the period		1 672	1 431	1 672
1.	Amortization for the period on account of:		524	444	524
a)	Current amortization – increase		523	443	523
b)	Reclassification / adjustments		1	1	1
c)	Amortization – decrease - liquidation				
IV.	Accumulated amortization (depreciation) at the end of the period		2 196	1 875	2 196
V.	Write-offs due to constant loss of value at the beginning of the period				
1.	Increases				
2.	Decreases				
VI.	Write-offs due to constant loss of value at the end of the period				
VII.	**Net value of intangible assets at the end of the period**	**4 403**	**3 365**	**1 284**	**7 768**

s at 31st December of 2013*

Item	Description	Goodwill	Acquired concessions, patents, licence and others		Total intangible assets
			Total	Including software	
I	Gross value of intangible assets at the beginning of the period	1 151	3 939	1 393	5 090
1.	Increases of which as a result of:		574	718	574
a)	Acquisitions		27	27	27
b)	acquisition of a subsidiary undertaking (a note no. 5.1.)		545	545	545
c)	Reclassification			145	
d)	other – adjustments		2	1	2
2.	Decreases				
II.	Gross value of intangible assets at the end of the period	1 151	4 513	2 111	5 664
III.	Accumulated amortization (depreciation) at the beginning of the period		1 382	1 107	1 382

(in PLN thousand)

1.	Amortization for the period on account of:		290	324	290
a)	Current amortization – increase		288	208	288
b)	Reclassification / adjustments		2	116	2
c)	Amortization – decrease - liquidation				
IV.	Accumulated amortization (depreciation) at the end of the period		1 672	1 431	1 672
V.	Write-offs due to constant loss of value at the beginning of the period				
1.	Increases				
2.	Decreases				
VI.	Write-offs due to constant loss of value at the end of the period				
VII.	**Net value of intangible assets at the end of the period**	**1 151**	**2 841**	**680**	**3 992**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

In the item 'Acquired concessions, patents, licence and others' the Group presents the value of relationships with patients in the amount of PLN gross 2.400 thousand as a result of settling the acquisition ZP Formica Sp. z o.o. The value of relationships is annually the subject to amortization write-offs. Net value of relationships with patients amounted PLN 2.080 thousand as at 31/12/2014 and PLN 2.160 thousand as at 31/12/2013.

The write-off of tests made due to the loss of goodwill was presented in a note no. 24.

20. Tangible fixed assets

As at 31/12/2014

Item	Description	land (including perpetual usufruct of land)	buildings, premises and public buildings	plant and machinery	means of transportation	other fixed assets	fixed assets under construction	advances on fixed assets under construction	total fixed assets
I.	gross value of fixed assets at the beginning of the period	8 967	99 869	9 418	1 532	36 065	18 422	49	174 322
1.	increases as a result of	4 429	41 544	2 109	366	15 335	13 381	91	77 255
a)	Acquisition		4 712	1 211	289	7 779	13 282	91	27 364
b)	acquisition of a subsidiary undertaking (a note no. 5.1)	3 921	16 077	650	65	7 386	98		28 197
c)	Transfers		17 484	171	9	6			17 670
d)	reclassification								
e)	others, including:	508	3 271	77	3	164	1		4 024
	contribution in kind made by the minor stockholder of a subsidiary undertaking	508	3 234	65		133			3 940
2.	decreases due to			459	542	1 329	19 401	57	21 788
a)	sale and liquidation			459	542	1 322	1 683		4 006
b)	Transfers					7	17 606	57	17 670
c)	reclassification								
d)	Others						112		112
II.	gross value at the end of the period	13 396	141 413	11 068	1 356	50 071	12 402	83	229 789
III.	accumulated amortization		13 102	4 853	1 263	22 477			41 695

(in PLN thousand)

	(depreciation) at the beginning of the period								
1.	amortization for the period on account of:		3 834	893	-357	5 481			9 851
a)	current depreciation – increase		3 817	1 320	179	6 741			12 057
b)	depreciation - decrease			433	539	1 289			2 261
c)	adjustments		17	6	3	29			55
IV.	accumulated amortization (depreciation at the end of the period)		16 936	5 746	906	27 958			51 546
V.	Write-offs due to constant loss of value at the beginning of the period		66						66
1.	Increase		2						2
2.	Decrease								
VI.	Write-offs due to constant loss of value at the end of the period		68						68
VII.	**Net value of fixed assets at the end of the period**	**13 396**	**124 409**	**5 322**	**450**	**22 113**	**12 402**	**83**	**178 175**

As at 31/12/2013

Item	Description	land (including perpetual usufruct of land)	buildings, premises and public buildings	plant and machinery	means of transportation	other fixed assets	fixed assets under construction	advances on fixed assets under construction	total fixed assets
I.	gross value of fixed assets at the beginning of the period	7 406	86 203	7 400	1 363	29 065	9 794		141 231
1.	increases as a result of	1 561	13 688	2 117	179	7 200	13 941	49	38 735
a)	Acquisition	220	251	392	146	3 821	13 837	49	18 716
b)	acquisition of a subsidiary undertaking (a note no. 5.1)	1 341	9 444	1 184	33	3 331	104		15 437
c)	Transfers		3 881	532					4 413
d)	reclassification		112						112
e)	Others			9		48			57
2.	decreases due to		22	99	10	200	5 313		5 644
a)	sale and liquidation			88	1	173	769		1 031
b)	Transfers						4 413		4 413
c)	reclassification						112		112
d)	Others		22	11	9	27	19		88
II.	gross value at the end of the period	8 967	99 869	9 418	1 532	36 065	18 422	49	174 322
III.	accumulated amortization (depreciation) at the beginning of the period		10 110	3 819	1 102	18 127			33 158
1.	amortization for the period on account of:		2 992	1 034	161	4 350			8 537
a)	current depreciation – increase		3 015	1 100	171	4 536			8 822
b)	depreciation - decrease - liquidation			56	1	156			213
c)	adjustments		-23	-10	-9	-30			-72

(in PLN thousand)

IV.	accumulated amortization (depreciation at the end of the period)		13 102	4 853	1 263	22 477			41 695
V.	Write-offs due to constant loss of value at the beginning of the period		65						65
1.	Increase		1						1
2.	Decrease								
VI.	Write-offs due to constant loss of value at the end of the period		66						66
VII.	**Net value of fixed assets at the end of the period**	**8 967**	**86 701**	**4 565**	**269**	**13 588**	**18 422**	**49**	**132 561**

As at 31/12/2014 fixed assets in the net amount of PLN 5.853 thousand were used on the basis of financial leasing contracts (as at 31/12/2013: PLN 4.493 thousand).

Costs of servicing liabilities for financing fixed assets under construction included in the cost of manufacturing (purchase price) in a current year amounted to PLN 117 thousand (in 2013: PLN 364 thousand).

The information about fixed assets with established mortgage is presented in a note no. 33.

Moreover, as at 31/12/2014 and as at 31/12/2013 the Group used fixed assets on the basis of lease and rent contracts.

21. Leasing

21.1 Liabilities due to operating leasing – the Group as leasing recipient

As at 31/12/2014 and 31/12/2013 the Group did not possess liabilities due to operating leasing.

21.2 Liabilities due to financial leasing contracts and lease contracts with the purchase option

As at 31st December 2014 and as at 31st December 2013 future minimal leasing fees due to these contracts and current value of minimal net leasing fees are presented below:

	31/12/2014		**31/12/2013**	
	Minimal fees	**Current value of fees**	**Minimal fees**	**Current value of fees**
Up to 1 year	1 854	1 659	1 877	1 679
From 1 to 5 years	2 558	2 381	1 746	1 636
Above 5 years				
Total minimal leasing fees	4 412	4 040	3 623	3 315
Minus financial costs	372		308	-
Current value of minimal leasing fees including:	4 040	4 040	3 315	3 315

(in PLN thousand)

Short-term	1 659	1 679
Long-term	2 381	1 636

The value of new financial leasing contracts signed in a year 2014 amounted to PLN 2.899 thousand including the purchase of medical fittings and equipment.

22. The other long-term financial assets

As at 31/12/2014

Item	Description	Investment real properties	Shares and advances for shares	Total
I.	**Gross value at the beginning of the period**	**973**	**10 729**	**11 702**
1.	Increase due to			
a)	Acquisition			
b)	Acquisition of a subsidiary undertaking			
2.	Decrease		10 729	10 729
a)	Settling the acquisition of a subsidiary undertaking (a note 5.2.)		10 729	10 729
II.	**Gross value at the end of the period**	**973**	**0**	**973**
III.	Amortisation at the beginning of the period	11		11
1.	Amortisation for the period	28		28
a)	Current amortization - increase	28		28
IV.	Amortization for the end of the period	39		39
VII.	**Net value at the end of the period**	**934**	**0**	**934**

As at 31/12/2013

Item	Description	Investment real properties	Shares and advances for shares	Total
I.	**Gross value at the beginning of the period**			
1.	Increase due to	973	10 729	11 702
a)	Acquisition		10 729*	10 729
b)	Acquisition of a subsidiary undertaking (a note 5.1)	973		973
2.	Decrease			
II.	**Gross value at the end of the period**	**973**	**10 729**	**11 702**
III.	Amortisation at the beginning of the period			
1.	Amortisation for the period	11		11
a)	Current amortization - increase	11		11
IV.	Amortization for the end of the period	11		11
VII.	**Net value at the end of the period**	**962**	**10 729**	**11 691**

*In a year 2013 the Issuer incurred expenses in the amount of PLN 10.729 thousand for acquiring shares in a company RCZ Sp. z o.o. (disclosing in a note no. 5.1).

(in PLN thousand)

Investment real properties are evaluated according to the purchase price or manufacturing cost with taking into consideration the transaction costs what was described in the point 13.8

23. Investments in associated units and common undertakings evaluated by the method of property rights

As at 31/12/2014 and 31/12/2013 the Group did not make investments in associated units evaluated by the method of property rights.

24. Joining units and purchasing non-controlling shares

A balance value of goodwill was created as a result of acquiring the following parties:

Company	As at	
	31/12/2014	**31/12/2013***
Lubmed Sp. z o.o.	94	94
Mikulicz Sp. z o.o.	37	37
ZP Formica Sp. z o.o.	935	935
Silesia Med Serwis Sp. z o.o.	85	85
Regionalne Centrum Zdrowia Sp. z o.o.	3 252	
Total	**4 403**	**1 151**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

As a result of taking control in a year 2014 under the company 'Zdrowie' Sp. z o.o. (it is revealed in a note no. 5), goodwill in the amount of PLN 3.252 thousand was created.

As at 31/12/2013 the changes of goodwill did not occur.

Goodwill developed as a result of purchasing shares in subsidiary undertakings was allocated to five centers working out cash.

As at the day of acquiring, acquired goodwill is allocated to each center working out cash that may use joining synergy. Each center or the set of centers to which goodwill was assigned means the lowest level in the Group on which goodwill is monitoring for internal management needs and it is not higher than one operating segment defined in accordance with IFRS 8 – Operating segments.

As at 31/12/2014 the Group made the test due to the loss of value of each center working out cash.

Receivable value was determined on the basis of the calculation of usable value with a discount method. The calculations of usable value were made on the basis of analyzing forecasted cash flows based on the assumptions of budget for the next year and on the 5-years business plan approved by centers working out cash. Due to the test, a discount rate (weight average capital cost WACC) in the amount of 10% before taxing and a growth rate in the residua period at the level 1,3% - 2,5% were assumed. The assumptions are compatible with basic strategic goals of the Group.

Usable value is sensitive to the level of gross margin changes, the level of a growth rate in a residual period, and a discount rate. In a case of estimating the usable value of centers working out cash, management is convinced that any rationally possible change of a key assumption determined earlier will not cause that a balance value of a given center significantly exceed its receivable value.

(in PLN thousand)

On the basis of results received, the Group regarded that in the context of tested goodwill the loss of value did not occur. Consequently, the Group did not include a write-off revaluating elements' value.

In a year 2013 the shares of Piotr Gerber were automatically redeemed in a subsidiary undertaking ZP Formica Sp. z o.o. from the profit without the necessity of decreasing share capital. It was settled as the transaction with non-controlling shareholders and resulted in decreasing shares by PLN 110 thousand and decreasing retained profits of the Group by PLN 265 thousand.

25. Share in common undertaking

The Group does not possess shares in common undertakings.

26. Financial assets available for sale

The Group does not possess financial assets available for sale.

27. Employees' benefits

27.1 Employees' activities programmes

The Group does not realize employees' activities programmes.

27.2 Retirement benefits and other benefits after the period of employment

According to companies' remuneration systems employees of the Groups' companies have the right to anniversary rewards and retirement gratuities. Anniversary rewards are paid after working over a defined number of years. Retirement gratuities are paid only once at the moment of retiring. The amount of retirement gratuities and anniversary rewards depends on work experience and average payroll of the employee.

In a year 2014 it was first time the Group had used the services of a professional actuarial company to calculate reserves for current value of liabilities due to retirement benefits and anniversary rewards.

The main assumptions as at a balance day for counting a liability amount are as follows:

		31/12/2014	**31/12/2013**
Discount rate (%)		2,5	5
The ratio of employees' fluctuation (%)	a contract for an indefinite period: a contract for a specified period:	2,9 - 8,7 7,9 -	8
Predicted rate of payroll increase (%)		0 - 2,5	3

ITEM / BENEFIT	Retirement benefits	Jubilee awards	Not used holidays
Current value of the liability as at 01/01/2014	935	1 843	1 938
Other increases	18		
Acquiring a new entity	456		962
Costs of current employment	127	194	206
Net interest on the net liability	63	118	
Actuarial profits or losses	837	1 684	

Costs of previous employment			
Benefits paid	-199	-398	
Creating new reserves		564*	
Current value of the liability as at 31/12/2014	2 237	4 005	3 106
including:			
short-term	187	519	3 106
long-term	2 050	3 486	

*creating new reserves results from the change of policy concerning jubilee rewards' payments being the effect of negotiations with trade unions.

The data for a comparable period were not included as in a year 2013 the Group created reserves for those benefits on the basis of memorial and calculations resulting from personnel data an own estimates.

The reserve amounts and the changes during a financial year were presented in the table in the point 34.1.

Sensitivity analysis

Retirement reserve

Change of the approved discount rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	-192	-192
	-1%	105	105
As at 31/12/2013			
in PLN thousand	+1%	-61	-61
	-1%	66	66

Change of the approved discount rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	-74	-74
	-1%	84	84
As at 31/12/2013			
in PLN thousand	+1%	-68	-68
	-1%	75	75

Change of the approved discount rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	223	223
	-1%	-161	-161
As at 31/12/2013			
in PLN thousand	+1%	68	68
	-1%	-61	-61

Reserve for jubilee rewards

Change of the rotation rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	-241	-241
	-1%	272	272
As at 31/12/2013			
in PLN thousand	+1%	-88	-88
	-1%	98	98

Change of the rotation rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	-164	-164
	-1%	179	179
As at 31/12/2013			
in PLN thousand	+1%	-102	-102
	-1%	112	112

Change of the rotation rate by 1 per cent point	Increase / decrease by per cent points	Influence on total costs of current employment and interest	Influence on the liability due to particular benefits
As at 31/12/2014			
in PLN thousand	+1%	270	270
	-1%	-231	-231
As at 31/12/2013			
in PLN thousand	+1%	99	99
	-1%	-91	-91

The amount of costs due to retirement benefits (costs of current employment) was revealed in a note no. 14.6 of a given financial statement.

28. Inventories

Inventories	**As at**	
	31/12/2014	**31/12/2013**
Materials	2 775	1 817
Goods	170	164
Total	**2 945**	**1 981**

As at 31st December 2014 and as at 31st December 2013 the Group did not create write-offs actualizing inventories value.

As at 31st December 2014 and as at 31st December 2013 the Group did not make a reverse of write-offs actualizing inventories value.

None of categories constituted securities of credits and loans as at 31st December 2014, as at 31st December 2013. As at 31st December 2014 and as at 31st December 2013 there were not inventories evaluated in a net sale price.

29. Receivables due to deliveries and services and the other receivables

(in PLN thousand)

Short-term receivables	**As at**	
	31/12/2014	**31/12/2013**
relative to deliveries and services	39 834	19 989
relative to taxes, grants, customs, social insurance including:	1 801	183
- due to VAT	362	80
- due to CIT	1 320*	12
- due to ZUS (Social Insurance Institution)	21	17
- others	98	74
Others	268	235
Total short-term receivables-gross	**41 903**	**20 407**
Impairment write-offs on receivables	**12 061**	**3 178**
Total short-term receivables-net	**29 842**	**17 29**

* the increase of receivables due to CIT results from the adjustment of CIT declaration and the application for approving the overpayment – disclosure in a note 38.2

Receivables due to deliveries and services are not bearing and have 21 days maturity date on average.

About 85 % Group's revenues are realized in the scope of contracts with NHF – a certain and punctual payer. The other commercial sale the Group realizes in the non-cash form in the scope of contracts with insurance companies and in cash form in the scope of servicing individual customers.

It is the reason why there is no additional credit risk (in the Board of Management view) above the level determined by an impairment write-off on non-collectible receivables suitable for trade receivables resulting from generating the surplus of services – what is connected with the specificity of the Group activities .

Changes of an impairment write-off on receivables were as follows:

As at 31/12/2014

Item	**Write-offs due to receivables acc. to deliveries and services**	**Due to deliveries and services**	**Due to the surplus of services**	**Others**	**Total**
I.	Value of the write-off at the beginning of the period	448	2 727	3	3 178
1.	Increase due to	323	9 275		9 598
a)	Creation	198	4 559		4 757
b)	Acquiring a subsidiary undertaking (a note no. 5.1)	118	4 716		4 834
c)	Others	7			7
2.	Decrease due to	102	610	3	715
a)	Usage	88	569	3	660
b)	Solving the write-off	14	41		55
II.	**Value of the write-off at the end of the period**	**669**	**11 392**	**0**	**12 061**

(in PLN thousand)

Regarding the risk that receivables will not be paid, as at 31/12/2014 the balance of receivables actualization write-offs in the amount of PLN 12.061 thousand was kept (as at 31/12/2013: PLN 3.178 thousand). A big increase of actualization write-offs value in a year 2014 results from taking control under the company RCZ Sp. z o.o. generating meaningful value of the surplus of the services that accordingly to the Group's management view were embraced with write-offs (a note 7.1).

As at 31/12/2013

Item	Write-offs due to receivables acc. to deliveries and services	Due to deliveries and services	Due to the surplus of services	Others	Total
I.	Value of the write-off at the beginning of the period	209	3 357	7	3 573
1.	Increase due to	400	984		1 384
a)	Creation	308	969		1 277
b)	Acquiring a subsidiary undertaking (a note no. 5.1)	92	15		107
2.	Decrease due to	160	1 614	4	1 778
a)	Usage	137	590		727
b)	Solving the write-off	20	1 024	4	1 048
c)	Others	3			3
II.	**Value of the write-off at the end of the period**	**448**	**2 727**	**3**	**3 178**

The table below presents the analysis of receivables due to deliveries and services that as at 31st December 2014 and as at 31st December 2013 were overdue, however, they were not regarded as non-collectible and they were not embraced with a write-off.

As at	Total	Non-overdue	Overdue but collectible				
			<30 days	30-90 days	90-180 days	180-360 days	>360 days
31/12/2014	27 773	24 660	287	140	101	30	2 555
31/12/2013	16 814	15 746	799	160	89	14	6

30. Cash and its equivalent

Cash in a bank is bearing due to changeable interest rates whose amount depends on an interest rate of one-day bank deposits. Short-term deposits are made in different periods (i.e. one day, one month) dependently on a current demand of the Group on cash and they are bearing due to interest rates established for them. Fair value of cash and its equivalent as at 31st December of 2014 amounts PLN 16.931 thousand (as at 31st December of 2013: PLN 59.685 thousand).

As at 31st December of 2014 the Group disposed not used granted credit cash in the amount of PLN 8.897 thousand (as at 31st December of 2013: PLN 7.608 thousand).

A balance of cash and its equivalents disclosed in a consolidated cash flow statement consisted of the following items:

Cash and its equivalent	As at

	31/12/2014	31/12/2013
Cash in hand	104	130
Cash in bank accounts	5 031	23 236
Deposits	11 788	36 292
Transit cash	8	27
Total cash and its equivalent	**16 931**	**59 685**
Change of cash state due to exchange rates differences	-2	-4
Total cash and its equivalent disclosed in a consolidated cash flow statement	**16 929**	**59 681**

31. Share capital

31.1 Share capital

Shares series	Type	The number of shares As at	
		31/12/2014	31/12/2013
A	registered/ preference	1 500 038	1 500 038
B	Bearer	2 500 062	2 500 062
C	Bearer	1 500 000	1 500 000
D	Bearer	400 000	400 000
E	Bearer	737 512	737 512
F	Bearer	500 000	500 000
G	Bearer	1 189 602	1 189 602
H	Bearer	3 692 310	3 692 310
TOTAL		**12 019 524**	**12 019 524**

On the 19th December of 2013 (the resolution no. 39/2013) the Extraordinary Meeting of Shareholders of EMC Instytut Medyczny SA made the decision about increasing share capital of the Company by issuing H series 3.692.310 bearer shares with nominal value PLN 4 each excluding pre-emptive rights of current shareholders. The content of the resolutions adopted at the Extraordinary Meeting of Shareholders on the 19th December of 2013 was presented in a current report no. 111/2013 on the 19th December of 2013.
The aim of the issuance is to obtain financial resources that the Company will allocate for realizing investments in developing EMC by extension and new acquisitions.
According to the resolution of the Management Board no. 18/2013 on the 19th December of 2013 H series stocks were offered as the private subscription for shareholders from CareUp B.V and PZU Fundusz Inwestycyjny Zamknięty Aktywów Niepublicznych BIS 2 managed and represented by Towarzystwo Funduszy Inwestycyjnych PZU Spółka Akcyjna. The issuing price of H series stocks was established as PLN 19,5 each.

(in PLN thousand)

According to the resolution of the Management Board, stocks were allocated in accordance with allocation principles determined in preeliminary contracts in the following way:

1. CareUp B.V.LTd., launched and running according to the Dutch law, with its register seat in Amsterdam will take up H series 2.743.940 stocks,
2. PZU FIZ AN BIS 2 with its register seat in Warsaw, the fund represented and managed by TFI PZU SA with its register seat in Warsaw, will take up H series 948.370 stocks.

On the 19h December of 2013 a final contract of contemplating H shares with CareUp B.V was signed (the information is included in a current report no. 113/2013).
On the 24h December of 2013 a final contract of contemplating H shares with PZU FIZ AN BIS 2 was signed (the information is included in a current report no. 118/2013.

Series H shares were paid only by cash contribution.

On the 25th March 2014 the Company received the decision of the District Court (as at 14th March 2014), Wroclaw-Fabryczna in Wroclaw, VIth Commercial Department of the National Court Register. Due to the decision, the court made an entry to the entrepreneurs' register of the National Court Register about increasing share capital of the Company from PLN 33.308.856,00 to PLN 48.078.096,00 (increase by PLN 14.769.240,00).

After registering H series stocks a total number of stocks increased to 12.019.524 and a number of votes at the General Meeting of Shareholders to 13.519.562.

31.1.1 Nominal value of shares

All issued shares have nominal value amounting PLN 4 and they were totally paid.

31.1.2 Shareholders' rights

A series shares are preference – one share means two votes at Shareholders Meeting. All shares are preference in the same way due to dividends and return on equity.

31.1.3 Conversion of bonds into shares

In a year ended on 31st December of 2014 and on the 31st December of 2013 conversion of bonds into shares was not made.

31.1.4 Shareholders with significant contribution

As at 31/12/2014

Shareholder	A number of shares series A, B, C, D, E, F, G, H	% share in share capital	A number of votes on a General Meeting	% share in a total number of votes on a General Meeting
CareUp B.V.	8 440 450	70,22%	9 940 488	73,53%
PZU Group	3 435 638	28,58%	3 435 638	25,41%

On the 3rd January 2014 the Management Board of EMC Instytut Medyczny S.A. received the letter from CareUp B.V. about purchasing stocks of the company EMC Instytut Medyczny S.A. by CareUp B.V. with its register seat in Amsterdam in terms of joining the company Soporto Invest B.V. on the 27th December 2013.

As at 31/12/2013

Shareholder	A number of shares series	% share in share capital	A number of votes on a General	% share in a total number of votes

	A, B, C, D, E, F, G, H		Meeting	on a General Meeting
Soporto Invest B.V.	1 215 779	10,12%	2 013 522	14,89%
CareUp B.V. (CareUp B.V. with Soporto Invest B.V.)	7 224 671 (8 440 450)	60,10% (70,22%)	7 926 966 (9 940 488)	58,64% (73,53%)
PZU Group	3 435 638	28,58%	3 435 638	25,41%

32. Supplementary capital

Supplementary capital in the amount of PLN 81.317 thousand was created from the surplus of issuance value over nominal value that was decreased by costs of shares issuance included as the decrease of supplementary capital.

Shares series	Surplus of issuance value over nominal value	Costs of issuance	Net result on supplementary capital
series A-C	5 400	1 421	3 979
series D	4 200	272	3 928
series E	6 637	1 000	5 637
series F	10 500	2 684	7 816
series G	4 592	748	3 844
series H	57 231	1 118	56 113
Total	**88 560**	**7 243**	**81 317**

32.1 The other capital

	Capital characteristic		Total
As at 01/01/2014			**-4 443**
Reserve capital	*Joining entities under mutual control of Piotr Gerber*	-4 635	
Exchange currency differences due to revaluation of foreign entities		192	
As at 31/12/2014			**-4 407**
Reserve capital	*Joining entities under mutual control of Piotr Gerber*	-4 635	
Exchange currency differences due to revaluation of foreign entities		228	
As at 01/01/2013			**-4 479**
Reserve capital	*Joining entities under mutual control of Piotr Gerber*	-4 635	
Exchange currency differences due to revaluation of foreign entities		156	
As at 31/12/2013			**-4 443**
Reserve capital	*Joining entities under mutual control of Piotr Gerber*	-4 635	

(in PLN thousand)

Exchange currency differences due to revaluation of foreign entities	192

32.2 Retained earnings and limitation of dividend payment

Retained earnings include also amounts that are not the subject of division what means that they cannot be paid in the form of dividends.

Statutory financial statements of subsidiary undertakings are prepared in accordance with Polish accountancy standards. A dividend can be paid on the basis of a financial result established in a unitary annual financial statement prepared for statutory goals.

According to the requirements of the Code of Commercial Companies, a dominant unit is obliged to create supplementary capital for covering a loss. At least 8% of profit for a given financial year revealed in a unitary financial statement of a dominant unit is transferred to supplementary capital until this capital achieves at least one third of initial capital of a dominant unit. The General Meeting of Shareholders decides about using supplementary capital and reserve capital. Nevertheless, a part of supplementary capital in the amount of one third of share capital can be used only for covering the loss disclosed in a unitary financial statement of a dominant unit and it cannot be divided into other goals.

As at the 31st December of 2014 there are no other limitations concerning dividend payment.

32.3 Non-controlling shares

	As at	
	31/12/2014	**31/12/2013***
At the beginning of the period	4 258	3 099
Share in a result of subsidiary undertakings	-367	-20
Dividends paid by subsidiary undertakings		-18
Changes in the structure of shareholders in subsidiary undertakings	3 940**	-110
Taking control under a subsidiary		1 307
At the end of the period	**7 831**	**4 258**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

**In a year 2014 a non-controlling shareholder Katowice City increased capital in the subsidiary EMC Silesia Sp. z o.o. in the amount of PLN 3.940 thousand. By the day of compiling the given financial statement, increasing capital had not been registered in the National Court Register yet (disclosure in a note no. 5.1).

In a year 2013 the shares of Piotr Gerber were automatically redeemed in a subsidiary undertaking ZP Formica Sp. z o.o. from the net profit without the necessity of decreasing share capital. It was settled as the transaction with non-controlling shareholders and resulted in decreasing shares by PLN 110 thousand.

Taking control under a company 'Zdrowie' Sp.z o.o. in a year 2013, a dominant unit obtained 87,49% shares in the capital of the company 'Zdrowie' Sp.z o.o. As at the day of acquiring the amount of non-controlling shares amounted PLN 1.307 thousand.

The details of subsidiaries having significant non-controlling shares are presented below:

Entity	% share and votes rights having by non-controlling shareholders		Profit / loss allocated for non-controlling shares [in PLN thousand]	Cumulated value of non-controlling shares [in PLN thousand]	
	31/12/2014	31/12/2013	2014	31/12/2014	31/12/2013
EMC "Silesia " Sp. z o.o.	34,18%	19,37%	-17	6 622	2 733
"Zdrowie" Sp. z o.o.	12,51%	12,51%	-342	774	1 139

As at 31/12/2014 and as at 31/12/2013 the share in a total number of votes having in subsidiary undertakings by non-controlling shareholders is equal to the share of non-controlling shareholders in capital of those entities.

Financial information referring to all subsidies, a in which there are significant non-controlling shares is presented below. The amounts have been adjusted to the effect of transactions amongst entities in the Group.

	EMC Silesia Sp. z o.o.		"Zdrowie" Sp. z o.o.	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Current assets	1 082	1 609	4 959	4 807
Fixed assets	23 746	15 534	15 599	16 713
Short-term liabilities	1 025	792	7 577	6 387
Long-term liabilities	4 249	2 223	6 788	6 026
Capital assigned to the stockholders of a dominant unit	12 870	11 391	5 418	7 968
Capital of non-controlling shareholders	6 684	2 737	775	1 139
Revenues	6 230	5 688	30 909	12 544
Costs	6 371	5 286	34 314	14 165
Profit / loss in a financial year	-141	402	-3 405	-1 621
Net profit / loss assigned to the stockholders of a dominant unit	-13	268	-2 386	-1 153
Net profit / loss assigned to the non-controlling stockholders	-7	64	-342	-165
Net profit / loss in a financial year	-20	332	-2 728	-1 318
The other comprehensive income assigned to the stockholders of a dominant unit	-66	-6	-163	-23
The other comprehensive income assigned to the non-controlling stockholders of a dominant unit	-34	-1	-23	-3
The other comprehensive income in a financial year	-100	-7	-186	-26

(in PLN thousand)

33. Interest - bearing bank credits, loans, and bonds

Item	As at 31/12/2014				
	Total	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Above 5 years
Credits and loans	36 171	21 161	3 560	2 950	8 500
Loans from related parties	943	943			
Due to bonds issuance	7 062	167	6 895		
Total	**44 176**	**22 271**	**10 455**	**2 950**	**8 500**

Item	As at 31/12/2013				
	Total	Up to 1 year	From 1 to 3 years	From 3 to 5 years	Above 5 years
Credits and loans	38 468	21 528	4 037	2 950	9 953
Loans from related parties	9	9			
Due to bonds issuance	7 028	168		6 860	
Total	**45 505**	**21 705**	**4 037**	**9 810**	**9 953**

As at 31/12/2014

Bank	Credit/loan/bonds amount acc. to the contract	Credit/loan/bonds amount still to be repaid	Interest rate conditions	Repayment date	Securities

Bank Pekao SA	5 722	1 085	WIBOR 1M +2,2 %	31/10/2016	mortgage to the amount of PLN 5.722 thousand, bail mortgage to the amount of PLN 2.804 thousand – a hospital in Ząbkowice at 5 Chrobrego street, assignment of rights from contracts with NFZ - a hospital in Ząbkowice, assignment of rights from the contract of insurance, a blank promissory note with a promissory note declaration, authorization for disposing cash in a current account
Bank Pekao SA	3 500	0	WIBOR 1M +2,05 %	30/09/2015	bail mortgage to the amount of PLN 5.200 thousand (real estate in Kowary at 14c Jeleniogórska Street), secondary bail mortgage to the amount of PLN 5.200 thousand (real estate in Zabkowice Slaskie at 5 Chrobrego Street), assignment of rights from insurance policy of the real estate, assignment of claims from contracts due to rendering services for NHF – a hospital in Ząbkowice Śląskie; a blank promissory note of Issuer's issue with a promissory note declaration, authorization for disposing cash in a current account, declaration about submitting to enforcement
Bank Pekao SA	800	237	WIBOR 1M + 3%	31/05/2014	bail mortgage to the amount of PLN 1.300 thousand (real estate – 35 Armia Krajowa street, 82 Gwarków street) with assignment of rights from insurance policy of the real estate, a blank promissory note, assignment of claims from contracts due to rendering services for NHF, declaration about submitting to enforcement, authorization for disposing cash in a current account
DnB Bank Polska SA	19 202	14 692	WIBOR 3M + 1,7 %	31/07/2026	registered pledge to the amount of PLN 30.000 thousand due to Cadolto modules, authorization for disposing cash in a current account, taking on a debt of EMC Piaseczno Sp. z o.o.; assignment of claims from contracts due to rendering services for NHF or another unit from EMC Group in the amount of not lower than PLN 40.000 thousand; subordinating liabilities due to Piotr Gerber; assignment of claims from the insurance contract; declaration about submitting to enforcement
BGŻ SA	913	533	WIBOR 3M + 2,5 %	19/04/2017	real estate mortgage to the amount of PLN 1.369 thousand (real estate in Kowary at Jeleniogórska street and in Wrocław at Pilczycka street); assignment of rights from insurance policy of the real estate; authorization for disposing cash in a current account; a blank promissory note
BGŻ SA	2 000	0	WIBOR 1M + 2,5 %	20/02/2016	real estate mortgage to the amount of PLN 24.000 thousand (real estate in Pilczycka Street, Wroclaw) with assignment of rights from insurance policy of the real estate; registered pledge on the claim from contracts between PCZ Kowary Sp.z o.o and NHF; authorization for disposing cash in a current account; a blank promissory note of Issuer's issue with a promissory note declaration

(in PLN thousand)

BGŻ SA	13 448	9 080	WIBOR 3M + 2,5 %	30/07/2019	real estate mortgage to the amount of PLN 24.000 thousand (real estate in Pilczycka Street, Wroclaw) with assignment of rights from insurance policy of the real estate; registered pledge on the claim from contracts between PCZ Kowary Sp.z o.o and NHF; authorization for disposing cash in a current account; a blank promissory note of Issuer's issue with a promissory note declaration
BGŻ SA	9 000	9 000	WIBOR 3M + 2,5%	31/12/2020	total bail mortgage to the amount of PLN 13.500 thousand (real estate: 15, 15a Sanatoryjna street with hospital buildings) with assignments of rights from insurance policy of the real estate being the credit security; registered pledge on receivables from contracts due to benefits between PCZ and NHF; a blank promissory note with a promissory note declaration
Mleasing Sp. z o.o.	233	192	WIBOR 6M +2,74%	31/05/2017	transfer of ownership right for security
PBS Kwidzyn	403	403	WIBOR 1M +2,49%	30/10/2019	Kwidzyński City and Poviat quarantee, a blank promissory note with a promissory note declaration, declaration about submitting to enforcement under the art. 97 of the Bank Law, the power of attorney due to disposing cash in a current account shall be irrecoverable
National Fund for Environmental Protection and Water Management	869	783	WIBOR 3M +0,5%	20/12/2021	a blank promissory note bearing a clause 'no protest' (with a promissory note declaration) for securing the repayment of loan, interest due to rate, and interest due as for the contract and counting in the same amount like for tax liabilities with tax declaration
PKO BP SA	3 000	166	WIBOR 1M +1,8%	30/12/2016	registered pledge due to debt resulting from the contract with NHF regarding rendering health benefits for hospital care as well as due to the future claims defined in an appropriate annexe to the NHF annexe -– RCZ Sp.z o.o. contractual mortgage to the amount of PLN 4.500 thousand; assignments of rights from insurance policy
Spółdzielcza Grupa Bankowa SA issuance agent (bonds)	7 000	7 062	Wibor 6M + 3,5%	13/08/2017	bail mortgage to the amount of PLN 10.500 thousand (real estate in Świebodzice - the owner is a subsidiary undertaking Mikulicz Sp.z o.o with its register seat in Świebodzice)
CareUp B.V.	940	943	WIBOR 1M +3%	31/12/2015	-
Total credits, loans, and bonds	**67 030**	**44 176**			

(in PLN thousand)

As at 31/12/2013

Bank	Credit/loan/bonds amount acc. to the contract	Credit/loan/bonds amount still to be repaid	Interest rate conditions	Repayment date	Securities
Bank Pekao SA	5 722	1 677	WIBOR 1M +2,2 %	31/10/2016	mortgage to the amount of PLN 5.722 thousand, bail mortgage to the amount of PLN 2.804 thousand – a hospital in Ząbkowice, assignment of rights from contracts with NFZ - a hospital in Ząbkowice, assignment of rights from the contract of insurance, a blank promissory note with a promissory note declaration, authorization for disposing cash in a current account
Bank Pekao SA	3 500	2 866	WIBOR 1M +2,5 %	23/01/2014	bail mortgage to the amount of PLN 5.200 thousand (real estate in Kowary at 14c Jeleniogórska Street), assignment of rights from insurance policy of the real estate, assignment of claims from contracts due to rendering services for NHF – a hospital in Ząbkowice Śląskie, a blank promissory note of Issuer's issue with a promissory note declaration, authorization for disposing cash in a current account, declaration about submitting to enforcement
DnB Bank Polska SA	19 202	15 950	WIBOR 3M + 1,7 %	31/07/2026	registered pledge to the amount of PLN 30.000 thousand due to Cadolto modules, authorization for disposing cash in a current account, taking on a debt of EMC Piaseczno Sp. z o.o., assignment of claims from contracts due to rendering services for NHF or another unit from EMC Group in the amount of not lower than PLN 40.000 thousand; subordinating liabilities due to Piotr Gerber; assignment of claims from the insurance contract; declaration about submitting to enforcement
BGŻ SA	913	761	WIBOR 3M + 2,5 %	19/04/2017	real estate mortgage to the amount of PLN 1.369 thousand (real estate in Kowary at Jeleniogórska street and in Wrocław at Pilczycka street); assignment of rights from insurance policy of the real estate; authorization for disposing cash in a current account; a blank promissory note
BGŻ SA	2 000	0	WIBOR 1M + 2,5 %	30/12/2014	real estate mortgage to the amount of PLN 24.000 thousand (real estate in Pilczycka Street, Wroclaw) with assignment of rights from insurance policy of the real estate; registered pledge on the claim from contracts between PCZ Kowary Sp.z o.o and NHF; authorization for disposing cash in a current account; a blank promissory note of Issuer's issue with a promissory note declaration
BGŻ SA	13 448	11 176	WIBOR 3M + 2,5 %	30/07/2019	real estate mortgage to the amount of PLN 24.000 thousand (real estate in Pilczycka Street, Wroclaw) with assignment of rights from insurance policy of the real estate; registered pledge on the claim from contracts between PCZ Kowary Sp.z o.o and NHF; authorization for disposing cash in a current account; a blank promissory note of Issuer's issue with a promissory note declaration

(in PLN thousand)

Bank Pekao SA	660	254	WIBOR 1M + 3%	31/05/2014	bail mortgage to the amount of PLN 1.300 thousand (real estate – 35 Armia Krajowa street, 82 Gwarków street) with assignment of rights from insurance policy of the real estate, a blank promissory note, assignment of claims from contracts due to rendering services for NHF, declaration about submitting to enforcement, authorization for disposing cash in a current account
BGŻ SA*	9 000	4 432	WIBOR 3M + 2,5%	31/12/2020	total bail mortgage to the amount of PLN 13.500 thousand (real estate: 15, 15a Sanatoryjna street with hospital buildings) with assignments of rights from insurance policy of the real estate being the credit security; registered pledge on receivables from contracts due to benefits between PCZ and NHF; a blank promissory note with a promissory note declaration
PBS Kwidzyn	1 200	80	WIBOR 3M +1,5%	15/12/2014	Powiat Kwidzyński quarantee
PBS Kwidzyn	403	403	WIBOR 1M +2,49%	30/10/2019	Kwidzyński City and Poviat quarantee, a blank promissory note with a promissory note declaration, declaration about submitting to enforcement under the art. 97 of the Bank Law, the power of attorney due to disposing cash in a current account shall be irrecoverable
National Fund for Environmental Protection and Water Management	869	869	WIBOR 3M +0,5%	20/12/2021	a blank promissory note bearing a clause 'no protest' (with a promissory note declaration) for securing the repayment of loan, interest due to rate, and interest due as for the contract and counting in the same amount like for tax liabilities with tax declaration
Spółdzielcza Grupa Bankowa SA issuance agent (obligacje)	7 000	7 028	Wibor 6M + 3,5%	13/08/2017	bail mortgage to the amount of PLN 10.500 thousand (real estate in Świebodzice - the owner is a subsidiary undertaking Mikulicz Sp.z o.o with its register seat in Świebodzice)
Piotr Gerber	2 905	9	7,41%	31/01/2014	-
Total credits, loans, and bonds	**66 822**	**45 505**			

*as at 31/12/2013 the credit was used partially

On the 21st January of 2014 the Issuer signed the annex due to a credit contract with the bank PKO S.A. with its register seat in Warsaw. The contract concerned granting the revolving credit in a current account. On the basis of the annex the maturity date was prolonged until 23rd January 2014. The other important conditions of the credit contract did not change. The information about signing the annex was presented in a current report no. 9/2014 on the 22nd January of 2014.

On the 17th February of 2014 the annex to a credit contract with the bank bank PKO S.A. with its register seat in Warsaw was signed. The contract concerned the revolving credit in a current account. On the basis of the annex the maturity date was prolonged until 23rd January 2015. The other important conditions of the credit contract did not change. The information about signing the annex was presented in a current report no. 30/2014 on the 17th January of 2014.

On the 17th December 2014 the annex to a credit contract with the bank bank PKO S.A. with its register seat in Warsaw was signed The contract concerned the revolving credit in a current account. On the basis of the annex the maturity date was prolonged until 30th September 2015, the credit interest rate was set as WIBOR 1M +2,05 pp. The other important conditions of the credit contract did not change. The information about signing the annex was presented in a current report no. 112/2014 on the 23rd December 2014.

(in PLN thousand)

On the 22nd December 2014 On 24th December of 2013 the Issuer signed the annex to the current credit contract in a current account with the Bank Gospodarki Żywnościowej SA with its register seat in Warsaw. On the basis of the annex the term of credit repayment was changed, and it was prolonged (as for technical reasons) until the 20th February 2015.

On the 22nd December 2014 the company Regionalne Centrum Zdrowia Sp. z o.o. in Lubin signed with the bank PKO Bank Polski SA (previously Nordea Bank Polska SA) the annexe to the credit contract in a current account. On the basis of the annexe the maturity date was prolonged to 30th December 2016. The other important conditions of a credit contract did not change.

As at 31st December of 2014 the Group did not slightly fulfil the part of financial conditions (ratios) included in the following credit contracts:

Bank	Type of a credit	The amount of credit/ loan acc. to a contract	The amount of credit to be paid as at 31/12/2014	Interest rate conditions	Maturity date
BGŻ SA	An investment credit	9 000	9 000	WIBOR 3M + 2,5 %	31/12/2020
BGŻ SA	An investment credit	913	533	WIBOR 3M + 2,5 %	19/04/2017
BGŻ SA	An investment credit	13 448	9 080	WIBOR 3M + 2,5 %	30/07/2019

As for not fulfilling contractual conditions and in accordance with the article 69 of IAS 1 the Company assigned a long-term part of the investment credit in the amount of PLN 14.785 thousand to short-term liabilities.

Those credits were not requested despite not fulfilling financial conditions as at 31st December of 2014. On the 13th January 2015 the Issuer has received the letter from the BGŻ bank that despite not realizing financial provisions, the bank does not predict to impose sanctions. On the basis of discussing and corresponding with the bank BGŻ the Board of Management does not expect the repayment of the credit to be requested. Additionally, negotiations in terms of the change of the level of contractual ratios are being made.

Loans

On the basis of a loan contract signed on the 25th September 2013 with CareUp B.V. with its register seat in Amsterdam, on the 5th December of 2014 the Issuer requested the loan payment in the amount of PLN 94N thousand. In the first half of a year 2014 the cash was transferred into the Issuer's account.

(in PLN thousand)

34. Reserves

34.1 Change of the reserve state

As at 31/12/2014

Item		Description	Retirement benefits and similar ones	For jubilees	Patients' claims	For future liabilities	Total
		Long-term					
I.		Reserve value at the beginning of the period	935	1 558	1 648		4 141
	1.	Increase due to	1 160	2 062	85		3 307
	a)	acquiring a subsidiary (a note 5.1)	417				417
	b)	Creation	743	2 062	85		2 890
	2.	Decrease due to	45	134	1 546		1 725
	a)	Usage			1 546		1 546
	b)	finishing an unnecessary reserve	15	88			103
	c)	Reclassification	30	46			76
II.		**Reserve value at the end of the period**	2 050	3 486	187		5 723
		Short-term					
I.		Reserve value at the beginning of the period		285	675	204	1 164
	1.	increase due to	235	440	411	289	1 375
	a)	acquiring a subsidiary undertaking	39				39
	b)	Creation	155	394	411	289	1 249
	c)	Reclassification	30	46			76
	d)	Others	11				11
	2.	decrease due to	48	206		225	479
	a)	Usage	1			152	153
	b)	finishing an unnecessary reserve	47	206		73	326
II.		**Reserve value at the end of the period**	187	519	1 086	268	2 060

As at 31/12/2013

Item		Description	Retirement benefits and similar ones	For jubilees	Patients' claims	For future liabilities	Total
		Long-term					
I.		Reserve value at the beginning of the period	655	301	1 311		2 267
	1.	Increase due to	344	1 329	337		2 010
	a)	acquiring a subsidiary (a note 5.1)	145	969			1 114

(in PLN thousand)

b)	Creation	91	360	337		788
c)	discount rate adjustment	108				108
2.	Decrease due to	64	72			136
a)	finishing an unnecessary reserve	115				115
b)	Reclassification		72			72
c)	discount rate adjustment	-51				-51
II.	**Reserve value at the end of the period**	935	1 558	1 648		4 141
	Short-term					
I.	Reserve value at the beginning of the period				66	66
1.	increase due to		523	675	204	1 402
a)	acquiring a subsidiary undertaking		162	623	124	909
b)	Creation		227	52	80	359
c)	Reclassification		72			72
d)	Others		62			62
2.	decrease due to		238		66	304
a)	Usage		6		33	39
b)	finishing an unnecessary reserve		232		33	265
II.	**Reserve value at the end of the period**		285	675	204	1 164

35. The other liabilities, liabilities due to deliveries and services as well as prepayments and accruals

35.1 The other liabilities (long-term)

Long term liabilities	As at	
	31/12/2014	**31/12/2013***
- settlement with NHF (concerning ‘Zdrowie’ Sp. z o.o.)		699
- liability due to a final promised payment amount for shares in a company ‘Zdrowie’ Sp. z o.o.	6 800	6 800
- evaluation of the liability due to a promised payment for shares in a company ‘Zdrowie’ Sp. z o.o.	-330	-415
- liability due to using shares in a company ‘Zdrowie’ Sp. z o.o.	369	516
- evaluation of the liability due to using shares in a company ‘Zdrowie’ Sp. z o.o.	-36	-55
- subsidies with return risk (concerning „Zdrowie” Sp.z o.o.)	1 286	1 286
- liability paid in instalments due to the purchase of fixed assets (concerning RCZ Sp. z o.o.)	406	
Total	**8 495**	**8 831**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie” Sp. z o.o.

(in PLN thousand)

35.2 Liabilities due to deliveries and services and the other liabilities (short-term)

Short-term liabilities	As at	
	31/12/2014	31/12/2013*
due to deliveries and services	18 050	13 205
liabilities due to CIT	51	185
the other liabilities, including:	11 982	8 305
- due to VAT	46	10
- due to ZUS (Social Insurance Institution)	4 239	2 943
- due to PIT	1 284	869
- due to PFRON (National Fund for the Rehabilitation of Disabled)	41	129
- tax due to real estates		5
- due to remuneration	4 124	2 875
- liability due to subsidy return from the Marshal Office in Gdańsk	240	267
- settlement with NHF		689
- liability due to leasing shares in a company 'Zdrowie' Sp. z o.o	150	148
- subsidies with return risk (concerning „Zdrowie" Sp.z o.o.)		233
-liabilities awarded with judgment	1 610	
- others	248	137
Total	**30 083**	**21 695**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

Principles and payment conditions of mentioned financial liabilities are as follows:

- liabilities due to deliveries and services are not interest bearing and they are usually settled in terms of 21 days,
- the other liabilities are not interest bearing.

35.3 Accruals (disclosed in liabilities)

Prepayments and accruals	As at	
	31/12/2014	31/12/2013*
Long-term, including:	**5 733**	**3 336**
Subsidies for purchasing fixed assets	3 420	1 826
Settling free of charge fixed assets approved	1 269	953
Rent paid in advance	696	553
The others	348	4
Short-term, including:	**4 095**	**2 322**
Subsidies for purchasing fixed assets	128	26

(in PLN thousand)

Settling free of charge fixed assets approved	355	180
Reserves for unused holiday	3 106	1 952
Rent paid in advance	238	95
The others	268	69
Total	**9 828**	**5 658**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

36. Reasons for differences between balance changes of some items and changes resulting from a cash flow statement

	Description	As at 31/12/2014	As at 31/12/2013*
Receivables	**A balance change of short-term and long-term receivables**	**-12 613**	**-3 033**
	Taking control under a subsidiary	12 892	3 389
	Receivable due to CIT tax (return CIT tax for a year 2008)	949	
	A change of receivables change in a cash flow statement	**1 228**	**356**
Liabilities	**A balance change of operating liabilities excluding loans and credits**	**8 911**	**9 003**
	Liabilities due to financial leasing	-725	472
	Taking control under a subsidiary	-12 362	-14 075
	A change of investment liabilities	113	184
	The amount paid in lieu for shares in subsidiaries	146	
	Others	28	
	A change of operating liabilities in a cash flow statement	**-3 889**	**-4 416**
Inventories	**A balance change of inventories**	**-964**	**-758**
	Taking control under a subsidiary	908	485
	A balance change of inventories state in a cash flow statement	**-56**	**-273**
Reserves	**A balance change of reserves**	**2 478**	**2 972**
	Taking control under a subsidiary	-456	-2 231
	Eliminating the change of reserves state included in comprehensive income	-837	- 159
	Reserves for not used holiday – the result of previous years		
	A balance change of reserves state in a cash flow statement	**1 185**	**582**
Prepayments	**A balance change of prepayments**	**4 215**	**4 044**
	Taking control under a company 'Zdrowie' Sp. z o.o..	-1 115	-586
	Costs of obtaining capital incurred in previous years		-806
	Eliminating free of charge received fixed assets in a given period	-608	

(in PLN thousand)

	A change of prepayments in a cash flow statement	**2 492**	**2 652**
Other adjustments	Commissions on credits paid	65	59
	Elimination of evaluating bonds	34	55
	Other adjustments in a cash flow statement	**99**	**114**
Income tax paid	**A balance change of liabilities due to income tax**	**-134**	**-13**
	Income tax for a given year	446	-1 022
	Overpayment of CIT tax in a year 2008	-949	
	Income tax paid in a cash flow statement	**-637**	**-1 035**
Expenditures on acquiring financial assets in related parties	The amount paid for shares in a company 'Zdrowie' Sp. z o.o.	146	1 247
	The amount paid for shares in a company RCZ Sp. z o.o.	19 274	
	Cash in subsidiaries as at the day of taking control	-338	-473
	Expenditures on acquiring financial assets in related parties	**19 082**	**774**

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

37. Investment liabilities

The Issuer was obliged to incur investment expenditures resulting from the following investment contracts:

1) The contract of buying shares of Jelenia Góra Poviat in PCZ Kowary Sp. z o.o. on 5th December of 2008. Total liability resulting from the contract amounted to PLN 18.500,00. The maturity date was in December of 2012. On 17th December of 2012 the annex 1 due to the contract of selling shares of Jelenia Góra Poviat in PCZ Kowary Sp. z o.o. was signed. The annex prolonged the investment period in which EMC Instytut Medyczny SA is obliged to realize guarantee investments until the end of a year 2013. The annexe no. 2 (on 16th December 2013) prolonged an investment period by the end 2014.

The Issuer increased the capital in a company PCZ Kowary Sp. z o.o. by PLN 8.000 thousand; PLN 9.000 thousand was guaranteed with external financing – credit that as at the day of compiling a given financial statement was used totally. Additionally, the Management Board of the EMC Instytut Medyczny SA made the decision about granting the subsidiary PCZ Kowary the loan in the amount of PLN 4.000 thousand for completing the investment. By the end of 2014 the loan had been used in the amount of PLN 2.500 thousand. As at 31/12/2014 investments were realized in the amount of PLN 18.731 thousand (by the day of publishing a financial statement – more than PLN 19.000 thousand). Consequently, the Management Board treats the liability as realized one.

2) The contract with Katowice City on the 8th January of 2009 – the Issuer was obliged to build (on the land belonging to a subsidiary undertaking EMC Silesia Sp. z o.o.) a new hospital ward with a rehabilitation-training part and equipment in the objects.

Initially estimated investment value amounted to PLN 10.648,00 thousand. The Issuer's investment value (made so as to realize the investment of increasing equity of EMC Silesia Sp.z o.o.) in the form of contribution in kind and cash amounts PLN 11.130 thousand. Building the hospital was completed in June 2014. The building was permitted to be used on the 12th June 2014 on the basis of the decision no. S1/81/14 made by the Poviat Inspector of Building Control. The work connected with equipping the hospital was also finished. The hospital saw first patients on the 26th July of 2014. Consequently, the investment obligation was realized.

3) The initial contract of purchasing and using shares in a company “Zdrowie” Sp. z o.o. with a Kwidzyński poviat, Kwidzyn city, PEC sp. z o.o. in Kwidzyn, and PWiK sp. z o.o. signed by the Issuer on 31st May 2013. The information about the agreement was included in a current report no. 53/2013 on 31st May of 2013. As a result of the agreement, the Issuer will be using for 5 years 87,4867% of shares of "Zdrowie" Sp. z o.o. owned by the Sellers. After this period, until 1st June of 2018, a final contract of purchasing shares (the price established in an initial contract) will be signed. As a result, the Issuer will possess the shares used before. In the case the Issuer does not sign the final contract on time and in the case of renouncing to use shares the Issuer will lose an advance. Additionally, the sellers can proportionally to the number of shares demand the stipulated penalty in the amount of PLN 2.000 thousand.

4) On 11th February of 2014 the promised contract of selling 100% shares in a Regional Health Centre with its register seat in Lubin was concluded. The information was included in a current report no. 24/2014 on 11th February of 2014. According to the contract, the Issuer was obliged to conduct the following investments:
- a hospital rescue ward with a landing strip in the amount of PLN 1.500 thousand in the period of 36 months,
- renovation of a technical part of a hospital in the amount not lower than PLN 1.000 thousand in the period of 12 months,
- renovation, modernization and adjustment of particular hospital rooms, increasing the quality of patients' stay in the amount of not lower than PLN 4.960 thousand in the period of 36 months,
- the purchase of equipment and appliances in the amount of not lower than 3.200 thousand in the period of 36 months,
-investments included in the adjustment programme conducted for the company Regionalne Centrum Zdrowia sp. z o.o. will be realized on time.

As at 31/12/2014 the amount of PLN 929 thousand was spent on the renovation of the hospital technical part.
As at the day of publishing a given financial statement, investment obligation connected with renovating the technical hospital part was realized.

As at the day of compiling a given consolidated financial statement the Board of Management does not expect the threat of abandoning the obligations mentioned.

38. Conditional liabilities

The Group does not possess any guarantees granted for entities beyond the Group.

38.1 Lawsuits

The following important law suits are pending:
- before a provincial court in Gdańsk against a subsidiary „Zdrowie" Sp. z o.o. as the statement of patient's parents' claim for compensation due to malpractice. In a current proceeding the evidence of the expert opinion is useful for a Company. The event has occurred before acquiring the company by the Issuer,
- before a provincial court in Gdańsk against a subsidiary „Zdrowie" Sp. z o.o. as the statement of patient's claim for compensation due to malpractice. In a current proceeding the evidence of the expert opinion is not useful for a Company.

The reserves for potential claims due to the events having been mentioned were created. The reserves are included in the item 'long-term reserves for patients' claims' as it was presented in a note no. 34.1.

On the 7th November 2014 the court of appeal in Wroclaw passed on a sentence on the subsidiary Mikulicz Sp. z o.o. due to the patient's claim for compensation due to malpractice. The event has occurred before acquiring the company by the Issuer. The reserve for compensation was created in previous years.

38.2 Tax settlements

Nowadays there is not tax control in the Group.

On the 31st December of 2014 the Issuer filed to the Lower Silesia Tax Office an application for approving overpayment in corporate income tax as a result the adjustment of CIT-8 declaration by decreasing the CIT tax basis. On the 31st October 2013 the Minister of Finance adopted the general interpretation no. DD6/033/139/MNX/13/RD-106351 in the scope of qualifying not public health companies created by a legal person and possessing a legal capacity, a separate organizational structure, a separate subject of activities and property is treated as CIT payer being an entity not having a legal capacity acc. to art. 1, par. 2 of the act as at 15th February 1992 about corporate income tax (Dz. U., 2011 r., no.74 item 397; later: CIT act). Consequently, until 30th June 2011 not public health company as an entity not having legal status could use tax exemption on the basis of art. 17, par. 1, point 4 of the CIT act. Regarding the practice of tax authorities, before adopting general interpretation the Company declared revenues of not public health entities as achieved by the Company. As not public health companies are CIT taxpayers (not the Company), revenues achieved by those entities do not constitute the revenues of the Company and ought to be excluded from its tax settlement. The Company also made an appropriate tax costs separation due to not public health entities. Consequently, the Company, adjusting its settlements to the Minister of Finance interpretation, made the adjustment of its declaration and as a result the overpayment in the amount of PLN 949 thousand occurred.

Tax settlements and other areas of activities being under regulation (i.e. custom or foreign currency matters) can be the subject of control by administrative bodies that are entitled to give penalties. Contemporary rules contain also ambiguity that causes differences in opinions about legal interpretation of tax regulations both inside national bodies as well as between national bodies and enterprises. It causes that tax risk in Poland is higher than in countries with a more developed tax system.

Tax settlements can be under control in the period of 5 years beginning from the end of the year in which the tax was paid. As a result of control current tax settlements of the Group can be increased by additional tax liabilities. As at 31 December 2014 there were not premises for creating reserves for recognized and countable tax risk.

(in PLN thousand)

39. Information about related entities

As at 31/12/2014

The side of transactions	Purchase of services	The amount of a transaction in a period	The balance as at 31/12/2014
Start Management Piotr Gerber Matylda Gerber Spółka Cywilna	Leasing the real estate of an outpatient clinic at Pilczycka street in Wrocław	**896**	
Start Management Piotr Gerber Matylda Gerber Spółka Cywilna	Reinvoice-fees due media	**60**	
Total Start Management Piotr Gerber Matylda Gerber s.c.		**956**	**0**
CareUp B.V.	**Loan**	**940**	**940**
	Total	**1 896**	**940**

As at 31/12/2013

The side of transactions	Purchase of services	The amount of a transaction in a period	The balance as at 31/12/2013
Start Management Piotr Gerber Matylda Gerber Spółka Cywilna	Leasing the real estate of an outpatient clinic at Pilczycka street in Wrocław	659	
Start Management Piotr Gerber Matylda Gerber Spółka Cywilna	Reinvoice-fees due media	51	
Total Start Management Piotr Gerber Matylda Gerber s.c.		**710**	**0**
Dentistry study, dr. n. med. Hanna Gerber	**Dentistry services**	**1**	**0**
CareUp B.V.	**Loan**	**12 300**	**0**
	Total	**13 011**	**0**

39.1 A dominant unit of the Group

As at 31/12/2014 a dominant unit of the Group was CareUp B.V. that was the owner of 70,22% Issuer's ordinary stocks.

On the 3rd January 2014 the Management Board of EMC Instytut Medyczny S.A. received the letter from CareUp B.V. about purchasing stocks of the company EMC Instytut Medyczny S.A. by CareUp B.V. with its register seat in Amsterdam in terms of joining the company Soporto Invest B.V. on the 27th December 2013.

As at 31st December of 2013 a dominant unit of the Group was CareUp B.V. that with its subsidiary undertaking Soporto Invest B.V. It was the owner of 70,22% Issuer's stocks (with taking into account H series).

CareUp B.V. belongs to the group Svet Zdravia Holdings Limited for which a dominant unit is Penta Investments Group Limited.

39.2 An undertaking with significant impact on the Group

As at 31/12/2014 and as at 31/12/2013 the PZU Group was the owner of 28,58% Issuer's shares (with taking into account H series stocks).

(in PLN thousand)

39.3 Conditions of transactions with related entities

Transactions with related undertakings were made under market conditions.

39.4 Other transactions with contribution of members of the Management Board

In a year 2014 the Issuer made the following transactions:

- with Mrs Krystyna Wider – Poloch – sale of the car in the amount of PLN 23 thousand,
- with Mr Zdzisław Cepiel – sale of the car in the amount of PLN 23 thousand,
- with Mr Piotr Gerber – sale of the computer in the amount of PLN 3 thousand.

In a year 2013 the shares of Piotr Gerber (possessing 7,87% shares in share capital) were automatically redeemed in a subsidiary undertaking ZP Formica Sp. z o.o. from the profit in the amount of PLN 375 thousand.

Moreover, in a year 2013 the Issuer finally paid the loan granted by Piotr Gerber in the amount of PLN 662 thousand.

39.5 Remuneration of the Group's top management

39.5.1 Remuneration paid or due as for the members of Management Board and the members of the Supervisory Board

Salaries of the members of managing and supervising bodies of the Group due to management and other functions in the companies were as follows:

Remuneration in a dominant unit	As at 31/12/2014	As at 31/12/2013
Board of Management	1 808	1 366
Supervisory Board	53	76
Scientific Staff	56	72
Total salaries	**1 917**	**1 514**
Remuneration in subsidiaries undertakings	**1 560**	**1 591**
Total	**3 477**	**3 105**

Salaries of the members of the Management Board of EMC Instytut Medyczny SA:

Name and surname	The year ended as at 31/12/2014	The year ended as at 31/12/2013
The President of Management Board – Piotr Gerber*	280	420
The Vice-President of Management Board – Krystyna Wider – Poloch	601	368
The Member of Management Board – Józef Tomasz Juros	411	307
The Member of Management Board – Zdzisław Andrzej Cepiel	384	271
The President of Management Board – Agnieszka Kazimiera Szpara**	100	
The Member of Management Board – Tomasz Suchowierski***	32	

(in PLN thousand)

Total remuneration	**1 808**	**1 366**

*in the Management Board of EMC Instytut Medyczny SA until the 31st August 2014

** in the Management Board of EMC Instytut Medyczny SA until the 1st August 2014

*** as a Fianancial Director since the 1st December of 2014, in the Management Board of EMC Instytut Medyczny SA since 1st January of 2015.

Remuneration of the members of the Issuer's Management Board received in subsidiaries:

Name and surname	A subsidiary	The year ended as at 31/12/2014	The year ended as at 31/12/2013
Krystyna Wider – Poloch	Mikulicz Sp. z o.o.	24	24
Józef Tomasz Juros	EMC Silesia Sp. z o.o.	36	36
Józef Tomasz Juros	EMC Piaseczno Sp. z o.o.	24	24
Agnieszka Kazimiera Szpara	EMC Piaseczno Sp. z o.o.	118	
Total remuneration		**202**	**84**

Remuneration of the Members of the Supervisory Board of EMC Instytut Medyczny SA:

Name and surname	The year ended as at 31/12/2014	The year ended as at 31/12/2013
Hanna Gerber	8	15
Aleksandra Żmudzińska		9
Danuta Smoleń		9
Jacek Łopatniuk		5
Marek Michalski		3
Witold Paweł Kalbarczyk		6
Marcin Szuba		3
Vaclav Jirku	10	6
Waldemar Krzysztof Kmiecik	11	6
Eduard Maták	9	3
Michał Wnorowski	5	7
Artur Smolarek	5	4
Jędrzej Litwiniuk	3	
Piotr Gerber	2	
Total remuneration	**53**	**76**

Additionally Hanna Gerber received the remuneration in the amount of PLN 56 thousand (in 2013: PLN 72 thousand) due to the function of the Chair of the Supervisory Board (January 2014 - September 2014)

(in PLN thousand)

40. Information about remuneration of an independent statutory auditor or the entity entitled to audit financial statements

Company	An entity entitled to audit financial statements	A type of report	The date of signing a contract in 2013 and 2014	Remuneration	
				2013	2014
EMC IM SA	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary and consolidated	12th July 2013	85	
		A review of a consolidated semi-annual statement		45	
	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary and consolidated	30th June 2014		80
		A review of a consolidated semi-annual statement			45
			Total	**130**	**125**
EMC Piaseczno Sp. z o.o.	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	30th September 2013	24	
	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	29th September 2014		24
			Total	**24**	**24**
PCZ Kowary Sp. z o.o	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	30th September 2013	15	
	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	22nd September 2014		15
			Total	**15**	**15**
„Zdrowie" Sp. z o.o.	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	21st October 2013	29	
	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	29th September 2014		29
			Total	**29**	**29**
EMC Silesia Sp. z o.o.	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	30th September 2013	12	
	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	6th October 2014		12
			Total	**12**	**12**
RCZ Sp. z o.o.	Ernst & Young Audyt Polska Sp. z o.o. Sp. k.	Annual unitary	9th June 2014	50	
			Total	**50**	

Additionally, regarding EMC Instytut Medyczny SA the remuneration of Ernst & Young Audyt Polska Sp. z o.o. Sp. k. due to services in a year 2014 amounted to PLN 85 thousand.

The amounts are net, invoices are increased by VAT.

41. Goals and principles of managing financial risk

The main financial instruments include bank credits, bonds, financial leasing contracts, cash, and short-term deposits. The main goal of these financial instruments is to obtain cash for activities of the Group. The Group possesses also other financial instruments such as receivables and liabilities due to deliveries and serviced that are created directly in the process of running activities.

The rule used by the Group presently and during the whole period including financial statements is not making turnover of financial instruments.

The main types of risk resulting from financial instruments of the Group include: interest rate risk, liquidity risk, currency risk, and credit risk. The Board of Management verifies and discusses the rules of managing each type of risks.

Interest rate risk

Exposure of the Company to market risk caused by changes of interest rates concerns mainly short-term and long-term credits and corporate bonds, next it concerns the liabilities resulting from financial leasing contracts.

The Company does not protect interest rates by means of derivative financial instruments.

	Increase / decrease by % points	Impact on a gross financial result
As at 31/12/2014		
PLN thousand	+1%	-359
	-1%	359
As at 31/12/2013		
PLN thousand	+1%	-329
	-1%	329

41.1 Currency risk

The risk is created as a result of sale or purchase transactions in currencies different than currency of evaluation. In a given period transactions in foreign currencies were incidental and they did not constitute important value in activities of the Company.

41.2 Risk of goods' prices

According to the specificity of activities (mainly rendering medical services) the Group is not exposed to the risk of goods' prices.

41.3 Credit risk

The Group makes transactions only with reputable companies with good creditworthiness. All customers that desire use trade credits are initially verified. Moreover, exposure to the risk of non-collectible receivables is slight owing to constant current monitoring of the receivables state. The main contractor-NHF is a certain and solvent payer.

In reference to other financial assets of the Group such as cash and its equivalent credit risk of the Group is created as a result of impossibility of paying by the other party of a contract and maximum exposure to this risk is equivalent to balance value of these instruments.

(in PLN thousand)

41.4 Liquidity risk

The Group monitors the risk of a lack of funds by means of periodic planning liquidity. This tool takes into consideration the maturity dates of both investments and financial assets (i.e. book entries of receivables, book entries of the other financial assets) and forecasted cash flows from an operating activity.

The goal of the Group is to keep balance between continuity and flexibility of financing by using different sources of financing like credits in a current account, bank credits, bonds, financial leasing contracts. The table below presents financial liabilities of the Group as at 31st December of 2014 and 31st December of 2013 due to maturity dates on the basis of contractual non-discounted payments.

31/12/2014	For a task	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Interest bearing credits, loans, and leasing	18 606	1 703	4 669	11 325	9 673	45 976
Liabilities due to deliveries and services	4 762	13 084	190	14		18 050
Bonds		218	215	7 868		8 301
The other liabilities		7 547	517	6 803		14 867
	23 368	22 552	5 591	26 010	9 673	87 194

As at 31st December of 2014 the Group did not slightly fulfil the part of financial conditions (ratios) included in the credit contracts with the bank BGŻ. As for not fulfilling contractual conditions and in accordance with the article 69 of IAS 1 the Company assigned a long-term part of the investment credit in the amount of PLN 14.785 thousand to short-term liabilities.

31/12/2013*	For a task	Less than 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Interest bearing credits, loans, and leasing	17 990	1 422	3 523	13 775	11 733	48 443
Liabilities due to deliveries and services	4 737	8 317	151			13 205
Bonds		219	216	8 305		8 740
The other liabilities		3 675	674	8 831		13 180
	22 727	13 633	4 564	30 911	11 733	83 568

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

As at 31st December of 2013 the Group did not slightly fulfil the part of financial conditions (ratios) included in the credit contracts with the bank BGŻ. As for not fulfilling contractual conditions and in accordance with the article 69 of IAS 1 the Company assigned a long-term part of the investment credit in the amount of PLN 14.040 thousand to short-term liabilities.

42. Financial instruments

42.1 Fair value of particular classes of financial instruments

The table below presents the comparison of balance value and fair value of all financial instruments of the Group in the dimension of particular classes and categories of assets and liabilities.

(in PLN thousand)

	Balance value		Fair value	
	31/12/2014	31/12/2013*	31/12/2014	31/12/2013*
Financial assets:	**44 972**	**76 731**	**44 972**	**76 731**
The other financial assets:	**44 972**	**76 731**	**44 972**	**76 731**
Long-term:				
Short-term:	44 972	76 731	44 972	76 731
Receivables due to deliveries and services	27 773	16 814	27 773	16 814
The other receivables	268	232	268	232
Cash	16 931	59 685	16 931	59 685
Financial liabilities	**81 133**	**75 205**	**81 133**	**75 205**
Interest bearing credits, loans, and bonds, including:	**44 176**	**45 505**	**44 176**	**45 505**
Long-term interest bearing due to a changeable rate	21 905	23 800	21 905	23 800
Long-term interest bearing due to a stable rate				
In a current account	403	3 120	403	3 120
Short term:	21 868	18 585	21 868	18 585
The other long-term liabilities including	**10 876**	**10 467**	**10 876**	**10 467**
Liabilities due to financial leasing	2 381	1 636	2 381	1 636
The others	8 495	8 831	8 495	8 831
The other long-term liabilities including	**26 081**	**19 233**	**26 081**	**19 233**
Liabilities due to financial leasing	1 659	1 679	1 659	1 679
Liabilities due to deliveries and services	18 050	13 205	18 050	13 205
The others	6 372	4 349	6 372	4 349

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

42.2 The items of revenues, costs, profits and losses included in an income statement in the dimension of financial instruments categories

As at 31/12/2014

	Revenues / (costs) due to interest	Profits/ (losses) due to exchange rates differences	Finishing /(creating) revaluation write-offs	Profits/ (losses) due to evaluation	The others	Total
Financial assets:	**831**	**(41)**	**(188)**			**602**
The other financial assets:	**831**	**(41)**	**(188)**			**602**
Long-term:						
Short-term:	831	(41)	(188)			**602**

(in PLN thousand)

Receivables due to deliveries and services		(39)	(188)			**(227)**
The other receivables						
Cash	831	(2)				**829**
Financial liabilities	**(2 532)**			**(62)**		**(2 594)**
Interest bearing credits, loans, and bonds, including:	**(1 873)**			**(62)**		**(1 935)**
Long-term interest bearing due to a changeable rate	(1 731)			(62)		(1 793)
Long-term interest bearing due to a stable rate						
In a current account	(142)					(142)
The other long-term liabilities including	**(659)**					**(659)**
Liabilities due to financial leasing	(205)					(205)
Liabilities due to deliveries and services	(192)					(192)
The others	(262)					(262)

Rok zakończony 31 grudnia 2013

	Revenues / (costs) due to interest	Profits/ (losses) due to exchange rates differences	Finishing /(creating) revaluation write-offs	Profits/ (losses) due to evaluation	The others	Total
Financial assets:	**172**	**(17)**	**(288)**			**(133)**
The other financial assets:	**172**	**(17)**	**(288)**			**(133)**
Long-term:						
Short-term:	172	(17)	(288)			**(133)**
Receivables due to deliveries and services		(14)	(288)			**(302)**
The other receivables						
Cash	172	(3)				**169**
Financial liabilities	**(2 838)**			**(111)**		**(2 949)**
Interest bearing credits, loans, and bonds, including:	**(2 366)**			**(111)**		**(2 477)**
Long-term interest bearing due to a changeable rate	(2 220)			(111)		(2 331)
Long-term interest bearing due to a stable rate	(121)					(121)
In a current account	(25)					(25)
The other long-term liabilities including	**(472)**					**(472)**
Liabilities due to financial leasing	(260)					(260)
Liabilities due to deliveries and services	(99)					(99)
The others	(113)					(113)

(in PLN thousand)

42.3 Interest rate risk

As at 31/12/2014

Fixed interest	<1 year	1-3 years	3-5 years	>5 years	Total
Loans	190	347	230	208	975
	190	347	230	208	975

Variable interest	<1 year	1-3 years	3-5 years	>5 years	Total
Cash assets	16 931				16 931
Credits in a current account	403				403
Investment credits	20 568	3 213	2 720	8 292	34 793
Loans form related entities	943				943
Bonds	167	6 895			7 062
Liabilities due to financial leasing	1 659	1 785	596		4 040
	40 671	11 893	3 316	8 292	64 172

As at 31/12/2013

Fixed interest	<1 year	1-3 years	3-5 years	>5 years	Total
Loans	96	230	230	323	879
	96	230	230	323	879

Variable interest	<1 rok	1-3 lata	3-5 lat	>5 lat	Ogółem
Cash assets	59 685				59 685
Credits in a current account	3 120				3 120
Investment credits	18 321	3 807	2 720	9 630	34 478
Bonds	168		6 860		7 028
Liabilities due to financial leasing	1 679	1 636			3 315
	82 973	5 443	9 580	9 630	107 626

(in PLN thousand)

43. Managing capital

The main goal of managing capital of the Group is to keep good credit rating and safe capital rates that could support an operating activity of the Group and could increase value for shareholders.

The Group manages a capital structure and makes changes in the structure as a result of changes of economic conditions. In order to keep or correct a capital structure, the Group can change dividends payment for shareholders, return capital for shareholders or issue new shares. As at 31st December of 2014 and as at 31st December of 2013 none changes in goals, principles and processes in this area were not implemented.

The Group monitors a capital state using a leverage ratio that is counted as a net debt divided into capital sum increased by the net debt. The net debt includes interest bearing credits and loans, liabilities due to deliveries and services and other liabilities decreased by cash and cash equivalent. Capital includes alternative privilege stocks, equity receivable for shareholders of a dominant unit decreased by reserve capital due to not realized net profits.

	31/12/2014	**31/12/2013***
Interest-bearing credits and loans	37 114	38 477
Liabilities due to deliveries and services and the other liabilities	49 680	40 869
Minus cash and its equivalent	-16 931	-59 685
Net debt	69 863	19 661
Equity	137 249	139 776
Reserve capital due to not realized net profits		
Total equity	137 249	139 776
Capital and net debt	207 112	159 437
Leverage rate	0,3373	0,1233

* comparable data transferred in terms of finally settling the acquisition of „Zdrowie" Sp. z o.o.

(in PLN thousand)

44. Employment structure

Company	2014			2013		
	White-collar workers	Blue-collar workers	Total	White-collar workers	Blue-collar workers	Total
EMC Instytut Medyczny S.A.	454	95	549	429	95	523
Lubmed Sp. Z o.o.	58	7	65	59	7	66
Mikulicz Sp. Z o.o.	114	46	160	127	40	167
EMC Health Care Limited	7	1	8	7	1	8
EMC Silesia Sp. z o.o.	56	20	76	45	14	59
PCZ Kowary Sp. z o.o.	126	52	178	132	54	186
ZP Formica Sp. z o.o.				28	1	29
EMC Piaseczno Sp. z o.o.	94	17	111	97	18	115
Zdrowie Sp. z o.o.	243	56	299	241	66	307
RCZ Sp. z o.o.	473	104	577			
TOTAL	**1 625**	**398**	2 023	**1 164**	**296**	**1 460**

45. The events that occurred after a balance day

On the 15th January 2015 the General Meeting of shareholders changed the set of the Supervisory Board. Mr Eduard Matáka was dismissed and Mr Mateusz Słabosz was appointed as the member of the Supervisory Board. It was informed in a current report no. 3/2015 on the 15th January 2015.

On the 20th February 2015 the Issuer made the annex to the contract with the bank BGŻ S.A. with its register seat in Warsaw due to a current credit in a current account. On the basis of the annex the credit maturity date was prolonged and established on the 20th February 2016.

On the 26th February 2015 Mr Józef Tomasz Juros resigned from being the member of the Management Board of EMC Instytut Medyczny SA. It was informed in a current report no. 29/2015 on the 27th February 2015.

On the 27th February 2015 the Issuer received the refund due to the surplus of corporate income tax as for the year 2008 (disclosure in a note no. 38.2).

On the 12th February 2015 the subsidiary Regionalne Centrum Zdrowia Sp. z o.o. signed the settlement with the Lower Silesia NHF in Wroclaw in terms of paying the amount of PLN 2.543 thousand due to the surplus of the services for a year 2012. Regarding the settlement the Lower Silesia NHF will satisfy the subject claim. Consequently, the company Regionalne Centrum Zdrowia Sp. z o.o. withdrew the claim.

After a balance day up to the day of compiling a financial statement (9th March 2015) other events that should be included in a financial statement (apart from those presented above) did not occur.

…………………	…………………	…………………	…………………
An executing person: The chief accountant *Agnieszka Krzyszycha*	The President of Management Board *Agnieszka Kazimiera Szpara*	The Member of Management Board *Tomasz Suchowierski*	The Member of Management Board *Zdzisław Andrzej Cepiel*

Wrocław, 9th March 2015