

Consolidated quarterly report Q1 2015

WIKANA Group

**Consolidated quarterly report
for the period 01.01.2015-31.03.2015**

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I. Selected financial data from the condensed consolidated interim financial statements

Methodology for translating selected financial data into EUR

Selected asset and equity and liability items - using the average exchange rate on 31 March 2015: EURPLN 4.0890 (31 December 2014: EURPLN 4.2623).

Items in the statement of comprehensive income - using the arithmetic mean of average exchange rates established by the National Bank of Poland as at the last day of each month in 2015: EURPLN 4.1489 (2014: EURPLN 4.1894).

Selected items from the condensed consolidated interim balance sheet

Balance sheet item	31 Mar 2015		31 Dec 2014	
	PLN	EUR	PLN	EUR
<i>in 000s</i>				
Total assets				
	229 698	56 175	226 574	53 158
Non-current assets	101 948	24 932	105 553	24 764
Current assets	127 750	31 242	121 021	28 394
Total equity and liabilities	229 698	56 175	226 574	53 158
Equity	40 028	9 789	42 225	9 907
Non-current liabilities	93 228	22 800	99 708	23 393
Current liabilities	96 442	23 586	84 641	19 858

Selected items from the condensed consolidated interim statement of comprehensive income

Item in the condensed consolidated interim statement of comprehensive income	1 Jan 2015 31 Mar 2015		1 Jan 2014 31 Mar 2014	
	PLN	EUR	PLN	EUR
<i>in 000s</i>				
Revenue from sales	10 956	2 641	22 958	5 480
Cost of sales	(9 055)	(2 182)	(18 768)	(4 480)
Gross profit on sales	1 901	458	4 190	1 000
Selling costs	(729)	(176)	(769)	(184)
Administrative expenses	(1 591)	(383)	(1 867)	(446)
Other operating revenue	761	184	1 439	344
Other operating expenses	(1 141)	(275)	(4 918)	(1 174)
Gain on investments	852	205	70	17
Operating loss	54	13	(1 855)	(443)
Net finance costs	(2 111)	(509)	(2 045)	(488)
Loss before tax	(2 057)	(496)	(3 900)	(931)
Income tax	(158)	(38)	(478)	(114)
Net loss for the period	(2 215)	(534)	(4 378)	(1 045)

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Agnieszka Maliszewska
/Member of the Management Board/

Robert Pydzik
/President of the Management Board/

Bożena Wincetowicz
/Person responsible for
book-keeping/

Lublin, 15 May 2015

II. Selected financial data from the separate interim financial statements

Methodology for translating selected financial data into EUR

Selected asset and equity and liability items - using the average exchange rate on 31 March 2015: EURPLN 4.0890 (31 December 2014: EURPLN 4.2623).

Items in the statement of comprehensive income - using the arithmetic mean of average exchange rates established by the National Bank of Poland as at the last day of each month in 2015: EURPLN 4.1489 (2014: EURPLN 4.1894).

Selected items from the condensed separate interim balance sheet

Balance sheet item	31 Mar 2015		31 Dec 2014	
	PLN	EUR	PLN	EUR
<i>in 000s</i>				
Total assets	101 964	24 936	102 345	24 012
Non-current assets				
	42 553	10 407	44 749	10 499
Current assets	59 411	14 529	57 596	13 513
Total equity and liabilities	101 964	24 936	102 345	24 012
Equity	40 078	9 801	40 852	9 584
Non-current liabilities	17 288	4 228	23 617	5 541
Current liabilities	44 598	10 907	37 876	8 887

Selected items from the condensed separate interim statement of comprehensive income

	1 Jan 2015 31 Mar 2015		1 Jan 2014 31 Mar 2014	
	PLN	EUR	PLN	EUR
<i>in 000s</i>				
Revenue from sales	4 644	1 119	13 846	3 305
Cost of sales	(4 624)	(1 114)	(11 314)	(2 701)
Gross profit on sales	20	5	2 532	604
Selling costs	(258)	(62)	(295)	(70)
Administrative expenses	(502)	(121)	(1 022)	(244)
Other operating revenue	480	116	255	61
Other operating expenses	(64)	(15)	(2 916)	(696)
Gain on investments	198	48	250	60
Operating loss	(125)	(30)	(1 196)	(285)
Net finance costs	(650)	(156)	(915)	(218)
Loss before tax	(775)	(186)	(2 111)	(503)
Income tax	-	-	(147)	(35)
Net loss for the period	(775)	(186)	(2 258)	(538)

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Agnieszka Maliszewska
/Member of the Management Board/

Robert Pydzik
/President of the Management Board/

Bożena Wincetowicz
/Person responsible for
book-keeping/

Lublin, 15 May 2015

III. Information about the parent, Wikana S.A., and its subsidiaries included in the consolidated financial statements

1. Data about the Parent

Wikana S.A. (the "Company," the "Parent") is a public limited company registered in Poland. The Company's registered office is in Lublin. The Company's board office is located in Lublin (20-703 Lublin), ul. Cisowa 11.

The Parent was founded in January 1994 under the name ZPO ELPO S.A. and was entered into the register maintained by the District Court in Legnica, 5th Commercial Division, under number RHB 1085. In August 1999, the Parent changed its name to Masters S.A. On 20 January 2003, the Parent was registered at the District Court in Lublin, 11th Commercial Department of the National Court Register, under number KRS 0000144421. Pursuant to a resolution of Masters S.A.'s Extraordinary General Meeting on 12 January 2009, a merger was arranged between Masters S.A., registered at the District Court in Lublin, 11th Commercial Division, under KRS number 0000144421, and Wikana S.A., registered at the District Court in Lublin, 11th Commercial Division, under KRS number 0000296052. Pursuant to a resolution of Masters S.A.'s Extraordinary General Meeting on 12 January 2009 on the merger of Masters S.A. and Wikana S.A., the Parent changed its name to Wikana S.A. The District Court in Lublin, 11th Commercial Division, registered the merger on 30 January 2009. The Parent has been established for an indefinite time and operates pursuant to the articles of association of 13 January 1994, as amended. Currently, the Company's registration files are stored at the District Court for Lublin-Wschód in Lublin, based in Świdnik, 6th Commercial Division of the National Court Register.

According to the respective articles of association / founding agreements, the Parent's and subsidiaries' economic activities are as follows:

- Activities of head offices and holdings, except for financial holdings,
- Property development,
- Management of real estate on a fee or contract basis,
- Renting of real estate,
- Production of energy from renewable sources,
- Retail sale of footwear and leather goods,
- Accounting and bookkeeping activities.

The condensed consolidated interim financial statements for the period ended 31 March 2015 cover the financial statements of the Parent and its subsidiaries (together the "Group"). The uppermost parent company is Wikana S.A.

2 Group entities (entities included in the condensed consolidated financial statements)

Parent

WIKANA S.A.

Subsidiaries

	% share	
	31 Mar 2015	31 Dec 2014
Wikana Bioenergia Sp. z o.o.	100%	100%
Wikana Project Sp. z o.o.	100%	100%
Wikana Nieruchomości Sp. z o.o. w likwidacji ⁽¹⁾	100%	100%
Multiserwis S.A. ⁽²⁾	94%	94%
Wikana Property Sp. z o.o. KROSNO S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. KROSNO S.K.A.) ⁽³⁾	100%	100%
Wikana Property Sp. z o.o. LEGNICA S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. LEGNICA S.K.A.) ⁽³⁾	100%	100%
Zielone Tarasy S.A. ⁽⁴⁾	100%	100%
Wikana Property Sp. z o.o. KOMERC S.K.A. (formerly Wikana Nieruchomości Sp. o.o. KOMERC S.K.A.) ⁽³⁾	100%	100%
Wikana Property Sp. z o.o. 02 S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. 02 S.K.A.) ⁽³⁾	100%	100%
Wikana Property Sp. z o.o. 03 MIASTECZKO S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. 03 MIASTECZKO S.K.A.) ⁽³⁾	100%	100%
Wikana Property Sp. z o.o. 04 S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. 04 OSIEDLE S.K.A.) ⁽³⁾	100%	100%
Wikana Bioenergia Sp. z o.o. 01 S.K.A. ⁽⁵⁾	100%	100%
Wikana Property Sp. z o.o. 05 MARINA S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. 05 MARINA S.K.A.) ⁽³⁾	100%	100%
Wikana Property Sp. z o.o. ALBA S.K.A. (formerly Wikana Nieruchomości Sp. z o.o. ALFA S.K.A.) ⁽⁶⁾	100%	100%
Wikana Property Sp. z o.o. BETA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. DELTA S.K.A. ⁽⁸⁾	100%	100%
Towarzystwo Budownictwa Społecznego „Nasz Dom” Sp. z o.o. (formerly Towarzystwo Budownictwa Społecznego „Wikana” Sp. z o.o.) ⁽⁹⁾	100%	100%

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Wikana Property Sp. z o.o. ⁽¹⁰⁾	100%	100%
Wikana Property Sp. z o.o. PANORAMA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. PODPROMIE S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. ZIELONE TARASY S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. SALIX S.K.A. (formerly Wikana Property Sp. z o.o. KROSNO S.K.A. ⁽¹¹⁾)	100%	100%
Wikana Property Sp. z o.o. ACER S.K.A. ⁽⁷⁾	100%	100%
Wikana Meritum Sp. z o.o. ALFA S.K.A. (formerly Wikana Property Sp. z o.o. ALFA S.K.A. ⁽¹²⁾)	100%	100%
Wikana Property S. z o.o. BETULA S.K.A. ⁽⁷⁾	100%	100%
Wikana Meritum Sp. z o.o. CORYLUS S.K.A. (formerly Wikana Property Sp. z o.o. CORYLUS S.K.A. ⁽¹²⁾)	100%	100%
Wikana Property Sp. z o.o. GAMMA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. JOTA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. KAPPA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. LAMDA S.K.A. ⁽¹³⁾	100%	100%
Wikana Property Sp. z o.o. LARIX S.K.A. ⁽¹³⁾	100%	100%
Wikana Property Sp. z o.o. MAGNOLIA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. OMEGA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. OMIKRON S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. ROSA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. SIGMA S.K.A. ⁽⁷⁾	100%	100%
Wikana Property Sp. z o.o. ZETA S.K.A. ⁽⁷⁾	100%	100%
Wikana Management Sp. z o.o. ⁽¹⁴⁾	100%	100%
Wikana Meritum Sp. z o.o. ⁽¹⁵⁾	100%	100%

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- (1) On 30 September 2014, the District Court for Lublin-Wschód in Lublin, based in Świdnik, 6th Commercial Division of the National Court Register, made an entry in the register of subsidiary Wikana Nieruchomości Sp. z o.o. regarding commencement of liquidation proceedings pursuant to the Company's request filed on 5 September 2014.
- (2) Wikana S.A. holds a total of 94.24% of shares in Multiserwis S.A., including 86.66% directly and 7.58% through Wikana Property Sp. z o.o. Delta S.K.A., an entity wholly owned by Wikana Project Sp. z o.o., which is wholly owned by Wikana S.A.
- (3) Indirectly owned by Wikana S.A. through investment certificates issued by WIKANA FIZ, which owns 100% of the subsidiary's shares. In 2014, the General Partner changed from Wikana Nieruchomości Sp. z o.o. w likwidacji - an entity wholly owned by WIKANA S.A. - to Wikana Property Sp. z o.o., an entity also wholly owned by WIKANA S.A. The company's name was changed in connection with this change in General Partner.
- (4) Indirectly owned by Wikana S.A. through investment certificates issued by WIKANA FIZ, which owns 100% of the subsidiary's shares.
- (5) Indirectly owned by Wikana S.A. through investment certificates issued by WIKANA FIZ, which owns 100% of the subsidiary's shares. The general partner is Wikana Bioenergia Sp. z o.o., an entity 100% owned by Wikana S.A.
- (6) In 2014, the General Partner changed from Wikana Nieruchomości Sp. z o.o. w likwidacji - an entity wholly owned by WIKANA S.A. - to Wikana Property Sp. z o.o., an entity also wholly owned by WIKANA S.A. The company name change was registered by the relevant court on 13 January 2015.
- (7) The general partner is Wikana Property Sp. z o.o., an entity 100% owned by Wikana S.A.
- (8) Wikana S.A.'s indirect ownership through Wikana Project Sp. z o.o., an entity 100% owned by Wikana S.A. The company's general partner is Wikana Property Sp. z o.o., an entity 100% owned by Wikana S.A.
- (9) The company's name was changed from Towarzystwo Budownictwa Społecznego "Wikana" Sp. z o.o. to Towarzystwo Budownictwa Społecznego "Nasz Dom" Sp. z o.o.
- (10) On 13 December 2014, registered was a share capital increase through the issue of 301 new shares with nominal value of PLN 500 each, which were acquired by Wikana Property Sp. z o.o. Legnica S.K.A. (formerly Wikana Property Sp. z o.o. Legnica S.K.A.). Following the transaction, Wikana S.A. held 100% of shares in Wikana Property Sp. z o.o., of which 24.94% directly and 75.06% indirectly through Wikana Property Sp. z o.o. Legnica S.K.A., in which Wikana S.A. holds an indirect stake in the form of investment certificates issued by WIKANA FIZ, which in turn holds 100% of shares in the subsidiary.
- (11) The company's name was changed from Wikana Property Sp. z o.o. Krosno S.K.A. to Wikana Property Sp. z o.o. SALIX S.K.A.
- (12) In 2014, the General Partner was changed from Wikana Property Sp. z o.o. - an entity wholly owned by Wikana S.A. - to Wikana Meritum Sp. z o.o., another entity wholly owned by Wikana S.A. The company's name was changed in connection with this change in General Partner. 5% of shares in these companies were repossessed as collateral by an entity performing collateral administration functions for debts arising under bonds issued by Wikana Meritum Sp. z o.o. CORYLUS S.K.A.
- (13) In 2014, the General Partner was changed from Wikana Property Sp. z o.o. - an entity wholly owned by Wikana S.A. - to Wikana Meritum Sp. z o.o., another entity wholly owned by Wikana S.A. The company's name was changed in connection with this change in General Partner. The change in articles of association had not been registered by the relevant court as of the date on which these financial statements were published. 5% of shares in these companies were repossessed as collateral by an entity performing collateral administration functions for debts arising under bonds issued by Wikana Meritum Sp. z o.o. CORYLUS S.K.A.
- (14) Company formed on 13 August 2014 by Wikana S.A., with 100% of its shares - held by Wikana S.A. - being repossessed as collateral for subsidiary Wikana Property Sp. z o.o. 04 S.K.A.
- (15) Company formed on 5 December 2014 by Wikana S.A.

IV. Basis for presenting and preparing the condensed interim financial statements

1. Statement of compliance with IFRS

The condensed consolidated interim financial statements of the Group and the condensed separate interim financial statements of Wikana S.A. (the "condensed interim financial statements") are prepared for the three-month period ended 31 March 2015.

The presented condensed interim financial statements are in compliance with IAS 34 Interim Financial Reporting, a standard relating to interim financial statements, and do not contain all of the information that is applicable to annual financial statements. The condensed interim financial statements should be read in conjunction with the annual financial statements (consolidated and separate, respectively).

The condensed consolidated interim financial statements of the Group are published together with the condensed separate interim financial statements. To obtain a complete understanding of the issuer's results and financial situation, Wikana S.A.'s condensed separate interim financial statements should be read in conjunction with the Group's condensed consolidated interim financial statements.

Preparing financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires the management to apply own judgement in using the Group's adopted accounting principles. Matters that require a higher dose of judgement, more complex matters or those involving assumptions and estimates that are significant from the viewpoint of the financial statements did not change in relation to the previous year-end.

2. Basis for preparing the condensed interim financial statements

The condensed consolidated interim financial statements are prepared on the assumption that Wikana Group will continue operating as a going concern for at least 12 months from the end of the reporting period. During the reporting period and until the date on which the financial statements were prepared, there were no indications of a threat to continuing operations.

The condensed separate interim financial statements are prepared on the assumption that the Company will continue operating as a going concern for at least 12 months from the end of the reporting period. During the reporting period and until the date on which the financial statements were prepared, there were no indications of a threat to continuing operations.

The condensed consolidated interim financial statements of the Group and the condensed separate interim financial statements of Wikana S.A. were approved by the Management Board for publication on 15 May 2015.

The enclosed condensed interim financial statements are prepared using the same accounting principles as in the case of the annual financial statements for the year ended 31 December 2014.

All amounts presented in the condensed interim financial statements are presented in PLN 000s, unless otherwise stated. The data presented in this report is rounded. Because of this, the sum totals of rows and columns in tables may slightly differ from the total values stated for each row or column.

3. Significant judgements and estimates

Preparing EU IFRS-compliant condensed interim financial statements requires the Company's management to apply judgements and estimates that have an impact on the adopted accounting policy and the presented assets, liabilities, revenues and costs. Judgements and estimates are verified on an on-going basis. Changes in estimates are recognised in profit or loss for the period in which they occurred.

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Information regarding areas that are particularly susceptible to judgements and estimates having an impact on the interim financial statements did not change from the information presented in the annual financial statements as at 31 December 2014.

4. Seasonality

The Group is exposed to sales revenue seasonality throughout the financial year, mainly determined by seasonality in the property development segment, connected with weather conditions, which have an impact on the capacity and speed of construction works, and seasonality in the retail segment, relating to footwear sales.

5. Changes in accounting principles

No such changes were recorded since the annual financial statements were published.

6. Standards and interpretations endorsed by the EU and pending endorsement

Standards and interpretations applied for the first time in 2014

The accounting principles (policy) used in preparing these financial statements are consistent with those used to prepare the entity's financial statements for the year ended 31 December 2014, except for the following amendments to standards and new interpretations issued by the IASB and endorsed by the EU, effective for annual periods beginning on or after 1 January 2014:

- IFRS 10 Consolidated Financial Statements, endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- IFRS 11 Joint Arrangements, endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- IFRS 12 Disclosure of Interests in Other Entities, endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- IAS 27 (as amended in 2011) Separate Financial Statements, endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- IAS 28 (as amended in 2011) Investments in Associates and Joint Ventures, endorsed by the EU on 11 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements, IFRS 12 Disclosure of Interests in Other Entities - clarifications on transition guidance, endorsed by the EU on 4 April 2013 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements - investment entities, endorsed by the EU on 20 November 2013 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities, endorsed by the EU on 13 December 2012 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IAS 36 Impairment of Assets - Recoverable amount disclosures for non-financial assets, endorsed by the EU on 19 December 2013 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting, endorsed by the EU on 19 December 2013 (effective for annual periods beginning on or after 1 January 2014).
- Amendments to various standards 'Annual Improvements cycle 2011-2013' - a collection of amendments to IFRSs (IFRS 1, IFRS 3, IFRS 13, IAS 40) focused primarily on resolving inconsistencies and clarifying terminology, endorsed by the EU on 18 December 2014 (effective for annual periods beginning on or after 1 January 2015).
- IFRIC 21 Public Levies (effective for annual periods beginning on or after 1 January 2014).

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Application of the above amendments to standards did not have a significant impact on the entity's existing accounting policy.

Standards and interpretations issued and endorsed by the EU but not yet in effect

- Amendments to various standards 'Annual Improvements cycle 2010-2012' - a collection of amendments to IFRSs (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38) focused primarily on resolving inconsistencies and clarifying terminology, endorsed by the EU on 17 December 2014 (effective for annual periods beginning on or after 1 February 2015).
- Amendments to various standards 'Annual Improvements cycle 2011-2013' - a collection of amendments to IFRSs (IFRS 1, IFRS 3, IFRS 13, IAS 40) focused primarily on resolving inconsistencies and clarifying terminology, endorsed by the EU on 18 December 2014 (effective for annual periods beginning on or after 1 January 2015).
- Amendments to IAS 19 Employee Benefits - Defined Benefit Plans: Employee Contributions, endorsed by the EU on 17 December 2014 (effective for annual periods beginning on or after 1 February 2015).
- IFRIC 21 Public Levies (effective for annual periods beginning on or after 1 January 2014).

The Parent did not decide on the early adoption of any standard, interpretation or amendment that were issued but were not yet in effect.

Standards and interpretations issued by the IASB but not yet endorsed by the EU

IFRSs, as endorsed by the EU, do not significantly differ from the regulations adopted by the IASB, except for the following standards, amendments to standards and interpretations, which were not yet endorsed by the European Union as of the date on which these financial statements were published (the effective dates below refer to full-version standard):

- IFRS 9 Financial Instruments (effective for annual periods beginning on or after 1 January 2018).
- Amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities, and IAS 28 Investments in Associates and Joint Ventures - Investment Entities: Applying the Consolidation Exception (effective for annual periods beginning on or after 1 January 2016).
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective for annual periods beginning on or after 1 January 2016).
- IFRS 14 Regulatory Deferral Accounts (effective for annual periods beginning on or after 1 January 2016).
- IFRS 15 Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2017).
- Amendments to IFRS 11 Joint Arrangements - Accounting for Acquisitions of Interests in Joint Operations (effective for annual periods beginning on or after 1 January 2016).
- Amendments to IAS 1 Presentation of Financial Statements - Disclosure Initiative (effective for annual periods beginning on or after 1 January 2016).
- Amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets - Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016).
- Amendments to IAS 16 Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (effective for annual periods beginning on or after 1 January 2016).
- Amendments to IAS 27 Separate Financial Statements - Equity Method in Separate Financial Statements (effective for annual periods beginning on or after 1 January 2016).
- Amendments to various standards 'Annual Improvements cycle 2012-2014' - a collection of amendments to IFRSs (IFRS 5, IFRS 7, IAS 19, IAS 34) focused primarily on resolving inconsistencies and clarifying terminology (effective for annual periods beginning on or after 1 January 2016).

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According to the Parent's estimates, the above standards, interpretations and amendments would not have a significant impact on the financial statements if they were applied by the entity at the balance sheet date.

Also not yet endorsed by the EU is hedge accounting for portfolios of financial assets and liabilities.

According to the entity's estimates, application of hedge accounting for portfolios of financial assets and liabilities in accordance with IAS 39 Financial Instruments: Recognition and Measurement, would not have had a significant impact on the financial statements if applied at the balance sheet date.

V. Condensed consolidated interim financial statements

Condensed consolidated statement of comprehensive income

for the period 1 January - 31 March 2015

<i>in PLN 000s</i>	Note	1 Jan 2015 31 Mar 2015	1 Jan 2015 31 Mar 2014
Continuing operations			
Revenue from sales	2	10 956	22 958
Cost of sales		(9 055)	(18 768)
Gross profit on sales		1 901	4 190
Selling costs		(729)	(769)
Administrative expenses		(1 591)	(1 867)
Other operating revenue		761	1 439
Other operating expenses		(1 141)	(4 918)
Gain on investments		852	70
Operating profit (loss)		54	(1 855)
Finance costs		(2 111)	(2 045)
Loss before tax		(2 057)	(3 900)
Income tax		(158)	(478)
Net loss on continuing operations for the year		(2 215)	(4 378)
including attributable to:			
Owners of the parent		(2 215)	(4 378)
Non-controlling interests		-	-
Net loss for the period		(2 215)	(4 378)
Other comprehensive income (net)		-	-
Total comprehensive income		(2 215)	(4 378)
Loss per share			
Basic (PLN)		(0.11)	(0.03)
Diluted (PLN)		(0.11)	(0.03)

Agnieszka Maliszewska
/Member of the Management Board/

Robert Pydzik
/President of the Management Board/

Bożena Wincetowicz
/Person responsible for
book-keeping/

Lublin, 15 May 2015

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Condensed consolidated interim balance sheet

At 31 March 2015

<i>in PLN 000s</i>	Note	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Assets			
Non-current assets			
Property, plant and equipment		18 836	19 332
Intangible assets		6 120	5 103
Investment properties		75 882	79 985
Other non-current assets		589	607
Deferred income tax assets		521	526
Total non-current assets		101 948	105 553
Current assets			
Inventory	3	104 262	98 359
Income tax receivables		305	333
Trade and other receivables	4	12 111	8 807
Current investments		10	40
Cash and cash equivalents		11 063	13 482
Total current assets		127 750	121 021
Total assets		229 698	226 574

Agnieszka Maliszewska
/Member of the Management Board/

Robert Pydzik
/President of the Management Board/

Bożena Wincentowicz
/Person responsible for
book-keeping/

Lublin, 15 May 2015

Consolidated quarterly report Q1 2015

Condensed consolidated interim balance sheet

At 31 March 2015

in PLN 000s	Note	31 Mar 2015	31 Mar 2014
Equity and liabilities			
Equity			
Share capital	5	40 030	40 030
Own shares		(1)	(1)
Supplementary capital		103 641	103 624
Retained earnings		(103 537)	(101 338)
Equity attributable to owners of the parent		40 132	42 315
Non-controlling interests		(104)	(90)
Total equity		40 028	42 225
Liabilities			
Credit and loan liabilities	6	21 992	22 489
Bond liabilities	7	34 811	39 724
Finance lease liabilities		18 865	19 853
Provisions	8	4	4
Deferred income tax provision		300	233
Total non-current liabilities		93 228	99 708
Credit and loan liabilities	6	18 675	19 060
Bond liabilities	7	15 845	9 361
Finance lease liabilities		1 283	959
Income tax liabilities		444	375
Trade and other payables		30 400	30 906
Provisions	8	2 349	2 051
Deferred revenue	9	27 448	21 929
Total current liabilities		96 442	84 641
Total liabilities		189 670	184 349
Total equity and liabilities		229 698	226 574

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Lublin, 15 May 2015

Consolidated quarterly report Q1 2015

Condensed consolidated interim statement of cash flows

for the period 1 January - 31 March 2015

<i>in PLN 000s</i>	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Cash flows from operating activities		
Net loss for the period	(2 215)	(4 378)
<i>Adjustments</i>		
Depreciation	640	625
Interest income	(19)	(44)
Finance costs	2 111	1 796
Gain (loss) on sale of tangible assets	(2)	(294)
Gain (loss) on investing activities	(66)	800
Gain (loss) on exchange differences	(833)	43
Change in inventories	(5 903)	12 132
Change in trade and other receivables	904	(4 975)
Change in provisions and related assets	298	2 718
Change in current and other liabilities, excluding borrowings	(985)	538
Change in deferred revenue	5 519	(9 565)
Bond issue costs	-	35
Net cash from operating activities	(553)	(569)

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Condensed consolidated interim statement of cash flows

for the period 1 January - 31 March 2015

in PLN 000s	Note	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Cash flows from investing activities			
Proceeds from sale of intangible assets and property, plant and equipment	25		43
Purchase of intangible assets and property, plant and equipment		(1 094)	(1 251)
Net cash from investing activities		(1 069)	(1 208)
Cash flows from financing activities			
Net proceeds from bond issues		6 500	9 025
Outflows on repayment of borrowings		(854)	(2 367)
Repayment of finance lease liabilities		(160)	(191)
Interest paid		(2 798)	(1 862)
Bond buyback		(4 106)	-
Purchase of own shares		(46)	-
Other finance inflows		(14)	-
Net cash from financing activities		(797)	4 870
Total net cash flows		(2 419)	3 093
Cash and cash equivalents as at the beginning of period		13 482	4 299
Cash and cash equivalents as at the end of period		11 063	7 392
Restricted cash and cash equivalents at the end of period		-	-

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Lublin, 15 May 2015

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Condensed consolidated interim statement of changes in equity

for the period 1 January - 31 March 2015

in PLN 000s

	Share capital	Own shares	Supplementary capital	Retained earnings (losses)	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Equity as at 1 January 2014	33 533	-	80 503	(53 188)	60 848	(17)	60 831
Total revenue and costs recognised	-	-	-	(4 378)	(4 378)	-	(4 378)
Profit distribution	-	-	-	-	-	-	-
Correction of fundamental errors	-	-	-	-	-	-	-
Equity as at 31 March 2014	33 533	-	80 503	(57 566)	56 470	(17)	56 453
<hr/>							
Equity as at 1 January 2015	40 030	(1)	103 626	(101 337)	42 318	(90)	42 228
Total revenue and costs recognised	-	-	-	(2 201)	(2 201)	(14)	(2 215)
Disposal of subsidiary	-	-	15	-	15	-	15
Profit distribution	-	-	-	-	-	-	-
Equity as at 31 March 2015	40 030	(1)	103 641	(103 538)	40 132	(104)	40 028

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Lublin, 15 May 2015

VI. Additional information to the condensed consolidated interim financial statements

1. Segment reporting

Segment reporting is presented by operating segments.

The Group operates mainly in south-eastern Poland. The main reporting pattern is operating segments and results from the Group's management structure and internal reporting.

Prices used in settlements between segments are based on market prices.

Segment results, assets and liabilities include the items that are directly related, as well as those that are used jointly, which can be attributed to specific segments based on rational indications. Items that are not assigned to any segment mainly include: loans issued and cash

Capital expenditure within a segment constitutes the entire cost incurred to purchase property, plant and equipment, including goodwill.

Operating segments

The Group reports the following operating segments:

- Property development,
- Renting of real estate,
- Production of energy from renewable sources,
- Retail.

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1. Segment reporting (continued)

Segments as per IAS 34

<i>in PLN 000s</i>	Property development		Renting of real estate		Renewable energy		Retail		Eliminations		Consolidated	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Continuing operations												
External revenue	7 828	18 071	1 998	2 420	989	1 188	141	1 279		-	10 956	22 958
Inter-segment revenue	3 180	1 042	17	28	73	1	-	5 757	(3 270)	(6 828)	-	-
Total revenue	11 008	19 113	2 015	2 448	1 062	1 189	141	7 036	(3 270)	(6 828)	10 956	22 958
Segment result	(5)	3 356	1 243	1 551	273	35	58	(752)	331	-	1 901	4 190
Other operating revenue											761	1 439
Unallocated costs											(3 461)	(7 554)
Gain on investments											852	70
Operating profit											54	(1 855)
Finance costs											(2 111)	(2 045)
Income tax											(158)	(478)
Net profit (loss) on continuing operations											(2 215)	(4 378)
Other comprehensive income											-	-
Other comprehensive income (net)											-	-
Total comprehensive income											(2 215)	(4 378)

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Segments as per IAS 34

<i>in PLN 000s</i>	Property development		Renting of real estate		Renewable energy		Retail		Eliminations		Consolidated	
	31 Mar 2015	31 Dec 14	31 Mar 2015	31 Dec 2014	31 Mar 2015	31 Dec 2014	31 Mar 2015	31 Dec 2014	31 Mar 2015	31 Dec 2014	31 Mar 2015	31 Dec 2014
Segment assets	270 647	139 271	71 850	76 877	28 315	24 428	3 887	4 006	(156 899)	(32 425)	217 800	212 157
Unallocated assets	11 217		370		252		59		-		11 898	14 342
Total assets	259 430		71 480		28 063		3 827				229 698	226 499
Segment liabilities	194 461	95 592	63 283	31 819	24 290	55 015	4 401	4 404	(140 130)	(32 235)	146 306	154 595
Unallocated liabilities	10 158		4 148		3 762		1 351		-		43 364	64 948
Total liabilities											189 670	219 543

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2. Revenue from sales

<i>in PLN 000s</i>	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Revenue from sale of apartments	3 594	16 263
Revenue from sale of land	4 200	2 157
Rent income	1 941	2 330
Revenue from sale of energy	816	906
Revenue from retail sale of goods (footwear)	94	1 279
Revenue from provision of other services	311	23
	10 956	22 958

3. Inventories

<i>in PLN 000s</i>	31 Mar 2015	31 Mar 2014
Materials	1 449	1 441
Production in progress	96 637	88 897
Finished products	5 563	13 723
Goods	613	2 470
	104 262	106 531

Inventories at 31 March 2015, by category

<i>in PLN 000s</i>	Materials	Production in progress	Finished products	Goods
Osiedle Marina investment, Lublin	-	12 863	635	-
Apartamenty Misjonarska investment, Lublin	-	1 352	277	-
Miasteczko Wikana investment, Lublin	-	12 694	117	-
Niecała investment, Lublin	-	3 199	-	-
Sky House investment, Lublin	-	6 198	706	-
Osiedle Cetnarskiego investment, Łańcut	-	-	726	-
Tęczowe Osiedle investment, Rzeszów	-	-	1 461	-
Zielone Tarasy investment, Rzeszów	-	19 492	31	-
Podpromie investment, Rzeszów	-	4 489	-	-
Osiedle Panorama investment, Rzeszów	-	993	434	-
Klonowy Park investment, Janów Lubelski	-	1 584	264	-
Commercial investment in Janów Lubelski	-	-	-	234
Investment in Przemyśl	-	2 820	-	-
Investment in Piaseczno	-	2 896	-	-
Świerkowa Aleja investment, Zamość	-	7 351	254	-
Al. Kraśnickie investment	-	5 805	-	-
Nowy Świat (Oranżeria) investment	-	7 222	-	-
Osiedle Generalskie investment, Krosno	-	5 751	68	-
Osiedle Olimpijskie investment, Puławy	-	-	385	-
Investment in Krynica	-	274	-	-
Investment in Tarnobrzeg	-	1 084	-	-

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Renewables	1 449	-	146	-
Retail products	-	-	-	379
Other	-	570	59	
	1 449	96 637	5 563	613

Write-downs of inventories did not substantially change in comparison with 31 December 2014.

4. Trade and other receivables

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Trade receivables	6 456	2 301
Other receivables	1 881	1 910
Tax receivables	2 730	4 265
Prepayments	1 044	331
	12 111	8 807

Impairment losses on trade and other receivables did not substantially change from 31 December 2014.

5. Equity

Share capital structure at 31 March 2015

Shareholder	Number of shares	Number of votes	Nominal value	% in share capital	% share in votes at GM
AGIO RB FIZ*	6 320 124	6 320 124	12 640 248	31.58%	31.58%
Ipnihome Limited**	4 935 222	4 935 222	9 870 444	24.66%	24.66%
Dekra Holdings Limited***	3 027 026	3 027 026	6 054 052	15.12%	15.12%
Other entities	5 732 425	5 732 425	11 464 850	28.64%	28.64%
TOTAL:	20 014 797	20 014 797	40 029 594	100.00%	100.00%

* according to information received from the shareholder on 4 December 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014.

** according to information received from the shareholder on 5 December 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014. Entity controlled by Adam Buchajski (aggregate number of shares owned directly and indirectly by Adam Buchajski: 5 460 037, entitling to 5 460 037 votes at the Company's general meeting and constituting a 27.28% share of capital/votes).

*** according to information received from the shareholder on 23 September 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014.

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The Company's share capital amounts to PLN 40 029 594.00 and is divided into 20 014 797 ordinary bearer shares series G and H, with a nominal value of PLN 2.00 each.

Changes in WIKANA S.A.'s shareholding structure during and after the reporting period

The Company's share capital structure did not significantly change during the reporting period and until the date on which this report was published.

Dividends paid

During the period 1 January - 31 March 2015 and until this report was published, Wikana S.A. did not pay out a dividend.

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6. Credit and loan liabilities

Breaches of deadlines for principal and interest payments as well as other credit agreement terms did not occur during the period covered by this report, other than those that took place prior to 31 December 2014. In connection with this, the credit facilities that the breach events concerned have been recognised as current. According to the Parent's management board, the above breach events will not cause the agreements to be terminated.

Borrowings by type

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Credit facilities	25 589	26 560
Loans	15 079	14 989
<i>including:</i>		
Short-term part	18 675	19 060
Long-term part	21 992	22 489

Long-term borrowings with repayment period from the balance sheet date

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
up to 12 months	18 756	19 060
from 1 to 3 years	4 014	4 288
from 3 to 5 years	4 473	4 676
over 5 years	13 423	13 525
Total borrowings	40 666	41 549

Borrowings (currency structure)

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
in PLN	35 914	36 411
in foreign currencies	4 752	5 138
Total borrowings	40 666	41 549

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List of credit facilities, including credit limits

Lender	Agreement no. / date of execution	Amount		Repayment date	Collateral
		Credit amount owed in PLN 000s	in PLN 000s		
BGŻ S.A.	U/0005208951/0007 / 2011/2807 15.04.2011	5 800	606	31.12.2015	
annex	13.09.2011				
annex	31.10.2011				deposit mortgage on a property in Lublin up to PLN 8 700 000, own in-blanco promissory note with declaration, power of attorney to bank accounts at BGŻ, assignment of rights to insurance policy
annex	18.11.2011				
annex	29.02.2012				
annex	31.10.2012				
annex	28.11.2012				
arrangement	20.02.2014				
Deutsche Bank PBCKNK/1207991 S.A.	26.04.2012	4 515	3 432	30.04.2027	EUR 31 000 cash deposit; mortgage up to EUR 1 575 000 on a property; assignment of rights to insurance policy; court-ordered registered pledge on the general partner's shares; power of attorney to other bank accounts; in-blanco promissory note; declaration on submission to enforcement proceedings, surety by Wikana SA; assignment of rights to a bank guarantee
annex	06.11.2012				
Deutsche Bank PBCKNK/1300999 S.A.	17.01.2013	1 868	1 320	01.02.2021	mortgage up to EUR 675 000 on a property owned by the borrower; assignment of rights to a property insurance policy, an amount no lower than PLN 5 060 000; court-ordered registered pledge on shares in Wikana Nieruchomości Sp. z o.o.; in-blanco promissory note guaranteed by Wikana S.A.; declaration on submission to enforcement proceedings; irrevocable power of attorney to current account and other accounts maintained by the bank; indefinite surety by Wikana S.A. pursuant to civil law up to EUR 675 000; assignment of rights to a bank guarantee issued as collateral for repayment of lease agreements, a cash deposit of at least EUR 21 000

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Bank PEKAO S.A.	2004/28 14.12.2004	2 500	1 154	30.11.2015	Mortgage on properties, promissory note, power of attorney to bank account
annex	30.09.2005				
annex	29.09.2006				
annex	06.10.2006				
annex	29.11.2006				
annex	30.09.2008				
annex	29.04.2009				
annex	26.04.2010				
annex	29.04.2011				
annex	30.04.2012				
annex	30.04.2013				
annex	29.11.2013				
annex	29.11.2013				
annex	27.03.2014				
annex	30.07.2014				
annex	27.11.2014				
BGK S.A.	12001745/233/2000 15.12.2000	1 719	1 668	20.08.2045	deposit mortgage up to PLN 2 579 000 (Nowy Świat - Lublin) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 56 000 per year, that are wired to any of the bank accounts, insurance agreement up to PLN 150 000
BGK S.A.	12001745/83/2002 24.07.2002	2 900	2 226	25.01.2037	deposit mortgage up to PLN 5 128 000 (Piaskowa - Kraśnik) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 124 000 per year, that are wired to any of the bank accounts
BGK S.A.	12001745/152/2002 27.09.2002	4 000	3 853	25.12.2038	deposit mortgage up to PLN 6 600 000 (Willowa I - Lublin) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 171 000 per year,

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that are wired to any of the bank accounts

BGK S.A.	12001745/64/2003 27.05.2003	7 300	4 940	25.08.2030	deposit mortgage up to PLN 10 950 000 (Willowa II - Lublin) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 335 000 per year, that are wired to any of the bank accounts
BGK S.A.	12001745/1058/2006 05.09.2006	2 454	1 695	25.04.2030	deposit mortgage up to PLN 3 681 000 (Rumiankowa - Kraśnik) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 120 000 per year, that are wired to any of the bank accounts
BGK S.A.	12001745/1059/2006 05.09.2006	4 164	2 913	25.07.2030	deposit mortgage up to PLN 6 246 000 (Kaskadowa - Lublin) assignment of rights to insurance policy for the property being financed assignment of receivables from rent payments, up to a total of PLN 196 000 per year, that are wired to any of the bank accounts
BOŚ S.A.	S/94/07/2012/11447 / K/INW/EKO/EKO 13.09.2012	420	1 781	15.12.2022	mortgage up to PLN 11 130 000 on a property owned by a natural person; consent was issued for a fee, and a mortgage up to PLN 11 130 000 was established on a property belonging to the borrower, assignment of rights under an insurance policy for the mortgaged property, power of attorney for the borrower's bank accounts at the lender, own in-blanco promissory note guaranteed by Wikana S.A.
Total		50 395	25 588		

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List of loans

Lender

	Agreement no. / date of execution	Loan amount in PLN 000s	Amount owed in PLN 000s	Repayment date	Collateral
Agnieszka Buchajska	05.07.2013	300	344	31.12.2015	own promissory note issued by the borrower
	22.05.2013	70	75	31.12.2015	own promissory note issued by the borrower
	10.03.2014	88	92	31.03.2016	own promissory note issued by the borrower
Renale Management Limited	13.09.2013	3 530	3 045	31.12.2015	own promissory note issued by the borrower
	04.03.2014	150	157	31.03.2016	own promissory note issued by the borrower
Finanso Consumer Finance	07.02.2013	2 000	581	30.11.2015	registered pledge on 2918 shares in TBS Nasz Dom Sp. z o.o. contractual mortgage up to PLN 3 000 000 borrower's declaration on submission to enforcement proceedings up to PLN 2 320 000
Ipnihome Limited	30.10.2012	1 300	1 091	31.12.2015	in-blanco own promissory note issued by the borrower
	04.03.2014	100	105	31.03.2016	in-blanco own promissory note issued by the borrower
	28.02.2014	100	105	28.02.2016	in-blanco own promissory note issued by the borrower
National Fund for Environmental Protection and Water Management annex annex annex	231/2011/Wn03/ OA- MO-KU/P 14.06.2011 20.02.2012 13.08.2012 28.09.2012	11 230	3 080	20.12.2018	promissory note, mortgage on properties, assignment of rights, court- ordered pledge
OIC POLAND	12.04.2011	65	9	12.04.2014	in-blanco promissory note, promissory note guarantee from Wikana

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S.A.

Sanwil Holding S.A.	21.11.2013 03.07.2013	700 357	752 394	31.01.2016 31.12.2015	own promissory note issued by the borrower
Sanwil Holding S.A.	30.12.2013	1 000	1 076	31.01.2016	own promissory note issued by the borrower
Sanwil Holding S.A.	03.07.2012 31.08.2012 29.03.2013 31.12.2013 30.06.2014	2 000	2 421	31.12.2015	own promissory note issued by the borrower
AGIO RB FIZ	13.09.2014	6 040	1 329	31.08.2015	own promissory note issued by the borrower
BIOWAT	04.02.2015	250	205	31.12.2015	
individual persons			218		n/a
Total		29 280	15 079		

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7. Bond liabilities

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Gross bond liabilities at the beginning of period	49 565	29 260
Proceeds from issue of convertible bonds	6 500	25 060
Issue costs	-	(107)
Net proceeds from bond issues	6 500	24 953
Cost of bond issues settled over time	(483)	(460)
Interest recognised as finance costs	1 160	1 510
Bond buyback together with interest	(6 086)	(6 178)
Total	50 656	49 085
Short-term part	15 845	9 361
Long-term part	34 811	39 724
Net bond liabilities at the end of period	50 656	49 085

Debt instruments by type

	Par value	Terms of interest	Guarantees / collateral	Maturity date
Series A ordinary bonds issued by Wikana S.A.	20 530	WIBOR 6M + margin	contractual mortgage up to PLN 46 800 000	18.07.2016
Series B ordinary bonds issued by Wikana S.A.	7 612	WIBOR 6M + margin	unsecured	18.01.2017
Series A ordinary bonds issued by Wikana Property Omega Sp. o.o. S.K.A.	4 000	WIBOR 6M + margin	contractual mortgage up to PLN 6 000 000, registered pledge up to PLN 6 000 000, surety issued by Wikana S.A.	20.01.2016
Series A ordinary bonds issued by Wikana Property Omega Sp. o.o. S.K.A.	6 000	WIBOR 6M + margin	contractual mortgage up to PLN 9 000 000, registered pledge up to PLN 9 000 000, surety issued by Wikana S.A.	22.06.2016
Series A ordinary bonds issued by Wikana Meritum Corylus Sp. z o.o. S.K.A. (formerly Wikana Property Corylus Sp. z o.o. S.K.A.)	17 857	Fixed interest rate	declaration on submission to enforcement proceedings registered pledge on shares of Wikana S.A.'s subsidiaries, contractual mortgage up to PLN 1 000 000 on a property owned by Wikana S.A., contractual mortgages up to PLN 26 786 000 on properties where selected development projects are taking place	16.12.2016

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Bond liabilities by maturity

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
up to 12 months	15 845	9 361
from 1 to 3 years	34 811	39 724
from 3 to 5 years	-	-
over 5 years	-	-
Bond liabilities	50 656	49 085

8. Provisions

<i>in PLN 000s</i>	Legal	Liabilities	Employee	Total
Value as at 1 January 2015	1 540	351	164	2 055
Increases / recognition	-	298	-	298
Decreases / use	-	-	-	-
Value at 31 March 2015	1 540	649	164	2 353
Long-term part	-	-	4	4
Short-term part	1 540	649	160	2 349
	1 540	649	164	2 353
Value at 31 December 2014	1 540	351	164	2 055
Long-term part	-	-	4	4
Short-term part	1 540	351	160	2 051

9. Deferred revenue

Deferred revenue comprises mainly advances from customers for apartment purchases and interest charged on overdue payments. Advances received from customers are presented by project, as below. In addition, this item includes grants in the amount of PLN 8 164 000 and other items of PLN 187 000.

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Sky House investment	219	2 423
Zielone Tarasy investment	5 880	4 112
Osiedle Marina investment	1 457	1 353
Świerkowa Aleja investment	4 660	2 207
Miasteczko Wikana investment	2 567	1 583
Osiedle Panorama investment	-	19
Osiedle Generalskie investment	1 973	492
Nowy Świat (Oranżeria) investment, Lublin	918	423
Tęczowe Osiedle investment	38	45
Grants	8 164	8 399
Advance on sale of land	1 385	873
Other	187	-
	27 448	21 929

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10. Remuneration for Management Board and Supervisory Board members

Management Board remuneration

Aside from base salaries and social security contributions to ZUS (pension benefit contributions), the Group pays out remuneration to the management pursuant to agreements for provision of services and remuneration for serving on the management board.

<i>in PLN 000s</i>	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Management Board remuneration	55	219

Management's remuneration for serving at the management board or supervisory board of subsidiaries

<i>in PLN 000s</i>	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Supervisory Board remuneration	48	35

11. Related-party transactions

Other related-party transactions

Related parties include entities controlled by shareholders and Management Board members

<i>in PLN 000s</i>	Transaction value during the period		Outstanding balance as at	
	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014	31 Mar 2015	31 Mar 2014
Sale of products and services	2	-	7	-

	Transaction value during the period		Outstanding balance as at	
	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014	31 Mar 2015	31 Mar 2014
Purchase of products and services	230	67	475	399

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<i>in PLN 000s</i>	Outstanding balance as at 31 Dec 2014	Issue	Transaction value during the period		Repayment at 31 Mar interest	Outstanding balance as at 31 Mar 2015
			Repayment principal	Charged interest		
Loans received (principal and interest)	11 679	957	219	197	957	11 657

<i>in PLN 000s</i>	1 Jan 2015	31 Mar 2015	Transaction value during the period		Outstanding balance as at	
			1 Jan 2014	31 Mar 2014	31 Mar 2015	31 Dec 2014
Other liabilities	-	-	-	-	2 541	2 541

12. Events after the end of the reporting period

All material events were communicated by the Company via current reports, which are available at its website.

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/Person responsible for
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Lublin, 15 May 2015

VII. Condensed separate interim financial statements

Condensed separate statement of comprehensive income

for the period 1 January - 31 March 2015

<i>in PLN 000s</i>	Note	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Continuing operations			
Revenue from sales		4 644	13 846
Cost of sales		(4 624)	(11 314)
Gross profit on sales		20	2 532
Selling costs		(258)	(295)
Administrative expenses		(502)	(1 022)
Other operating revenue		480	255
Other operating expenses	2	(64)	(2 916)
Gain on investments		198	250
Operating loss		(125)	(1 196)
Share of the profit of jointly controlled entities and associates		-	-
Finance costs		(650)	(915)
Loss before tax		(775)	(2 111)
Income tax			(147)
Net loss on continuing operations		(775)	(2 258)
Other comprehensive income (net)		-	-
Total comprehensive income		(775)	(2 258)
Loss per share on continuing operations			
Basic (PLN)		(0.04)	(0.01)
Diluted (PLN)		(0.04)	(0.01)

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Condensed separate interim balance sheet

At 31 March 2015

<i>in PLN 000s</i>	Note	31 Mar 2015	31 Dec 2014
Assets			
Non-current assets			
Property, plant and equipment		148	161
Intangible assets		231	308
Investment properties		5 274	9 365
Loans issued		23 815	25 199
Other non-current investments		9 716	9 716
Other non-current assets		3 369	
Total non-current assets		42 553	44 749
Current assets			
Inventory	1	32 301	32 007
Trade and other receivables		27 036	25 508
Cash and cash equivalents		74	81
Total current assets		59 411	57 596
Total assets		101 964	102 345

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Condensed separate interim balance sheet

At 31 March 2015

<i>in PLN 000s</i>	Note	31 Mar 2015	31 Dec 2014
Equity and liabilities			
Equity			
Share capital		40 030	40 030
Own shares		(1)	(1)
Supplementary capital		67 068	67 068
Retained earnings (losses)		(67 018)	(66 245)
Equity		40 078	40 852
Total equity		40 078	40 852
Liabilities			
Credit and loan liabilities		2 853	3 045
Provisions	2	4	4
Bond liabilities		8 188	19 789
Other non-current liabilities		6 244	779
Total non-current liabilities		17 288	23 617
Credit and loan liabilities		8 622	8 842
Bond liabilities		15 758	9 011
Provisions	2	1 386	1 386
Deferred revenue	3	343	974
Total current liabilities		44 5 98	37 876
Total liabilities		61 886	61 493
Total equity and liabilities		101 964	102 345

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Condensed separate interim statement of cash flows

for the period 1 January - 31 March 2015

in PLN 000s

	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Cash flows from operating activities		
Net loss for the period	(775)	(2 258)
<i>Adjustments</i>		
Depreciation	89	66
Interest income and shares of profit (dividends)	(852)	(202)
Gain on disposal of investment properties	(66)	-
Finance costs	630	915
	-	(10)
Gain on disposal of property, plant and equipment		
Change in inventories	(294)	10 920
Change in trade and other receivables	2 663	(3 160)
Change in provisions and related assets	-	2 700
Change in current and liabilities, excluding borrowings and leasing	826	1 207
Change in deferred revenue	(631)	(10 229)
Net cash from operating activities	1 590	(51)
Cash flows from investing activities		
Proceeds from sale of intangible assets and property, plant and equipment	-	10
Gain on disposal of investment properties	20	-
Repayment of issued loans	4 929	652
Loans issued	(83)	(274)
Net cash from investing activities	4 866	388

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Condensed statement of cash flows (continued)

for the period 1 January - 31 March 2015

in PLN 000s

	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014
Cash flows from financing activities		
Net proceeds from bond issues	(376)	-
Borrowings incurred	185	1 681
Outflows on repayment of borrowings	(731)	(994)
Repayment of finance lease liabilities	-	(15)
Interest paid	(1 390)	(1 334)
Bond buyback	(4 106)	-
Purchase of own shares	(46)	-
Net cash from financing activities	(6 464)	(662)
Total net cash flows	(7)	(325)
Cash and cash equivalents as at the beginning of period	81	349
Cash and cash equivalents as at the end of period	74	24
Restricted cash and cash equivalents at the end of period	-	-

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Condensed separate interim statement of changes in equity

for the period 1 January - 31 March 2015

in PLN 000s

	Share capital	Own shares	Supplement ary capital	Retained earnings (losses) restated	Total equity
Equity as at 1 January 2014	33 533	-	61 225	(52 625)	42 133
Profit distribution	-	-	-	-	-
Redemption of own shares	-	-	-	-	-
Total revenue and costs recognised	-	-	-	(2 258)	(2 258)
Equity as at 31 March 2014	33 533	-	61 225	(54 883)	39 875
<hr/>					
Equity as at 1 January 2015	40 030	(1)	67 068	(66 245)	40 852
Profit distribution	-	-	-	(774)	(774)
Total revenue and costs recognised	-	-	-	-	-
Equity as at 31 March 2015	40 030	(1)	67 068	(67 019)	40 078

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VIII. Additional information to the condensed separate interim financial statements

1. Inventories

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Production in progress	31 625	31 378
Finished products	676	629
	32 301	32 007

Inventories at 31 March 2015, by category

<i>in PLN 000s</i>	Production in progress	Products
Osiedle Marina investment, Lublin	2 637	298
Apartamenty Misjonarska investment, Lublin	1 352	308
Osiedle Cetnarskiego investment, Łańcut	-	39
Zielone Tarasy investment, Rzeszów	5 713	-
Osiedle Panorama investment, Rzeszów	896	31
Niecała investment, Lublin	3 199	-
Investment in Przemyśl	2 820	-
Kraśnicka investment, Lublin	5 805	-
Sky House investment, Lublin	4 223	-
Podpromie investment, Rzeszów	4 489	-
Other	493	-
	31 625	676

Write-downs of inventories did not change in comparison with 31 December 2014.

2. Provisions

	Legal	Liabilities	Employee	Total
<i>in PLN 000s</i>				
Value as at 1 January 2015	1 286	0	104	1 390
Increases / recognition		0	0	0
Decreases / use	0	0	0	0
Value at 31 March 2015	1 286	0	104	1 390
Short-term part	1 286	0	100	1 386
Long-term part	0	0	4	4
	1 286	0	104	1 390
Value at 31 December 2014	1 286	0	104	1 390
Short-term part	1 286	0	100	1 386
Long-term part	0	0	4	4
	1 286	0	104	1 390

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3. Deferred revenue

Deferred revenue comprises mainly advances from customers for apartment purchases and interest charged on overdue payments. Advances from customers concerned the following projects:

<i>in PLN 000s</i>	31 Mar 2015	31 Dec 2014
Osiedle Marina investment	-	-
Kamenica Misjonarska investment	93	-
Klonowy Park investment, Janów	-	-
Tęczowe Osiedle investment, Rzeszów	-	-
Osiedle Cetnarskiego investment, Łańcut	-	-
Advance on sale of land	-	747
Grants	168	227
Refundable advances from apartment buyers	79	-
Other	4	-
	343	974

4. Related-party transactions

in PLN 000s

	Transaction value during the period		Outstanding balance as at	
	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014	31 Mar 2015	31 Dec 2014
Sale of products and services				
Total transactions with Group entities	652	188	19 931	23 953

in PLN 000s

	Transaction value during the period		Outstanding balance as at	
	1 Jan 2015 31 Mar 2015	1 Jan 2014 31 Mar 2014	31 Mar 2015	31 Dec 2014
Purchase of products and services				
Total transactions with Group entities	160	7 129	15 573	15 294

in PLN 000s

	Outstanding balance as at	Transaction value during the period		Outstanding balance as at
Loans received (principal and interest)				
Total transactions with Group	3 045	185	(401)	25
				(1)
				2 853

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entities

	Transaction value during the period				
	Outstanding balance as at 31 Dec 2014	Principal Incurred	payments	Charged Interest interest payments	Outstanding balance as at 31 Mar 2015
Loans issued (principal and interest)					
Total transactions with Group entities	25 199	5 812	(8 230)	1 034 -	23 815

5. Events after the end of the reporting period

All material events were communicated by the Company via current reports, which are available at its website.

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IX. Description of the Issuer's group

The Group comprises the parent company, Wikana S.A., and its subsidiaries. Detailed information about the Group is presented in point III of the consolidated quarterly report for the period 1 January 2015 - 31 March 2015.

X. Effects of changes in the entity's organisational structure

According to the Management Board's best knowledge, this does not apply to the Company.

XI. Management's views on previously published guidance for the year

The Company does not release guidance.

XII. Shareholders directly or indirectly, through subsidiaries, holding at least 5% of votes at the parent's general meeting, as at publication of this report

Shareholding structure at 15 May 2015

Shareholder	Number of shares	Number of votes	Nominal value	% in share capital	% share in votes at GM
AGIO RB FIZ*	6 320 124	6 320 124	12 640 248	31.58%	31.58%
Ipnihome Limited**	4 935 222	4 935 222	9 870 444	24.66%	24.66%
Dekra Holdings Limited***	3 027 026	3 027 026	6 054 052	15.12%	15.12%
Other entities	5 732 425	5 732 425	11 464 850	28.64%	28.64%
	20 014 797	20 014 797	40 029 594	100.00%	100.00%

* according to information received from the shareholder on 4 December 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014.

** according to information received from the shareholder on 5 December 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014. Entity controlled by Adam Buchajski (aggregate number of shares owned directly and indirectly by Adam Buchajski: 5 460 037, entitling to 5 460 037 votes at the Company's general meeting and constituting a 27.28% share of capital/votes).

*** according to information received from the shareholder on 23 September 2014, taking into consideration a share consolidation procedure carried out in the fourth quarter of 2014.

XIII. Holdings of shares in the Issuer or rights to such shares by Management Board and Supervisory Board members at publication of this quarterly report

The Company's management personnel do not hold shares in the issuer. The Company's Management Board does not have up-to-date information regarding direct holdings of shares in the issuer by its supervisory personnel.

XIV. On-going proceedings in courts, arbitration bodies or public administration authorities

According to the Issuer's best knowledge, on the date on which these financial statements were prepared, the Issuer and its subsidiaries were parties to on-going proceedings in court, arbitration body or public administration authority in aggregate worth PLN 16 815 166.98, of which:

PLN 4 612 038.43 constituted the total value of proceedings concerning receivables due to the Issuer and its subsidiaries. The highest-value proceeding was instigated by Wikana S.A. on 17 March 2014 against ABM Greiffenberger Polska Sp. z o.o., based in Lublin. On 23 December 2014, the Company modified the suit's legal basis, demanding a refund from the sued company of PLN 4 188 951.46 for unjustifiably paid considerations. The claim is viewed as justified.

PLN 12 203 128.55 constituted the total value of proceedings concerning the Issuer's and its subsidiaries' liabilities. The largest item in this group was covered by a Decision of the Head of the 1st Tax Office in Lublin, delivered to Wikana S.A. on 22 April 2015, which indicated the amount of a receivable that had not been paid to the enforcement authority and that had concerned a garnishment of PLN 3 704 506.30. Wikana S.A. has appealed the ruling on the grounds that it was not justified.

XV. Significant related-party transactions executed by Group companies on terms other than market terms

No transactions were executed on terms other than market terms.

XVI. Information on credit or loan sureties and guarantees issued

This information is presented in point VI Additional information to the condensed consolidated interim financial statements.

XVII. Information significant for assessment of the HR, asset and financial situation, financial results and changes thereof, together with other information significant for assessment of the Issuer's ability to meet

All material information was communicated by the Company via current reports, which are available at its website.

XVIII. Factors that might have an effect on results over at least the next three months

The Group expects to continue its present activities in subsequent reporting periods. The growth strategy of the Company, development companies and other entities within the Group for at least the next 12 months, with consideration given to the factors having effect on its execution, was presented by the Company's management board in point IV of the interim management report on the operations of Wikana Group for 2014 and did not change as of the date on which this report was published.

XIX. Events after the end of the interim reporting period that were not included in the financial statements

All material events were communicated by the Company via current reports, which are available at its website.

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