

THE ANNUAL REPORT OF THE ISSUER FOR 2012



The Capital City of Warsaw

The Mayor of the Capital City of Warsaw

/-/

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I. INTRODUCTION

The Capital City of Warsaw, as the issuer of bonds launched on regulated markets, domestic and foreign, is committed to comply with information obligations according to the schedule specified below:

- the Act of 29 July 2005 on the trading of financial instruments (as amended) and the Act of 29 July 2005 on public offer and the conditions for introducing financial instruments to the organised trading system, and on public companies (as amended);
- the Regulation of the Minister of Finance of 19 February 2009 on the current and periodic information communicated by the issuer of securities, and terms for the recognition of equivalent (as amended) information required under the provisions of the law of non-Member-State countries;
- the Regulations of the Luxembourg Stock Exchange (LSE) and regulations valid on the parallel securities market maintained by Warsaw Stock Exchange S.A., as well as non-stock markets maintained by BondSpot S.A.

I.1. Statements of the Mayor of Capital City of Warsaw

The Capital City of Warsaw (“the City of Warsaw”, “Issuer”) ensures that according to its best knowledge (with due diligence in the verification of this guarantee), the annual financial statement and comparative data were prepared according to valid accounting rules and reflected in a true, reliable and clear manner the financial condition of the Issuer and its financial result, and the report on the activities of the Issuer includes a true picture of development and achievements, as well as the condition of the Issuer, including a description of the basic threats and risks.

Moreover, the Issuer guarantees that the entity authorised to examine financial statements verifying the annual financial statement was selected according to the provisions of the law, and that this entity or expert auditors verifying this statement complied with requirements on the delivery of impartial and independent opinions about the examined annual financial statement according to the valid provisions of the law and professional standards.

All references made in this document to “PLN” or “złoty” mean the currency of the Republic of Poland. Any references made in the Annual report to the provisions of the law should be interpreted as references to the contents of this provision with amendments, or, if it is repealed or invalid, to repealing provisions or provisions regulating the subject matter equivalent to that specified by the repealed provision.

This Annual Report for 2012 should be read: (i) with the unitary report on the realisation of the budget of the City of Warsaw for 2012, and 2011 (ii) intermediate statements (if prepared and made available); (iii) information and documents published on the webpage of the City of Warsaw www.bjp.warszawa.pl or published in another form.

II. THE MOST IMPORTANT ACHIEVEMENTS/FAILURES OF THE ISSUER IN 2012 AND DEVELOPMENT PERSPECTIVES

The total revenue of the City of Warsaw in 2012 amounted to PLN 11,941.0 million and constituted 100.9% of the plan. Total expenditures were incurred at the level of PLN 12,612.7 million, and, as compared to the plan, amounted to 95.1%. The amount for the current tasks was PLN 10,435.5 million, and the actual ratio as compared to the plan was 97.8%. The level of capital expenditures was PLN 2,177.2 million, and their actual level compared to the plan was 84.1%. Debt in 2012 amounted to PLN 5,695.5 million. Debt as at 31 December 2012 constituted 47.70% of total revenue and were lower than the statutory limit of 60% of revenue, and also lower than the assumed internal limit of 55% of revenue provided for in the multiannual debt policy of the City of Warsaw.

In 2012, the City maintained a high level of investments, the total value of which amounted to PLN 2,117 million. The limit of PLN 2 billion assigned for the financing of citywide and district investment tasks, as well as for the remaining capital expenditures, was exceeded for another year in a row.

The biggest tasks implemented in 2012 were:

- the construction of the 2nd metro line: the plan PLN 1,319.5 million, actual PLN 1,113.1 million,
- the construction of the Północny Bridge route: the plan PLN 228.5 million, actual PLN 167.0 million,
- the construction of Nowolazurowa Street in the section from Jerozolimskie Avenue to AK Route: the plan PLN 136.1 million, actual PLN 116.5 million,
- the modernisation of Marsa – Żołnierska streets – stage I: the plan PLN 50.5 million, actual PLN 49.6 million,
- the modernisation of Jerozolimskie Avenue (the construction of the Łopuszańska – Kleszczowa junction): the plan PLN 25.8 million, actual PLN 19.8 million,
- the modernisation of Górczewska Street (in the section of the Łazurowa terminus – the City border): plan PLN 30.6 million, actual 22.1 million,
- the construction of the second carriageway at Kasprowicza Street in the section Oczapowskiego Street – the “Młociny” Junction (Przy Agorze Street): plan PLN 29.1 million, actual PLN 19.5 million,
- the reconstruction and modernisation of the Grochowski Hospital: plan PLN 18.3 million, actual PLN 18.1 million,
- the construction of the Museum of the History of the Polish Jews: the plan PLN 17.5 million, actual PLN 15.2 million,
- the adaptation of the building at 12 Sandomierska Street to the needs of the Geodesy and Land Register Office: the plan PLN 17.6 million, actual PLN 17.2 million,
- the modernisation and extension of the “Inflancka” Hospital: the plan PLN 12.8 million, actual PLN 12.8 million,
- the modernisation of the Czerniakowski Port: the plan PLN 10.4 million, actual PLN 10.3 million,
- the extension and reconstruction of the school building into the seat of the "Na Przedwiośniu" Social Assistance Centre: the plan PLN 10.0 million, actual PLN 9.2 million.

In 2012, significant financial expenses were also assigned for the following investment linked with the needs of residents and the improvement of their standards of lives and functioning in the City:

- **in terms of transport and urban transport:** for the modernisation of the bus terminal, including the construction of the check-out pavilion at the Eastern Station from the side of Lubelska Street, the construction of strategic car parks “Park&Ride” (P&R), the reconstruction of the Kabaty Technical and Holding Station infrastructure due to the expansion of the rolling stock, the modernisation of the Warsaw Metro stations A5 “Ursynów” and A9 “Raclawicka” by constructing additional elevators, the construction of 17-go Stycznia – Cybernetyki streets, the construction of KEN Avenue – stage III (Nowobukowińska Street), the reconstruction

(extension) of Modlińska Street in the section from the Grota Roweckiego Bridge to the bridge over the Żerański Canal, the extension, including the reconstruction of the crossing of Wólczyńska and Arkuszowa streets, the reconstruction of the bridge over Żerański Canal in Kobiałka Street, the construction of a cycling lane ("the Nadwiślański Cycling Route") along the Vistula River, the construction of a cycling lane at Jagiellońska Street in the section from Solidarności Avenue to the Starzyńskiego Roundabout, the reconstruction of the lighting system along Jana Pawła II Street from Solidarności Avenue to the ONZ Roundabout and along Wał Miedzeszyński Street from the Lubelski Route to the City border, the construction of traffic lights at the crossing of Bazyliańska – Ogińskiego streets, along Krakowska Avenue – passages at the bus terminus and the crossing of Płochocińska – Przyrodnicza streets,

- **in terms of spatial governance and real-estate management:** for the construction of municipal buildings at 87 Św. Wincentego Street, the construction of the municipal building at Marywilska Street, the modernisation of the Szembeka Square, the construction of municipal buildings at 14 Kłobucka Street, the modernisation of the Palace of Culture and Science (adjusting the height zone to the fire safety requirements), the modernisation of the marketplace at Banacha Street,
- **in terms of the municipal services management and environmental protection:** for the modernisation of the Czerniakowski Port, the reclamation of Lake Zgorzała, including the adjustment of the melioration and sewage facilities to take in the rainwater, the extension of the corpus and slope on the Miedzeszyński Embankment, the restoration of the embankment damaged in the 2010 summer flooding at the Czerniakowski Port, the reconstruction of the playground in the Praski Park and in the Saski Garden, subsidies to the entities operating outside the public finances sector, intended for the disassembly of the asbestos-bearing facilities, the construction of sewage connections, the liquidation of holding tanks and the assembly of solar panels and heating pumps,
- **in terms of safety and public order:** for the implementation of the project entitled "Safe City", the modernisation of the visual monitoring system of the Capital City of Warsaw, the construction of the public alarm and warning system,
- **in terms of culture and the protection of the cultural heritage:** for the construction of the Służewiec Culture Centre, the renovation and adaptation for cultural purposes of the Old Town of Warsaw cellars under the entry onto the list of UNESCO World Heritage, the construction of the Museum of the Warsaw Praga District, the construction of a public utility building at Kolegiacka Street, the modernisation of the entrance zone to the Museum of the History of the Capital City of Warsaw, the modernisation of the Roma Theatre building as regards fire safety protection systems, the provision of an exhibition to commemorate Korczak's Year,
- **in terms of sports and recreation:** for the modernisation of the side area of the sports pitch of the OSiR stadium at 3 Sosnkowskiego Street, the construction of a football pitch as part of the programme "My Pitch – Orlik 2012", the modernisation of the stadium at 6 Konwiktorska Street as regards the adjustment to the UEFA requirement, the roofing of the tennis court at 71 Solec Street, the modernisation of the "Lubecki" hauling ship,
- **in terms of education:** for the construction of the Schools Complex at Lokajskiego Street, the modernisation of the S. Wysocki Schools Complex (formerly "Kolejówka") at 56 Szczęśliwicka Street, the modernisation of the Jan III Sobieski LXXV Secondary School at 128 Czerniakowska Street, the construction of a primary school in the Stara Miłosna Housing District, the thermo-modernisation of the building of Schools Complex No. 2 at 28/30 Gubinowska Street in the teaching and swimming pool section, including the junction, and in the gym hall, the modernisation of the facilities of the Jakub Falkowski Institute for the Deaf at 4/6 Trzech Krzyży Square, the realisation of investment purchases for special schools complexes, for youth education centres and for school canteens,
- **in terms of health protection and social support:** for the modernisation and extension of the Grochowski Hospital, the Holy Family Hospital, the "Inflancka" Hospital, the St. Sophia Hospital, the Bielański Hospital, the Czerniakowski Hospital, the Praski Hospital, the Wolski Hospital and the Warsaw Children Hospital, the modernisation of the Regional Specialist Outpatient Clinic at 1 Soczi Street, at 27 Kielecka Street, at 49 Płocka Street, at 17 Leszno Street, at 39 Żytnia

Street, at 54 Elekcyjna Street, at 1 Mariańska Street, at 14 Chmielna Street and at 36 Szczęśliwicka Street, the modernisation of the healthcare and treatment establishments at Mehoffera and Szubińskiej streets, the construction of a nursery at Czerwona Droga Street, the modernisation of nurseries and the adaptation of premises or facilities for the purpose of nurseries (locations: 2 Chodecka Street, 79 St. Augusta Street, 17a Markowska Street, 70/72 Przybyszewskiego Street, 75 Nowogrodzkiej Street, 6 Nike Street, 72 Bonifacego Street), the modernisation of social assistance centres at Nowoursynowska Street (for the needs of patients suffering from Alzheimer's disease), and at Kawęczyńska, Korotyńskiego, Arabska, Tułowska, Wójtowska, Sternicza, Syreny, Bachusa, Bohaterów and Parkowa streets, and the realisation of investment purchases for these facilities, the modernisation of orphanages at Jaktorowska, Korotyńskiego and Bohaterów streets, the modernisation of the K. Lisiecki "Dziadek" Education Centres Complex,

- **in terms of the local government structures management:** for the construction of the Resident Communication Centre, the construction of the Spatial Database System of the Capital City of Warsaw.

The strategy of the City development in the perspective of the next 15 years is laid down in the document entitled the Strategy of Development of the City of Warsaw up to the year 2020, approved by the Warsaw City Council by way of Resolution No. LXII/1789/2005 on 24 November 2005. The mission included in the Strategy is to achieve the highest possible level of compliance with the needs of the citizens, and taking an important place among the most important European metropolis. By the year 2020, Warsaw should become an attractive, modern, dynamically-developing metropolis with a knowledge-based economy and the Central European Financial Centre, a city occupying an important place among the most significant European capital cities. The progress of Warsaw on the road to the achievement of this vision is controlled in the Framework of the Strategy's monitoring. The strategic goals of the City are being realised at a different pace. Thanks to continual improvements in the level and accessibility of public services, including education, culture, recreation and sports, healthcare and social welfare, the realisation of strategic objectives – the improvement in the quality of the lives and safety of the residents of the City of Warsaw is being realised faster than expected. A similar situation applies to the following strategic objectives: the development of a modern economy based on knowledge and scientific research, as well as – achievement of permanent spatial governance.

The perspectives for the development of the City in the nearest future are specified in the underlying budgetary assumptions for 2013. The budget of the Capital City of Warsaw for 2013 assumes that, compared to 2012, nominal revenue will increase by 7.0% whereas expenditures will be 11.5% higher. It is projected that total revenue will amount to PLN 12,776.2 million, including current revenue of PLN 11,246.3 million and capital revenue of PLN 1,529.9 million. Expenditures are planned in the amount of PLN 14,063.7 million. In 2013, 75.7% of expenditures will be assigned to current activities whereas investments will consume 24.3% of all resources. This indicates a growth in the proportion of capital expenditures to total expenditures of 7 percentage points, as compared to 2012. Capital expenditures planned for 2013, in the total amount of PLN 3,413.4, will cover the financing of investment projects in the total amount of PLN 3,352.2 million whereas other capital expenditures will reach PLN 61.2 million.

The most important investments included in the investment plan for 2013 encompass the following:

- in the area of transport and communication:

the construction of the central section of the 2nd metro line, the construction of strategic car parks "Park&Ride" (P&R) – stage II, the construction of Nowolazurowa Street in the section from Jerozolimskie Avenue to the AK Route, the modernisation of Marsa – Żołnierska streets – stage I, the reconstruction (expansion) of Prosta Street in the section from the Daszyńskiego Roundabout to the ONZ Roundabout, the reconstruction of flyovers along the Łazienkowska Route in the Warsaw node, the modernisation of Górczewska Street (in the section from the Lazurowa terminal to the City border), the construction of KEN Avenue – stage III (Nowobukowińska Street), the construction of Nowopoligonowa and Chrzanowskiego streets, the construction of the second carriageway at Kasprówicza Street in the section from Oczapowskiego Street to the "Młociny" terminus, the

construction of Reymonta Street, the modernisation of Kawęczyńska Street in the section from Żąbkowska to Otwocka streets, the construction of the cycling lane along the Vistula within the Capital City of Warsaw ("Nadwiślański Cycling Route"),

- in the area of spatial governance and real-estate management:

the modernisation of the marketplace at Banacha Street, the reconstruction of Piłsudskiego Square, the construction of municipal buildings at Pełczyńskiego Street, the construction of municipal and social buildings at Jagiellońska Street, the construction of municipal buildings at 14 Kłobucka Street,

- in the area of the municipal services management and environmental protection:

the development of the Vistula embankment, the development of green areas along the Bródnowski and Zaciszański Canals, the modernisation of the Krasińscy Garden, the modernisation of the Czerniakowski Port, the protection of habitats of key species of birds in the Middle Vistula Valley under the conditions of an intense pressure from the Warsaw agglomeration,

- in the area of safety and public order:

the construction of the radio-communications system for the purposes of the Municipal Guards of the Capital City of Warsaw, the implementation of the project entitled "Safe City",

- in the area of education:

the modernisation of the Complex of Schools of Motor Vehicle Engineering and Secondary Schools No. 1 at 88 Hoża Street, the construction of primary schools at Zachodzącego Słońca, Ceramiczna, Hanki Ordonówny and Głębockiej streets, the modernisation of the school building of the Special Schools Complex No. 109 at 44 Białobrzaska Street, the modernisation of the facilities of the Jakub Falkowski Institute of the Deaf at 4/6 Trzech Krzyży Square, the construction of nursery schools at Drewnowskiego and Urszuli Ledóchowskiej streets,

- in the area of health protection and social support:

subsidies to hospitals, out-patient centres and care and treatment centres, which are intended to continue the modernisation and expansion of these facilities, and to purchase medical equipment; this refers to the Holy Family Hospital, the Praski Hospital, the Czerniakowski Hospital, the Grochowski Hospital, the Wolski Hospital, the "Inflancka" Hospital, and the Warsaw Children Hospital; as regards social assistance, the highest expenditure was planned for the modernisation of the facilities of the "Na Przedwiośniu" Social Assistance Centre, the "Syrena" Social Assistance Centre at Syreny Street, the "Kombatant" Social Assistance Centre at Sternicza Street, Orphanage No. 1 at Zjednoczenia Avenue, the construction of a nursery at Czerwona Droga Street, the modernisation of nurseries at 72 Bonifacego Street, 6 Nike Street and 10 Klaudyń Street, the adaptation of one wing of the building of the Children Shelter at 81 Bonifacego Street to a Mini Nursery, the adaptation of the facilities in the building of Junior High School No. 81 at 10 Rozłogi Street for the purposes of the Social Assistance Centre,

- in the area of culture and the protection of the cultural heritage:

the construction of the Museum of the Warsaw Praga District, the construction of a public utility building at Kolegiacka Street, the construction of a tent within the property at 272 Grochowska Street, intended for the Sinfonia Varsovia Orchestra, the modernisation of the facilities of the Museum of History of the Capital City of Warsaw at the Old Town Market Square – stage I,

- in the area of recreation, sports and tourism:

the construction of a swimming pool and a gym hall at Niegocińska street, including land development, the construction of the Municipal Sports Square, the Włochy Fort – the establishment of an open recreation and sports area, the modernisation of the development of the area of the Sports and Recreation Centre at 1 Potocka Street,

- in the area of the local government structures management:

the investment purchases as part of the projects entitled "Combating digital exclusion of the disabled" and "Modern technologies as a chance of professional development and social activation of the disabled", the implementation of a system for servicing the municipal waste management SIGOK, the implementation and maintenance of an integrated computer system for servicing the geodesic and land register resources of the Capital City of Warsaw and for constructing the Spatial Database System for the Capital City of Warsaw, the thermo-modernisation and modernisation of the Ursus District Office, the modernisation of the Wola District Office.

III. THE FINANCIAL CONDITION OF THE ISSUER

III.1. Selected financial data

The realisation of the budget for 2012 as presented complies with the Report on the realisation of the budget of the City of Warsaw for the year 2012 communicated for the delivery of an opinion by the Regional Accounting Chamber.

III.1.1. General data (PLN/EUR million¹)

	2011		2012	
	PLN	EUR	PLN	EUR
Current revenue	10 347.2	2 342.7	10 517.9	2 572.7
Capital revenue	921.3	208.6	1 423.1	348.1
Total revenue	11 268.5	2 551.3	11 941.0	2 920.9
Current expenditures,				
including:	10 126.0	2 292.6	10 435.5	2 552.6
Debt servicing costs	306.3	69.4	341.4	83.5
Capital expenditures	2 142.8	485.1	2 177.2	532.6
Total expenditures	12 268.8	2 777.8	12 612.7	3 085.1
Current result				
(Current revenue – Current expenditures)	221.2	50.1	82.4	20.2
Capital result				
(Capital revenue – Capital expenditures)	-1 221.5	-276.6	-754.1	-184.4
Surplus/Deficit	-1 000.3	-226.5	-671.7	-164.3
Total income	3 593.4	813.6	2 377.3	581.5
Total expenses	2 498.7	565.7	911.5	223.0

III.1.2. Current revenue (PLN/EUR million¹)

	2011		2012	
	PLN	EUR	PLN	EUR
Total taxes and charges	1 656.2	375.0	1 595.3	390.2
Share in taxes constituting revenues in the State budget	4 017.8	909.7	4 055.9	992.1
Real-estate revenue	1 109.6	251.2	1 133.5	277.3
Public transport tickets	695.1	157.4	757.5	185.3
Other	1 052.7	238.3	1 039.5	254.3
Own revenue	8 531.4	1 931.6	8 581.7	2 099.1
General subsidy	1 298.3	293.9	1 408.6	344.6
Specific grants from the State budget	468.4	106.0	478.7	117.1
Other, including EU funds	49.2	11.1	48.8	11.9
Transfers	1 815.8	411.1	1 936.2	473.6
Current revenue in total	10 347.2	2 342.7	10 517.9	2 572.7

¹ Exchange rate assumed for calculations expressed in EUR was published on 31.12.2011 (EUR 1 = PLN 4.4168) and on 31.12.2012 (EUR 1 = PLN 4.0882)

III.1.3. Current expenditures by type (PLN/EUR million¹)

	2011		2012	
	PLN	EUR	PLN	EUR
Remunerations and contributions charged	3 181.8	720.4	3 296.0	806.2
Expenditures linked with the realisation of statutory tasks	4 569.3	1 034.5	4 799.7	1 174.0
Grants for current tasks, including: payment for the part-balancing of subsidies total	1 677.6	379.8	1 600.5	391.5
Benefits to for individuals	916.6	207.5	828.4	202.6
Expenditures for programme financed from the EU	329.4	74.6	342.0	83.7
Debt servicing	48.4	11.0	44.1	10.8
Guarantees and warranties	306.3	69.3	341.4	83.5
	13.3	3.0	11.9	2.9
Current expenditures in total	10 126.0	2 292.6	10 435.5	2 552.6

As at 31 December 2012, the total value of the guarantees of the Capital City of Warsaw amounted to PLN 85.5 million, and was composed mainly of guarantees granted in the years 2008, 2009 and 2011 to Independent Public Healthcare Facilities and Housing Associations. In 2012, the City did not grant any new guarantees.

III.1.4. Capital revenue (PLN/EUR million¹)

	2011		2012	
	PLN	EUR	PLN	EUR
Inflows from sales of apartments and real-estates	184.6	41.8	255.2	62.4
Sales of property rights – sales of shares in companies	0.6	0.1	0.6	0.1
Inflows from conversion of perpetual usufruct in property rights	13.4	3.0	44.7	10.9
Other	16.9	3.8	17.7	4.3
Own revenue	215.6	48.8	318.2	77.8
Assets for co-financing of projects realised in the framework of EU programmes	664.5	150.4	1 091.3	266.9
Specific grants from the State budget received for investments	3.8	0.9	11.2	2.7
Other	37.4	8.5	2.4	0.6
Transfers	705.7	159.8	1 104.9	270.3
Property revenue in total	921.3	208.6	1 423.1	348.1

III.2. Debt

In 2012, the Issuer did not draw any new debt.

In 2012, expenses incurred by the Issuer for the repayment of liabilities amounted in total to PLN 203.8 million, and included the repayment of the principal instalments for the credit and loans drawn.

As at 31 December 2012, the liabilities of the Capital City of Warsaw amounted to PLN 5,695.5 million, where credits and loans amounted to PLN 2,678.5 million and bonds to PLN 3,017.0 million.

III.2.1. Synthetic table (PLN/EUR million¹)

	2011		2012	
	PLN	EUR	PLN	EUR
Opening balance of the year	5 289.1	1 197.5	5 966.4	1 459.4
Credits and loans drawn	200.0	45.3	0.0	0.0
Bond issues	600.0	135.8	0.0	0.0
Income from financing	800.0	181.1	0.0	0.0
Repayment of principal instalments for credits and loans	215.7	48.8	203.8	49.9
Redemption of bonds	0.0	0.0	0.0	0.0
Repayment of liabilities	215.7	48.8	203.8	49.9
Exchange differences	93.1	21.1	-67.0	-16.4
Closing balance of the year	5 966.4	1 350.8	5 695.5	1 393.2

In 2012, domestic loans were fully repaid. As at the end of 2012, the liabilities of the City in respect of credits and loans comprised 11 loan agreements concluded with international financial institutions (CEB, EIB, Kommunalkredit).

The City operates 2 bonds issue programmes launched in 2009, i.e. the Programme of Bonds Issue on the domestic market up to the amount of PLN 4 billion and the EMTN programme up to the amount of EUR 1.3 billion. As part of the said programmes, 8 series of bonds were issued until 2012, including 1 series on the international market and 7 on the domestic market.

III.2.2. Debt ratios (%)

	2008	2009	2010	2011	2012
	actual				
Increase in liabilities total (y/y)	-0.7	78	31.4	12.8	-4.5
Share of debt in foreign currency	1.0	20.9	15.3	15.1	14.5
Total liabilities/Total revenue	22.0	39.8	50.6	52.8	47.7
Total liabilities/Current revenue	23.6	41.7	53.7	57.5	54.2
Total liabilities/Operating surplus	194.8	999.9	1 583.90	2408.3	6912.1
Debt servicing/Total revenue	5.7	3.4	4.1	4.8	4.7
Debt servicing/Current revenue	6.1	3.5	4.3	5.2	5.3
Interests/Current revenue	1.3	1.2	2.1	3.0	3.3

III.2.3. Debt forecasts for 2013-2016 (PLN million)

Data comply with the amendments to the Multiannual Financial Forecast for the Capital City of Warsaw for 2013-2042 made on 21 March 2013 (Resolutions No. LII/1520/2013 and LII/1521/2013).

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
	actual	plan		forecast	
Revenue total	11 941.0	12 776.2	12 869.9	12 565.5	12 417.6
Expenditures total	12 612.7	14 063.7	13 860.2	12 400.9	12 241.5
including debt servicing	341.4	434.6	549.1	475.1	427.0
Deficit/Surplus	- 671.7	- 1 287.5	- 990.3	164.6	176.0
New debt income	-	480.0	1 260.0	-	-
Repayment of principal instalments	203.8	288.3	885.8	173.6	176.0
Liabilities total	5 695.5	5 887.3	6 261.5	6 087.9	5 911.9
Debt servicing ratio					
(calculated in accordance with Article 169 of the Act on Public Finances)	4.7%	5.8%	11.3%	5.3%	5.0%
Debt level ratio					
(calculated in accordance with Article 170 of the Act on Public Finances)	47.7%	46.1%	48.7%	48.5%	47.6%

The obligation of preparing the Multiannual Financial Forecast by local government bodies was imposed under the Act of 27 August 2009 on Public Finances (Journal of Laws No. 157, item 1240, as amended). The full version of the reference document, including explanatory notes, is available at the sites of the Public Information Bulletin of the City of Warsaw (www.bip.warszawa.pl) in the tag "Budget and financial policy of the Capital City of Warsaw".

III.3. International rating

On 21 December 2012, the international rating agency Moody's Investors Service Ltd updated the international rating for the Capital City of Warsaw granted on 20 December 2007. Moody's Investors Service Ltd maintained its assessment of the City at the previous level. Due to changes in the ratings methodology by Moody's (paying more attention to the individual financial situation of local governments and to isolate the impact on their final assessment of the financial situation of the state), the agency also confirmed the rating of the City on 25 March 2013

Rating assessment: **A2 with a stable perspective.**

The key prerequisites for ratings granted by Moody's agency include:

- a positive result on current operations,
- solid financial liquidity,
- a drop in the level of liabilities,
- a strong and dynamic economic environment.

A comprehensive analysis of the credit potential of Warsaw is available by logging-in onto the webpage of the rating agency www.moody.com.

III.4. Domestic rating

On 23 April 2013, the international rating agency Fitch Ratings confirmed the domestic long-term rating for the Capital City of Warsaw granted on 18 May 2009.

Rating assessment: **AAA (Polish) with stable perspective.**

Warsaw's rating reflects the City's high liquidity buffer, which supports debt servicing, a wealthy and diversified economy and tax base, and the projected relatively stable City's debt in 2013-2015. The rating also takes into account a projected improvement in the City's operating performance following the City's steps towards curbing opex growth, although it may still remain weaker in relation to its peers. The rating also reflects a further growth of the City's indirect debt. Fitch views positively Warsaw's debt management policy. Fitch expects Warsaw's direct debt to remain stable in 2013-2015, at about 55% of current revenue.

A comprehensive analysis of the credit potential of Warsaw is available by logging-in onto the webpage of the rating agency <http://www.fitchpolska.com.pl>.

IV. THE ANNUAL FINANCIAL STATEMENT

IV.1. The balance of the realisation of the City budget (PLN million)

	2012	
	Opening balance of the year	Closing balance of the year
ASSETS		
CASH AND CASH EQUIVALENTS	1 925,5	1 168,5
Cash	1 925,5	1 168,5
- budgetary cash	1 925,5	1 168,5
- other cash	0,0	0,0
RECEIVABLES AND ACCRUALS	129,3	109,3
Financial receivables	0,0	0,0
- short-term (up to 12 months)	0,0	0,0
- long-term (above 12 months)	0,0	0,0
Receivables from budgets	125,6	100,9
Other receivables and accruals	3,7	8,4
SHORT TERM FINANCIAL INVESTMENTS	549,9	500,0
Securities	549,9	500,0
OTHER ASSETS	0,0	0,0
ASSETS IN TOTAL	2 604,7	1 777,8
LIABILITIES		
LIABILITIES	5 940,9	5 712,8
Financial liabilities	5 905,4	5 634,8
- short-term (up to 12 months)	204,1	288,1
- long-term (above 12 months)	5 701,3	5 346,7
Liabilities towards budgets	30,2	72,9
Other liabilities	5,3	5,1
BUDGETARY NET ASSETS	-3 439,8	-4 042,8
Budget performance result (+,-)	-1 000,3	-671,5
- budget excess (+)	0,0	0,0
- budget shortage (-)	-912,0	-581,5
- expenses not performed (-)	-88,3	-90,0
Result on non-cash operations (+,-)	-92,7	66,8
Reserve for continuing expenditure	88,3	90,0
Funds from privatisation	1 441,0	0,0
Accumulated budget result (+,-)	-3 876,1	-3 528,1
OTHER LIABILITIES	103,6	107,9
LIABILITIES IN TOTAL	2 604,7	1 777,8

**IV.2. The total balance of budgetary units and local-government budgetary establishments
(PLN million)**

	2012	
	Opening balance of the year	Closing balance of the year
ASSETS		
FIXED ASSETS	106 235,4	107 644,2
INTANGIBLE ASSETS	12,7	11,9
TANGIBLE ASSETS	70 286,8	71 318,9
Fixed assets	66 727,0	66 202,6
- land	55 203,6	54 862,1
- buildings, premises and civil engineering structures	11 126,6	11 011,3
- plant and machinery	301,7	249,3
- means of transportation	37,5	31,3
- other fixed assets	57,6	48,7
Investment projects under way (tangible assets under construction)	3 559,7	5 116,2
Advances for investment projects	0,0	0,0
LONG-TERM RECEIVABLES	137,6	158,6
LONG-TERM FINANCIAL ASSETS	3 812,1	3 776,9
- shares	3 812,1	3 776,5
- long-term securities	0,0	0,0
- other long-term financial assets	0,0	0,4
INVESTMENT PROPERTIES	31 986,2	32 378,0
VALUE OF PROPERTY OF LIQUIDATED UNDERTAKINGS	0,1	0,0
CURRENT ASSETS	1 324,7	1 479,5
STOCKS	20,5	21,3
- materials	20,1	20,7
- semi-finished products and work in progress	0,0	0,0
- finished products	0,1	0,1
- goods	0,3	0,4
SHORT-TERM RECEIVABLES	959,3	1 102,1
- trade receivables	139,4	185,2
- budgetary receivables	104,9	115,2
- social insurance receivables and other benefits	0,5	0,3
- other receivables	714,4	801,5
- settlements on account of funds for budgetary expenditure and budgetary revenue	0,0	0,0
CASH AND CASH EQUIVALENTS	296,1	312,5
- cash in hand	0,5	0,6
- cash at bank	270,7	236,9
- cash from the State earmarked fund	11,2	7,8
- other cash	7,0	64,9
- stocks and shares	6,6	1,7
- other securities	0,0	0,0
- other short-term financial assets	0,1	0,6
ACCRUALS	48,8	43,6
ASSETS IN TOTAL	107 560,1	109 123,6

		2012	
		Opening balance of the year	Closing balance of the year
LIABILITIES			
FUNDS		104 813,8	106 469,1
OWN FUNDS		101 889,9	104 131,0
NET FINANCIAL RESULT		2 925,9	2 341,2
- net profit (positive)		8 486,0	7 801,2
- net loss (negative)		5 560,1	5 460,0
FREE CASH FLOW (-)		-2,0	-3,1
WRITE-OFFS FROM THE FINANCIAL RESULT			
(-)		0,0	0,0
PROPERTY FUND OF LIQUIDATED UNDERTAKINGS		0,1	0,0
STATE EARMARKED FUND		4,4	-1,1
LIABILITIES AND PROVISIONS FOR LIABILITIES		2 609,5	2 486,8
LONG-TERM LIABILITIES		473,5	69,8
SHORT-TERM LIABILITIES		856,0	911,8
- trade liabilities		100,8	88,0
- liabilities in relation to budgets		47,2	64,8
- social insurance and other benefits to be paid		123,9	138,3
- wages and salaries		161,4	166,3
- other liabilities		246,6	246,8
- third-party deposits and guarantees		171,5	198,9
- settlements on account of funds for budgetary expenditure and budgetary revenue		4,5	8,7
RESERVES FOR LIABILITIES		1 280,0	1 505,2
SPECIAL FUNDS		107,7	113,9
- Company Social Benefit Fund		106,1	112,4
- other funds		1,5	1,5
ACCRUALS		24,7	54,9
REVENUE ACCRUALS		23,4	54,2
OTHER ACCRUALS		1,3	0,7
LIABILITIES IN TOTAL		107 560,1	109 123,6

IV.3. The total profit and loss account of budgetary units and local-government budgetary establishments (PLN million)

		2012	
		As at the beginning of the previous year	As at the end of the previous year
I. NET REVENUE FROM BASIC OPERATING ACTIVITIES		11 282,9	11 968,3
Net revenue from sale of products		2 360,3	2 328,6
Changes in the number of products		0,3	0,0
The cost of manufacturing products for the unit's own needs		0,0	0,0
Net revenue from the sale of goods and materials		-0,7	1,8

	2012	
	As at the beginning of the previous year	As at the end of the previous year
Grants for financing the core business	14,3	19,8
Income from revenue	8 908,7	9 618,1
II. OPERATING COSTS	8 359,2	8 864,1
Amortisation and depreciation	586,7	631,3
Consumption of materials and energy	703,3	692,1
Outsourcing	2 966,8	3 268,4
Taxes and charges	169,4	178,3
Wages and salaries	2 843,4	2 923,9
Social insurance and other employment benefits	643,2	713,2
Other costs	319,2	169,1
Value of goods and materials sold	4,5	2,8
Other benefits financed by budget	113,0	284,6
Other charges	9,6	0,3
III. PROFIT / LOSS ON SALE (I-II)	2 923,7	3 104,3
IV. OTHER OPERATING REVENUES	283,5	807,5
Profit on sale of non-financial fixed assets	18,1	67,1
Grants	0,0	0,0
Other operating revenues	265,4	740,4
V. OTHER OPERATING COSTS	920,3	1 521,0
Investment costs financed by own sources accumulated in a separate account	3,8	4,4
Other operating costs	916,5	1 516,6
VI. OPERATING PROFIT / LOSS (III+IV-V)	2 286,9	2 390,7
VII. FINANCIAL REVENUE	1 097,6	386,7
Dividends and profit participation	832,3	14,5
Interest received	217,2	266,3
Other	48,1	106,0
VIII. FINANCIAL COSTS	458,6	435,1
Interest	241,3	242,7
Other	217,3	192,4
IX. PROFIT / LOSS ON BUSINESS ACTIVITY (VI+VII-VIII)	2 926,0	2 342,3
X. RESULT ON EXTRAORDINARY EVENTS	0,2	0,0
Extraordinary profits	0,2	0,2
Extraordinary losses	0,0	-0,2
XI. GROSS PROFIT / LOSS (IX+/-X)	2 926,1	2 342,3
XII. INCOME TAX	0,2	1,1
XIII. OTHER OBLIGATORY REDUCTIONS OF PROFIT (INCREASE OF LOSS) AND SURPLUS OPERATING FUNDS	0,0	0,0
XIV. NET PROFIT / LOSS (XI-XII-XIII)	2 925,9	2 341,2

IV.4. The total changes in the fund of budgetary units and local government budgetary establishments (PLN million)

	2012	
	As at the beginning of the previous year	As at the end of the previous year
I. OWN FUNDS AT THE BEGINNING OF THE PERIOD	71 693,9	102 813,9
II. INCREASE (AS A RESULT OF)	55 665,5	27 409,8
The profit for the previous year	6 697,4	8 031,8
Carried out budgetary expenditure	12 269,0	12 588,2
Performed payments from European funds to the budgetary unit	1,2	0,8
Funds for investments	2 014,3	2 035,4
Fixed assets and investments received free of charge	213,3	202,0
Assets taken from liquidated undertakings	2,1	61,6
Assets received within the central supply	0,0	2,9
Other write-offs from the financial result for the current year	2,1	1,3
Other increases	34 466,0	4 485,9
III. DECREASE	25 469,5	26 092,7
Reclassification of loss brought forward	4 394,7	5 551,5
Performed budgetary revenue	11 247,0	11 940,5
Settlement of financial result brought forward	6,2	3,4
Grants and funds for investments	3 865,7	3 761,3
Revaluation of fixed assets	0,0	0,0
Value of fixed assets and investments sold and transferred free of charge	525,3	223,1
Liabilities taken from liquidated (consolidated) units	54,2	18,3
Assets transferred as part of central supply	0,0	2,9
Other decreases	5 376,4	4 591,7
IV. OWN FUNDS AT THE END OF THE PERIOD (CB) (I+II-III)	101 889,9	104 131,0
V. NET FINANCIAL RESULT FOR THE CURRENT YEAR	2 925,9	2 341,2
Net profit	8 486,0	7 801,2
Net loss	5 560,1	5 460,0
VI. SURPLUS OF OWN INCOME OF BUDGETARY UNITS, SURPLUS OF CURRENT ASSETS OF LOCAL-GOVERNMENT BUDGETARY ESTABLISHMENTS	2,0	3,1
VII. FUND (IV+, -V-VI)	104 813,7	106 469,1

IV.5. Consolidated balance sheet of the Capital City of Warsaw

It will be submitted immediately after preparation.

V. REPORT ON ACTIVITIES OF THE ISSUER

V.1. The basic economic and financial figures presented in the annual the financial statement, including factors and events with a significant impact on the budget result in 2012

The budget implementation of the City of Warsaw in 2012 ended with a **deficit** amounting to **PLN 671.7 million**. The final budget deficit was 53.0% lower than planned, which was due to revenue exceeding the plan by PLN 111,436 million and expenditures lower than planned by PLN 645.7 million.

The realisation of **revenue** in 2012 amounted to **100.9%** of the plan. The nominal revenue were 6.0% **higher** compared to 2011.

The realisation of the plan of **current revenue** amounted to **99.5%**; in relation to the previous year, current revenue grew by **1,6%**. The realisation of the plan of **capital revenue** amounted to **112.9%**; in relation to 2011, capital revenue grew by 54.5%, in nominal terms, i.e. by the amount of PLN 501.8 million.

REVENUE BY SOURCE IN 2011-2012 IN PLN

NO.	SPECIFICATION	2011		2012		PLAN REALISATION		DYNAMICS OF RDR	
		PLAN AS AT 31.12.2011	ANNUAL REALISATION	PLAN AS AT 31.12.2012	ANNUAL REALISATION	2011	2012	PLAN	ACTUAL
CURRENT REVENUE		10 145 951 397	10 347 223 421	10 568 981 911	10 517 915 244	102.0	99.5	104.2	101.6
A	OWN REVENUE	8 318 712 224	8 531 395 484	8 628 285 123	8 581 740 399	102.6	99.5	103.7	100.6
I	Tax revenue and inflows from local fees	974 797 999	969 955 153	1 005 888 920	1 041 954 570	99.5	103.6	103.2	107.4
1	Property tax	939 737 551	935 233 578	971 711 041	1 005 951 568	99.5	103.5	103.4	107.6
2	Tax on means of transportation	28 781 023	27 794 029	27 447 574	28 848 574	96.6	105.1	95.4	103.8
3	Marketplace fee	5 176 099	5 937 832	5 507 563	5 465 475	114.7	99.2	106.4	92.0
4	Agricultural tax	971 656	858 314	1 073 003	1 505 657	88.3	140.3	110.4	175.4
5	Forestry tax	131 170	131 225	149 339	183 224	100.0	122.7	113.9	139.6
6	Arrears in respect of taxes lifted	500	193	400	77	38.6	19.3	80.0	39.9
7	Tax on dogs	0	-18	0	-5	-	-	-	27.8
II	Taxes collected by revenue offices	438 641 161	449 208 067	301 000 000	291 267 827	102.4	96.8	68.6	64.8
1	Tax on civil law transactions	373 876 161	386 029 379	250 000 000	232 344 446	103.3	92.9	66.9	60.2
2	Tax on inheritance and donations	53 265 000	52 249 262	40 000 000	48 580 036	98.1	121.5	75.1	93.0
3	Personal income tax on economic activity collected through payment cards	11 500 000	10 929 426	11 000 000	10 343 345	95.0	94.0	95.7	94.6
III	Inflows from charges	239 206 252	237 064 753	236 304 287	262 101 190	99.1	110.9	98.8	110.6
1	Stamp duties	90 000 000	81 352 841	85 000 000	97 817 222	90.4	115.1	94.4	120.2
2	Fares	47 134 204	40 797 239	45 919 789	38 266 204	86.6	83.3	97.4	93.8
3	Fees for alcohol sales licences	41 207 000	42 170 205	40 556 991	42 723 317	102.3	105.3	98.4	101.3
4	Product charges	55 000	14 988	56 000	25 098	27.3	44.8	101.8	167.5
5	Other fees collected under separate acts; payments for roadway occupation; zoning fee; adjacent fees;	60 810 048	72 729 480	64 771 507	83 269 349	119.6	128.6	106.5	114.5
IV	Participation in taxes constituting budget revenue	3 925 738 103	4 017 829 666	4 199 706 479	4 055 886 462	102.3	96.6	107.0	100.9
1	In personal income tax	3 375 738 103	3 433 285 921	3 580 019 292	3 518 567 157	101.7	98.3	106.1	102.5
2	In corporate income tax	550 000 000	584 543 745	619 687 187	537 319 305	106.3	86.7	112.7	91.9
V	Capital revenue	1 060 637 469	1 109 557 689	1 095 390 643	1 133 511 261	104.6	103.5	103.3	102.2
1	Earnings from rental and lease	575 100 671	597 686 489	591 940 615	613 154 563	103.9	103.6	102.9	102.6
2	Charges for management, utilization and perpetual usufruct	389 141 409	410 887 911	402 849 908	402 726 565	105.6	100.0	103.5	98.0
3	Dividends from companies	24 590 000	4 203 538	5 540 000	14 501 844	17.1	261.8	22.5	345.0
4	Inflows from profits of municipal companies	60 000	266 176	60 000	-57 392	443.6	-95.7	100.0	-21.6
5	Inflows of resources remaining after liquidation of undertakings	1 356 829	0	0	102 439	0.0	-	0.0	-
6	Interests on resources on bank accounts	70 388 560	96 513 575	95 000 120	103 083 242	137.1	108.5	135.0	106.8
VI	Subsidies from budgets of other local-government units	38 067 483	45 559 155	51 296 211	53 860 712	119.7	105.0	134.8	118.2
VII	Receipts in respect of financial assistance between local-government units	0	0	20 000	20 000	-	100.0	-	-
VIII	Other revenue	1 641 623 757	1 702 221 001	1 738 678 583	1 743 138 377	103.7	100.3	105.9	102.4
1	Sales of urban transport tickets	666 000 000	695 053 918	759 518 711	757 511 443	104.4	99.7	114.0	109.0
2	Reimbursement of payments for utilities	268 284 647	254 111 635	277 412 439	257 933 389	94.7	93.0	103.4	101.5
3	Revenue in respect of implementing government administration tasks	79 006 781	87 263 399	87 627 556	87 667 277	110.5	100.0	110.9	100.5
4	Earnings from other income, charges and taxes	628 332 329	665 792 049	614 119 877	640 026 268	106.0	104.2	97.7	96.1
B	SUBSIDIES , GRANTS , EU FUNDS	1 827 239 173	1 815 827 937	1 940 696 788	1 936 174 845	99.4	99.8	106.2	106.6
I	General subsidy	1 298 301 842	1 298 301 842	1 408 620 073	1 408 620 073	100.0	100.0	108.5	108.5
1	educational part	1 196 696 021	1 196 696 021	1 308 826 469	1 308 826 469	100.0	100.0	109.4	109.4
2	levelling-off part	101 432 353	101 432 353	46 603 495	46 603 495	100.0	100.0	45.9	45.9
3	supplementation of general subsidy	173 468	173 468	53 190 109	53 190 109	100.0	100.0	30 662.8	30 662.8
II	Earmarked funds from the State budget	473 827 125	468 371 438	480 632 180	478 721 850	98.8	99.6	101.4	102.2
1	for own tasks	68 727 394	68 604 154	90 047 336	89 816 011	99.8	99.7	131.0	130.9
2	for commissioned tasks	379 581 385	379 084 618	388 043 528	386 854 578	99.9	99.7	102.2	102.0
3	for tasks implemented under agreements with government administration units	25 518 346	20 682 666	2 541 316	2 051 261	81.1	80.7	10.0	9.9
III	Subsidies from earmarked funds	3 031 185	5 121 500	1 217 991	4 823 209	169.0	396.0	40.2	94.2
IV	Resources to co-finance projects implemented as part of EU programme	52 079 021	44 033 157	50 226 544	44 009 713	84.6	87.6	96.4	99.9
CAPITAL REVENUE		784 445 694	921 286 081	1 260 613 659	1 423 115 865	117.4	112.9	160.7	154.5
A	OWN REVENUE	249 319 376	215 553 667	348 831 063	318 193 299	86.5	91.2	139.9	147.6
I	Receipts from sales of premises and property	224 985 790	184 634 997	295 603 093	255 228 621	82.1	86.3	131.4	138.2
II	Sales of property rights - Sales of shares in companies	400 000	577 405	555 000	558 040	144.4	100.5	138.8	96.6
III	Receipts from sales of assets	82 919	705 218	3 593 484	1 698 037	850.5	47.3	4 333.7	240.8
IV	Receipts from transformations of usufruct rights into ownership rights	7 623 434	13 408 814	39 243 017	44 685 922	175.9	113.9	514.8	333.3
V	Other financial resources for investments	16 160 233	16 160 233	9 756 469	15 942 679	100.0	163.4	60.4	98.7
VI	Subsidies from budgets of other local-government units to investments	67 000	67 000	80 000	80 000	100.0	100.0	119.4	119.4
B	SUBSIDIES , GRANTS , EU FUNDS	535 126 318	705 732 414	911 782 596	1 104 922 566	131.9	121.2	170.4	156.6
I	Resources to co-finance projects implemented as part of EU programme	494 924 947	664 510 611	902 236 938	1 091 287 875	134.3	121.0	182.3	164.2
II	Earmarked subsidies from the State budget to investments	4 377 844	3 773 257	5 215 780	5 498 284	86.2	105.4	119.1	145.7
III	Receipts as part of financial assistance between local-government units	0	0	559 769	5 736 996	-	1 024.9	-	-
IV	Resources for investments obtained from other sources	5 823 527	7 448 546	3 770 109	2 399 411	127.9	63.6	64.7	32.2
V	Supplementation of general subsidy	30 000 000	30 000 000	0	0	100.0	-	0.0	0.0
TOTAL REVENUE		10 930 397 091	11 268 509 502	11 829 595 570	11 941 031 109	103.1	100.9	108.2	106.0
A	OWN EARNINGS	8 568 031 600	8 746 949 151	8 977 116 186	8 899 933 698	102.1	99.1	104.8	101.7
B	SUBSIDIES , GRANTS , EU FUNDS	2 362 365 491	2 521 560 351	2 852 479 384	3 041 097 411	106.7	106.6	120.7	120.6

The realisation of the plan of **revenue from the resources to co-finance projects implemented as part of EU programmes** in 2012 amounted to 119.2%, and exceeded the planned inflows by the amount of PLN 182.8 million. In 2012, these revenue grew in relation to the previous year by 60.2%, i.e. by PLN 426.8 million.

The level of revenue from the EU in 2012 was influenced by obtaining on 19 December 2012 an advance payment in the amount of PLN 250 million to finance the construction of the 2nd metro line. The largest co-financing was obtained for the construction of the 2nd metro line – for preparatory works comprising the design and the construction of the central section, including the rolling stock purchase – PLN 783.1 million (146.3% of the plan), including PLN 250 million as an advance payment for the construction of the Northern Bridge Route to the junction with Modlińska Street and from the junction with Pułkowa Street to the “Młociny” changing station – PLN 90.2 million (78.5% of the plan), for the construction of Nowolazurowa Street in the section from Jerozolimskie Avenue to the AK Route – Task A from Jerozolimskie Avenue to Ks. Juliana Chrościckiego Street – PLN 72.3 million (90.8% of the plan), for the modernisation of Jerozolimskie Avenue – the construction of the Łopuszańska – Kleszczowa junction – PLN 68.3 million (79.0% of the plan), for the modernisation of flyovers along the national roads in Warsaw – PLN 20.4 million (100.7% of the plan), for the construction of the Copernicus Science Centre – PLN 17.5 million (98.5% of the plan), for the renovation and adaptation for cultural purposes of the Old Town of Warsaw cellars – PLN 13.5 million (104.2% of the plan).

The planned **revenue from participation in the personal income tax** in 2012 the City realized in 98.3%, which reflects the failure to realise the plan in the amount of PLN 61.5 million. These revenue in 2012 grew in relation to the previous year by 2.5%, i.e. by PLN 85.2 million.

A lower annual growth in the revenue from Warsaw's participation in PIT, as compared to the basic macroeconomic indicators determining the inflows from PIT (a growth in employment of 0.1% along with a growth in wages and salaries in the national economy of 3.6%), resulted from the lowering of the participation rate of Warsaw in the PIT from 12.06% in 2011 to 11.80% in 2012. The dropping share of Warsaw is connected with the participation structure based on historical data which provided for the consequences of systemic changes introduced in previous years, i.e. increasing the tax allowance on children and decreasing the taxation scale, being relatively more significant for Warsaw than, in average terms, for the whole country.

The planned **revenue from participation in the corporate income tax** in 2012 the City realized in 86.7%, which reflects the failure to realise the plan in the amount of PLN 82.4 million. These revenue in 2012 dropped in relation to the previous year by 8.1%, i.e. by PLN 47.2 million.

The failure to realise the planned revenue from CIT, together with lower inflows in this respect, as compared to 2011, were due to the financial results of enterprises being worse than expected.

The planned **revenue from the sales of urban transport tickets** in 2012 the City realized in 99.7%, which reflects the failure to realise the plan in the amount of PLN 2.0 million. These revenue in 2012 grew in relation to the previous year by 9.0%, i.e. by PLN 62.4 million.

The planned **revenue from rental and lease of property** in 2012 the City realized in 103.6%, and exceeded the planned revenue by PLN 21.3 million. In 2012, these revenue grew in relation to the previous year by 2.6%, i.e. by PLN 15.5 million.

These increased revenue were mostly caused by higher revenue from rental of non-residential premises (105.4% of the plan), inflows from lease of land (107.4% of the plan) and other revenue from rental and lease of property than initially planned. These revenue exceeding the plan made up for the failure to realise revenue from rents for municipal dwellings (95.4% of the plan).

The **revenue from the charges for management, utilisation and perpetual usufruct** of property in 2012 reached 100.0% of the plan. These revenue in 2012 dropped by 2.0% in relation to the preceding year, comprising inflows from annual payments in respect of perpetual usufruct (99.4% of the plan) and revenue from the first payment in respect of the transfer for perpetual usufruct (121.2% of the plan)

The planned **revenue from the tax on civil law transactions** in 2012 the City realized in 92.9%, which reflects the failure to realise the plan in the amount of PLN 17.7 million. In 2012, these revenue dropped in relation to the previous year by 39.8%, i.e. by PLN 153.7 million.

In connection with the settlements with tax offices, and as a result of a decreased transaction activity of both natural and legal persons, the revenue from the tax on civil law transactions in 2012, in the context of the economic slowdown, were lower than in 2011. This decline in revenue results, among others, from the settlements with tax offices, connected with the returns made by tax offices in 2011 and in 2012 for the benefit of taxpayers, under the judgment passed by the European Court of Justice on 16 June 2011. The said judgment stipulates that the tax obligation in respect of loans granted to companies by their partners, which was introduced to the Act on the Tax on Civil Law Transactions, was incompliant with the EU law. The European Court of Justice in its judgment ordered that the said tax on civil law transactions (amounting to 0.5% of the transaction value), paid in respect of the loan agreements concluded in 2007-2008 by shareholders of joint-stock and limited-liability companies, be reimbursed to the taxpayers.

The planned **revenue from property tax** in 2012 the City realized in 103.5%, and exceeded the planned inflows by PLN 34.3 million. In 2012, these revenue grew by 7.6%, i.e. by PLN 70.8 million compared to the previous year.

In 2012, the upward trend in the inflows from property tax continued, which resulted from a growth in the tax rates and a gradual increase of the tax basis, i.e. taxable land, buildings used for conducting economic activity and structures.

The planned **revenue from the inflows from sales of premises and property** in 2012 the City realized in 86.3%, which reflects the failure to realise the plan in the amount of PLN 40.4 million. In 2012, revenue in this respect grew by 38.2%, i.e. by the amount of PLN 70.6 million.

In 2012, 128 tenders for the sales of land property were conducted, 16 of which were concluded positively whereas the remaining 112 ended with a negative conclusion.

The total plan of **expenditures** in 2012 was realised in **95.1%**. Compared to the year 2011, the nominal expenditures realised were **2.8%** higher.

The realisation of the plan of **current expenditures** in 2012 was equal to **97.8%**, which reflects a realisation by **PLN 234.6 million** lower than the plan. In relation to the previous year, current expenditure in 2012 grew by 3.1%.

The planned **capital expenditure** in 2012 the City realized in **84.1%**, i.e. it was by **PLN 411.2 million** lower than the plan. In comparison with the year 2011, the level of capital expenditure was by 1.6 % higher.

In respect of the **repayment of debt liabilities** resulting from issued bonds and from credits or loans drawn in the previous years, assigned to financing investments, the budget for 2012 was debited with the amount of **PLN 203,8 million**.

The deficit in the budget, amounting to **PLN 671.7 million**, was financed by disposable resources coming from the financial surpluses generated in the previous years.

The fundamental macroeconomic ratios in Poland deteriorated in 2012 in comparison with the year 2011. The Gross Domestic Product, in real terms, increased by 2% against a 4.3% growth recorded in 2011. Average employment in the national economy in the 4th quarter of 2012, compared to the corresponding period of the previous year, increased by 0.1%. The unemployment rate in the 4th quarter of 2012 amounted to 13.4%, which reflects an increase of 1.1 percentage point in relation to the corresponding period of 2011. The unemployment rate in Warsaw amounted to 4.4%.

V.2. Important risk factors and threats

The management of the budget and the Multiannual Financial Forecast is associated with numerous risks, defined as conditions for a negative course of events related to definite events or activities taken that may cause deviation from realising objectives compared to the level of those planned earlier. The most important threats to the preparation and realisation of the financial plans of the City include:

- the risk of a macroeconomic situation being worse than expected, which might result in the lowering of revenue, mostly directly linked with the economic situation, e.g. from the share of income taxes both personal and corporate, as well as taxes on civil transactions with a large 40% share in the revenue of the City,
- the risk of an increase in capital acquisition costs on domestic and foreign financial markets that might result in an increased burden on the budget in the form of expenditures linked with debt servicing,
- the risk of a long-term drop in the exchange rate of the PLN that might result in the consequences described in the previous item, and in both the short and long-term perspective, in possible increases in the costs of the realised investments,
- the risk of amendments to provisions of the law that might result in the limitation of the revenue of local-government units, or burdening them with additional tasks without a sufficient increase in revenue,
- the risk of natural disasters that might result in increases in expenditures associated with the necessity to undertake extraordinary action, and with the direct effects of the impact of catastrophic events.

However, it should be stressed that risks may be opportunities, e.g. the worsening of the economic situation might be translated to an increase in competition, and a drop in the costs of investment realisation.

On the strategic level, the conducting of budget policy in the City in the framework of multiannual budgetary forecasts prepared for the central, and a pessimistic and optimistic scenario, contribute to the elimination of any potential consequences of the named risks. The limitation of the consequences of risks in the present perspective is achieved through the constant monitoring of processes within the organisation itself, and in the external environment. Supervision includes, in particular, ongoing implementation of the budget and the phenomena occurring in the economy, as well as amendments to the law which have an impact upon the revenue and expenditures of the City. In the case of a high probability of threats to the realisation of the budget, budgetary plans adjusted to the changed situation are initiated, fitted to variants of the long-term development in the financial situation of the City prepared for such a case. The risk of exceeding the statutory precautionary standards in terms of debt is limited to an acceptable level by the relevant selection of the debt instruments providing diversification of the debt portfolio.

V.3. Contracts important for the activity of the issuer, including contracts concluded between shareholders (partners), and insurance, cooperation or collaboration agreements

The Public Transport Authority of Warsaw (ZTM) deals with public transport and urban transport services. Among other things, ZTM concludes agreements with carriers with their own stock, and relating to the running of certain sectors of transport. Agreements are included in arrangements with such carriers as Miejskie Zakłady Autobusowe Sp. z o.o., Tramwaje Warszawskie Sp. z o.o., Metro Warszawskie Sp. z o.o., and Szybka Kolej Miejska Sp. z o.o.

V.4. The assessment of management of financial assets and the identification of potential threats, and activities that the issuer has taken or is willing to take in order to avoid these threats

Warsaw's good financial governance, debt servicing, and high liquidity are proved by the highest-possible creditworthiness assessments (rating) which have been granted to Warsaw by the international rating agencies since 2007. The active debt servicing and liquidity management system implemented by the City facilitates the continuous monitoring of demand for assets, and forecast inflows of revenue with the limitation of debt-related risks.

Warsaw's rating also reflects the well-developed and diversified economy of the City, as well as its strong tax base.

Creditworthiness assessment (rating) reflects the general ability of an entity to fulfil its financial obligations, and is made by independent, specialised institutions, namely rating agencies. The main objective of a rating is to inform current and future investors, domestic and foreign, on the creditworthiness and solvency of the City. The rating granted reflects the current results of the City's budget management, its financial flexibility, the local economic situation and development perspectives.

Detailed information on rating assessments for the City of Warsaw granted by international rating agencies: Moody's Investors Service and Fitch Ratings are given in item III.3 and III.4 of this report.

V.5. The assessment of options for realising investment objectives, including capital investments compared to the volume of assets owned, including possible changes in the structure of financing of this activity

Despite the limited capacity of the City budget due to weakening of the economic development, the strategic challenge is to generate appropriate city funds for investment in order to ensure proper funding for implementation of the Multi Annual Investment Programme 2013-2017. In 2013 the maintenance of a high level of investment is planned, despite the reduced revenue opportunities of the City. It is assumed that share of investment expenditures in the total expenditures of the City for 2013 will be higher than achieved in 2012, and will reach the level of 23.9%, meaning that every fourth zloty from the budget will be assigned to development. The aggregated value of investment expenditures in the years 2013-2017 will amount to over PLN 8 billion.

The investment enterprises of the Issuer were presented in the Multiannual Financial Forecast for the Capital City of Warsaw for 2013-2042 approved by way of Resolutions No. LII/1520/2013 and LII/1521/2013 passed by the Warsaw City Council on 21 March 2013.

The full version of the document is available at the sites of the Public Information Bulletin of the Capital City of Warsaw (www.bip.warszawa.pl) in the tag "Budget and financial policy of the Capital City of Warsaw".

V.6. An assessment of factors and unusual events which had an impact on the result of the budget in 2012, and a specification of the degree of impact of these factors or unusual events on the result achieved

Detailed factors with an impact on the level of the realisation of revenue and expenditures were discussed in item V.1. of the report.

V.7. Information on the date when the issuer concluded with the entity authorised to audit financial statements an agreement on the examination or the review of financial statements and consolidated financial statements and period for which this agreement was concluded

On 30 January 2012, the Capital City of Warsaw concluded an agreement with PricewaterhouseCoopers Sp. z o.o. as the entity authorised to verify the annual financial statement of the Capital City of Warsaw for 2011. The agreement was concluded under Article 4, Item 8 of the Act of 29 January 2004 - the Public Procurement Law (Journal of Laws of 2006 No. 164 item 1163, as amended) and was valid from 30 January to 30 June 2012.

On 14 September 2012, the Capital City of Warsaw concluded an agreement with GUMUŁKA - AUDYT Sp. z o.o. as the entity authorised to verify the annual financial statement of the Capital

City of Warsaw for 2012-2015. The agreement was concluded under Article 39 of the Act of 29 January 2004 - the Public Procurement Law.

V.8. Information on remuneration to the entity authorised to examine financial statements, paid or due in the financial year

In accordance with Article 65 of the Accountancy Act of 29 September 1994, the amount of remuneration due the entity authorised to verify the financial statements for the review of the annual financial statement of the Capital City of Warsaw in 2011, as well as the delivery of opinion written assessment and report, was equal to PLN 69 thousand.

The amount of remuneration due the entity authorised to verify the financial statements for the review of the annual financial statement of the Capital City of Warsaw for 2012-2015 (2012,2013,2014,2015), for the review of financial statements of the Warsaw City Office, Warsaw District Offices, budgetary units and local-government budgetary establishments of the Capital City of Warsaw, for the participation in the meetings of the Review Committee of the Warsaw City Council and in the sessions of the Warsaw City Councils, for the participation in the meetings with chief accounting officers, and for the advice and consultations provided totals PLN 924.96 thousand.

V.9. Amendments to the rules and the scope of management in the issuer's entity

The scope of activities of the City includes all public matters of local importance, not restricted under the law for other entities. The City performs public tasks on its own behalf and responsibility through its bodies and district units. The division of tasks performed by the City authorities, as well as tasks performed by district bodies and associated authorities of the City and district units, are regulated by the laws, the Articles of Association, and other Resolutions, of the Warsaw City Council. These documents are available on the sites of the Public Information Bulletin of the Capital City of Warsaw, e.g. at:

http://bip.warszawa.pl/Menu_podmiotowe/Warszawa/statut.htm

http://bip.warszawa.pl/Menu_podmiotowe/Rada_Warszawy/Uchwaly_Rady/default.htm

In order to perform public tasks, the City may found organisational units, and conclude agreements with their entities, including non-Governmental organisations. The performance of public tasks may be also realised under the collaboration of the City with different local-government units.

Executive body	
In charge	Task
Mayor of the Capital City of Warsaw Hanna Gronkiewicz - Waltz Deputies of the Mayor of the Capital City of Warsaw Jacek Wojciechowicz Jarosław Kochaniak Włodzimierz Paszyński Michał Olszewski Treasurer of the Capital City of Warsaw Mirosław Czekaj Secretary of the Capital City of Warsaw Jarosław Maćkowiak	<p>The Mayor of Capital City of Warsaw is the executive body of the city – performs the communal and district tasks included in its responsibilities, tasks commissioned in the field of Governmental administration, including those resulting from the capital nature of the Capital City of Warsaw, and from agreements concluded with regional local-government units.</p> <p>The Mayor performs certain functions specified in the regulations for the Mayor, and for district authority, because Warsaw is a commune with municipal and district rights.</p> <p>The Mayor's tasks include the implementation of Resolutions of the Warsaw City Council and the tasks specified under provisions of the law, in particular:</p> <ul style="list-style-type: none"> – the preparation of drafts of Resolutions of the Warsaw City Council, – City property management, – the realisation of the City budget, – representing the City to the outside, – administering the current matters of the City. <p>In the framework of the realisation of the City budget, the Mayor is responsible for the appropriate financial economy of the City.</p>

Decision-making and supervisory body	
In charge	Tasks
The Warsaw City Council	<p>The Warsaw City Council is composed of sixty Council members. The tasks of the Warsaw City Council were specified under Article 18 of the Local Government Act and in art. 12 of the Law of the county government, as well as the Act on the system of the Capital City of Warsaw.</p> <p>These tasks include in particular:</p> <ul style="list-style-type: none"> – the resolution of the draft of the city's articles of association agreed with the Chairman of the Cabinet, and then resolved, – the nomination and dismissal of the city's treasurer at the request of the Mayor (budget chief accountant), – resolving the city budget, considering the report on its realisation and the acknowledgement of the fulfilment or tasks (or not) to the Mayor, – resolving local land development plans, – making Resolutions on property matters exceeding the scope of ordinary management, – making Resolutions on the following matters: coats of arms, names of the streets and the erection of monuments, – granting of honorary citizenship.
Organisation	
In charge	Tasks
The Warsaw City Office	<p>In its present form, the Office of the Capital City of Warsaw was established on 27 October 2002. According to Article 18, Item 1 of the Act of 15 March 2002 on the system of the Capital City of Warsaw, it includes the previously-operating management of the Warsaw City Office, the Warsaw District Government, Warsaw Municipal Offices and the Warszawa-Centrum District Offices, as well as the Wesoła Municipal Office.</p> <p>The Office operates under the provisions of the law, including the local law, and the regulations of the Mayor, as well as according to the appropriately applied provisions stipulating the organisation of existing Warsaw municipality, districts of the Warszawa-Centrum and Wesoła Municipal in the scope complying with the Act on the system of the Capital City of Warsaw.</p> <p>The part of the Office applicable to the district is the District Office.</p> <p>The Office is the organisational unit through which:</p> <ul style="list-style-type: none"> – the Mayor performs the tasks of the Head of the District and of the District Government within the limits of its responsibilities, commissioned tasks in the scope of Governmental administration, including the tasks resulting from the capital nature of the City of Warsaw, and those resulting from agreements concluded with regional Local-Government units, – district administration offices perform tasks in the field of local matters specified under Article 11, Item 2 of the Act, and tasks assigned to districts under the articles of association of districts, and various Resolutions of the Warsaw City Council (these tasks are performed through district offices), – members of district management and other officials of district offices perform the tasks of the Mayor on behalf of the Mayor and communicated to the under powers of attorney.
Auxiliary units	<p>According to the Act on the system of the Capital City of Warsaw, eighteen auxiliary units were founded in Warsaw – districts of the City of Warsaw, e.g.: Bemowo, Białołęka, Bielany, Mokotów, Ochota, Praga Południe, Praga Północ, Rembertów, Śródmieście, Targówek, Ursus, Ursynów, Wawer, Wesoła, Wilanów, Włochy, Wola, and Żoliborz.</p> <p>Districts are the auxiliary units of the Capital City of Warsaw. District management are the executive bodies in districts, and supervision or control is performed by districts councils.</p>

V.10. Important changes to the area or membership in administrative structures and in basic demographic data

V.10.1. General information

Warsaw is the capital of the Republic of Poland, and the most important political centre of Poland, a centre of social, economic, scientific, and cultural life of the country. It is also the capital of the largest Mazowieckie Province and the largest Polish city.

The area of Warsaw amounts to 517 sq. km

Population density: 3,027 residents per 1 sq. km²

Continuing its history, after the 2nd World War Warsaw was the separated city, e.g. municipal Province, and in the 1960s, administrative division of the City into 7 districts was maintained, namely: Mokotów, Ochota, Praga Południe and Praga Północ, Śródmieście, Wola and Żoliborz. Since 1994, Warsaw was the municipal association of 11 Warsaw Municipals, and as a result of administrative reform implemented under the Act on the Administrative System of the Capital City of Warsaw, since 2002, Warsaw has become the municipal having district city rights. Warsaw is divided into 18 districts having the status of auxiliary units.

V.10.2. Demographic data

Warsaw having over 1,708 thousand residents (1,600 thousand permanent residents) is the largest city of Poland. Warsaw is inhabited by nearly 4.5 percent of domestic population.

Warsaw and adjacent municipal forms agglomeration inhabited by nearly 3 million residents, which constitutes over 7.6 percent of domestic population (data from 2011).

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>
Population (in thousands)	1 706.90	1 707.0	1 714.40	1 700.10	1 708.50
working age	1 112.40	1 110.40	1 103.60	1 098.80	1 075.70
pre-working age	248.8	249.4	253.9	258.3	265
post-working age	345.5	348.2	357	363.2	365.8
Unemployment rate (%)	2.9	1.9	2.9	3.5	4.4
net migration	5.7	3.7	3.8	3.9	6.7

* as at 31.12.

V.11. Important changes to the organisational relations of the entity with other parties

The changes made to the structure and amounts of shares held by the City were connected with:

- a transfer of the City shares in Dalkia Warszawa SA (formerly SPEC SA) on 30 April 2012 for the purpose of their free-of-charge distribution to authorised employees and their respective heirs,
- a twofold increase in the share capital of MPO Company based in the Capital City of Warsaw on 3 September and 15 October 2012,
- a merger by way of take-over of the entire property of PPHW Zaplecze and Ratusz Wilanów companies by MPRD Company on 31 August 2012,
- the commercialisation of PBU Warszawa-Północ Company on 1 February 2012,
- the removal of TechnoPort Warszawa Company from the National Court Register on 20 June 2012,
- a merger by way of transfer of the entire property of TBS Praga Północ Company to TBS Bemowo Company, including the name change into TBS Warszawa Północ,
- a merger by way of take-over of the entire property of TBS Mokotów Company by TBS Praga Południe Company, including the name change into TBS Warszawa Południe,
- the sales of shares in ZM Pekpol Ostrołęka Company on 13 June 2012.

² Data of the Central Statistical Office in Warsaw as at 31 December 2011 (as of June 30, 2011)

The table presents the listing of companies with share of the Capital City of Warsaw including value of shares and stocks as at 31 December 2012, compared to the status as at 31 December 2011.

No.	Company Name	Number of shares/ stocks of the Capital City of Warsaw as at 31.12.2011	Nominal value of shares/ stocks of the Capital City of Warsaw as at 31.12.2011	Number of shares/ stocks of the Capital City of Warsaw as at 31.12.2012	Nominal value of shares/ stocks of the Capital City of Warsaw as at 31.12.2012
1	Agencja Inwestycyjna CORP - S.A.	13 stocks	50 050	13 stocks	50 050
2	Dalkia Warszawa S.A.	1 082 100 stocks	108 210 000	3 862 stocks	386 200
3	Gminna Gospodarka Komunalna Ochota sp. z o.o.	10 406 shares	520 300	10 406 shares	520 300
4	Hotele Warszawskie Syrena sp. z o.o.	49 shares	2 450	49 shares	2 450
5	Komunalne Domy Handlowe sp. z o.o. (w zawieszeniu)	100 shares	10 000	100 shares	10 000
6	Królewski Port Żerań sp. z o.o. w likwidacji	7 625 shares	7 625 000	7 625 shares	7 625 000
7	Mazowiecki Fundusz Poręczeń Kredytowych sp. z o.o.	16 000 shares	16 000 000	16 000 shares	16 000 000
8	Metro Warszawskie sp. z o.o.	657 835 shares	328 917 500	657 835 shares	328 917 500
9	Miejskie Przedsiębiorstwo Oczyszczania w m.st. Warszawie sp. z o.o.	374 185 shares	187 092 500	453 970 shares	226 985 000
10	Miejskie Przedsiębiorstwo Robót Ogrodniczych sp. z o.o.	14 000 shares	7 000 000	28 507 shares	14 253 500
11	Miejskie Przedsiębiorstwo Robót Wodociągowych i Kanalizacyjnych sp. z o.o.	241 shares	12 050	241 shares	12 050
12	Miejskie Przedsiębiorstwo Taksówkowe sp. z o.o.	50 000 shares	5 000 000	50 000 shares	5 000 000
13	Miejskie Przedsiębiorstwo Usług Komunalnych sp. z o.o.	4 600 shares	2 300 000	4 600 shares	2 300 000
14	Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w m.st. Warszawie S.A.	19 545 766 stocks	1 954 576 600	19 545 766 stocks	1 954 576 600
15	Miejskie Zakłady Autobusowe sp. z o.o.	861 130 shares	430 565 000	861 130 shares	430 565 000
16	POL-FRED sp. z o.o. (suspended)	20 shares	2 000	20 shares	2 000
17	POL-MOT Holding S.A.	2 300 stocks	11 500	2 300 stocks	11 500
18	"POSESJA" sp. z o.o.	490 shares	55 615	490 shares	55 615
19	Przedsiębiorstwo Budownictwa Uprzemysłowanego Warszawa-Północ Sp. z o.o.			400 shares	200 000
20	Przedsiębiorstwo Gospodarki Maszynami Budownictwa „Warszawa” sp. z o.o.	10 000 shares	5 000 000	10 000 shares	5 000 000
21	Przedsiębiorstwo Produkcyjno-Handlowo-Usługowe „Zaplecze” sp. z o.o.	26 659 shares	13 329 500	0	0
22	Przedsiębiorstwo Robót Elewacyjnych Budownictwa "Warszawa" sp. z o.o.	200 shares	100 000	200 shares	100 000
23	Ratusz Wilanów sp. z o.o.	8 shares	28 108 200	0	0
24	SEDECO sp. z o.o.	20 085 shares	20 085 000	20 085 shares	20 085 000
25	Stołeczne Przedsiębiorstwo Usług Plastycznych i Wystaw Artystycznych „WAREXPO” sp. z o.o.	10 000 shares	500 000	10 000 shares	500 000

No.	Company Name	Number of shares/ stocks of the Capital City of Warsaw as at 31.12.2011	Nominal value of shares/ stocks of the Capital City of Warsaw as at 31.12.2011	Number of shares/ stocks of the Capital City of Warsaw as at 31.12.2012	Nominal value of shares/ stocks of the Capital City of Warsaw as at 31.12.2012
26	Strefa Ekonomiczna Lotniska Okęcie Sp. z o.o. w likwidacji	21 shares	798 000	21 shares	798 000
27	Szybka Kolej Miejska sp. z o.o.	72 500 shares	72 500 000	72 500 shares	72 500 000
28	TechnoPort Warszawa S.A. w likwidacji	2 467 971 stocks	123 398 550	0	0
29	Towarzystwo Budownictwa Społecznego Warszawa Północ sp. z o.o.	38 914 shares	38 914 000	66 699 shares	66 699 000
30	Towarzystwo Budownictwa Społecznego Mokotów sp. z o.o.	11 514 shares	11 514 000	0	0
31	Towarzystwo Budownictwa Społecznego Warszawa Południe sp. z o.o.	50 845 shares	50 845 000	62.359 shares	62 359 000
32	Towarzystwo Budownictwa Społecznego Praga Północ sp. z o.o.	12 595 shares	12 595 000	0	0
33	TOWING sp. z o.o.	874 shares	437 000	874 shares	437 000
34	Tramwaje Warszawskie sp. z o.o.	934 550 shares	467 275 000	934 550 shares	467 275 000
35	Trasa Świętokrzyska sp. z o.o. w likwidacji	125 702 shares	62 851 000	125 702 shares	62 851 000
36	Wola Sport sp. z o.o. w likwidacji	12 871 shares	6 435 500	12 871 shares	6 435 500
37	Zakłady Mięsne "PEKPOL Ostrołęka" S.A.	308 stocks	3 080	0	0
38	Zakłady Przemysłu Ciągnikowego URSUS S.A. w upadłości	592 400 stocks	5 924 000	592 400 stocks	5 924 000
39	Zarząd Pałacu Kultury i Nauki sp. z o.o.	6 600 shares	3 300 000	6 600 shares	3 300 000
40	Złote Tarasy sp. z o.o.	571 570 shares	57 157 000	571 570 shares	57 157 000

V.12. Important changes to the property owned

The property of the Capital City of Warsaw divided into individual components of the property as at 31 December 2011 and 2012 is given in table below (*in PLN million*).

	2011	2012
Land	61 827.10	62 164.90
Buildings, premises, land and civil engineering structures	10 588.40	11 135.70
Other fixed assets	353.80	312.10
Fixed assets under construction and advances	4 605.60	4 939.40
Long-term receivables	108.80	130.00
Intangible assets	12.50	11.90
Long-term financial assets	4 046.09	3 841.20
Fixed property total	81 542.29	82 535.20

Tabular data under the item "land" exclude the value of land under perpetual usufruct of different entities; their surface equals 2.747 ha.

The following is the main property right of the Capital City of Warsaw: ownership of real estates, movables, other equipment as well as stocks and shares.

Other property rights include perpetual usufruct, mortgage and rights resulting from obligatory relations.

The municipal property of the City includes property owned by services, inspections and guards operating in the form of budgetary units, as well as the property of healthcare facilities and cultural establishments for which the Capital City of Warsaw is the leading body or organiser, but also municipal enterprises for which the Capital City of Warsaw is the founding authority.

V.13. Tasks realised by the issuer

The Capital City of Warsaw is the commune with municipal status with district rights. Its functions are specified by the Act on Municipal and District Local Government, but the tasks resulting from the capital nature of the city – the Act of 15 March 2002 on the Administrative System of the Capital City of Warsaw (Journal of Laws of 2002, No. 41, Item 361, as amended). The Capital City of Warsaw has legal personality, and its independence is subject to judicial protection.

V.14. Changes to the organisation of providing municipal services

Municipal companies serve the realisation of the own tasks of the City, e.g. the fulfilment of the collective needs of residents – in particular referring to water supply, sewerage system, the generating and transfer of thermal energy, the organisation of urban transport, and satisfying housing needs.

The group of the largest companies in which the City owns 100% of the shares includes Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji w Warszawie S.A. and transport sector companies, such as Metro Warszawskie Sp. z o.o., Tramwaje Warszawskie Sp. z o.o., Miejskie Zakłady Autobusowe Sp. z o.o. and Szybka Kolej Miejska Sp. z o.o.

Information on companies of the City is given under item V.11, and a description of the tasks realised in 2012 in the field of municipal services under item V.20.

Cleaning services and waste disposal in the City

In 2012, the disposal of municipal waste constituted the responsibility of the entrepreneurs (146 entities as at the date of drafting this report) authorised to collect municipal waste from property owners. Under agreements concluded directly with property owners, the said entrepreneurs collected waste and then transferred it to selected waste disposal facilities.

This situation will change on 1 July 2013, which is when the Capital City of Warsaw, under the amended Act on Maintaining Cleanliness and Order in Municipals, will take over the responsibility for municipal waste management in the City. According to the major amendment to the reference provisions, it will be the Municipal, and not the property owners as it used to be, to conclude agreements with entrepreneurs selected by way of tenders. It will also be the Municipal to decide on where and how the waste will be disposed.

V.15. Expenditures on the realisation of individual tasks

The table presents the expenditures of the Capital City of Warsaw by tasks and areas for 2011 and 2012 (*in PLN million and in %*).

	2011		2012	
	PLN	share in %	PLN	share in %
Transport and urban transport	3 968.17	32.34%	4 403.82	34.92%
Education	2 543.71	20.73%	2 678.54	21.24%
Finances and various settlements	1 243.14	10.13%	1 189.56	9.43%
Spatial governance and real-estate economy	1 358.42	11.07%	1 305.90	10.35%
Health protection and social support	997.97	8.13%	969.71	7.69%
Local-Governmental structures management	818.77	6.67%	859.13	6.81%

	2011		2012	
	PLN	share in %	PLN	share in %
Culture and protection of cultural heritage	455.86	3.72%	376.62	2.99%
Recreation, sports and tourism	197.4	1.61%	125.97	1.00%
Municipal economy and environment protection	373.68	3.05%	373.46	2.96%
Public safety and order	267.93	2.18%	262.3	2.08%
Promotion and development support	43.74	0.36%	67.68	0.54%
Total expenditures	12 268.79	100.00%	12 612.69	100.00%

V.16. General revenue in the issuer's budget

The sources of the revenue of the Capital City of Warsaw are specified in the Act of 13 November 2003 on the Revenue of Regional Local-Government Units (Journal of Laws of 2010, No. 80, Item 526, as amended). As a city with district rights, Warsaw acquires revenue from municipal and district sources. These include:

1. individual revenue (including e.g.: inflows from taxes, inflows from fees, inflows from municipal property, participation in personal and corporate income tax);
2. the general subsidy;
3. earmarked subsidies grants from the State budget;
4. assets from the budget of the European Union and other foreign sources, non-repayable.

The two main sources of revenue of the Capital City of Warsaw are the participation in personal income tax (PIT), and the educational part of the general grant, constituting respectively approx. 30.4% and 10.6% of total revenue. The other main sources, including: real-estate tax, inflows from sales of urban transport tickets or participation in corporate income tax (CIT) are at the level of approx. 30%. The number of sources of the City's revenue (e.g. over 70) proves high diversity and has a positive impact upon the total risk for the budget non-realisation in terms of revenue.

The table presents the main sources of revenue for the Capital City of Warsaw in 2011 and 2012 (in PLN million and in %)

	2011		2012	
	PLN	share	PLN	share
Participation in personal income tax	3 433.29	30.47%	3 518.57	29.47%
Educational part of the general subsidy	1 196.70	10.62%	1 308.83	10.96%
Property tax	935.23	8.30%	1005.95	8.42%
Inflows from services – sales of urban transport tickets	695.05	6.17%	757.51	6.34%
Participation in corporate income tax	584.54	5.19%	537.32	4.50%
Tax on civil law transactions	386.3	3.43%	232.34	1.95%
Assets for co-financing projects implemented as part of EU programmes	708.54	6.29%	1135.28	9.51%
Charges for management, utilisation and perpetual usufruct	410.89	3.65%	402.73	3.37%
Earmarked subsidies – commissioned tasks	379.01	3.36%	386.85	3.24%
Inflows from services – reimbursement of payments for utilities	254.11	2.26%	257.93	2.16%
Revenue in total	11 268.51	100.00%	11 941.03	100.00%

V.17.The efficiency of revenue acquisition

The degree of realisation of the annual plan is the basic measure of efficiency of revenue acquisition. In 2012, the budget of the Capital City of Warsaw was realised at the level by 0.94% higher than the planned level, which reflects a deviation in the amount of PLN 111.44 million.

The table presents the highest positive deviations in the realisation of revenue plan in 2012 (*in PLN million*).

	2012			
	Plan	Realisation	Deviation	Degree of realisation
Resources from the EU budget	952.5	1 135.3	182.8	119.19%
Property tax	971.7	1 006.0	34.24	103.52%
Charges for management and perpetual usufruct	389.1	402.7	13.63	103.50%
Revenue from rental and lease	591.9	613.2	21.21	103.58%
Participation in personal income tax	3 580.0	3 518.6	-61.44	98.28%
Participation in corporate income tax	619.7	537.3	-82.37	86.71%
Stamp duty	85.0	97.8	12.82	115.08%
Dividends from companies	5.5	14.5	9	263.64%
Tax on civil law transactions	250.0	232.3	-17.66	92.94%
Inflows from sales of urban transport tickets	759.5	757.5	-2	99.74%
Revenue in total	11 829.59	11 941.03	111.44	100.94%

The year-to-year dynamics is another measure of efficiency of revenue acquisition. In 2012, the revenue of the Capital City of Warsaw were higher than in the preceding year by 5.97%, corresponding to an increase of PLN 672.52 million.

The table presents the highest positive deviations in the dynamics of the realisation of revenue in 2012 (*in PLN million and in %*).

	2011	2012	2012/2011	
	Realisation	Deviation	Dynamics in %	
Assets for co-financing projects implemented as part of EU programmes	708.5	1 135.3	426.8	160.24%
Earmarked subsidies from the State budget	468.2	478.7	10.5	102.25%
Sales of urban transport tickets	695.1	757.5	62.4	108.98%
Charges for management and perpetual usufruct	410.8	402.7	-8.1	98.04%
Participation in corporate income tax	584.5	537.3	-47.2	91.92%
Inflows from sales of premises and property	184.6	255.2	70.6	138.26%
Revenue from rental and lease of property	597.7	613.2	15.4	102.58%
Property tax	935.2	1 006.0	70.8	107.57%
General subsidy	1 298.3	1408.62	110.3	108.47%
Tax on civil law transactions	386.0	232.3	-153.7	60.19%
Revenue in total	11 268.51	11 941.03	672.52	105.97%

On 2012 the following factors had an impact on the results of the budget of the Capital City of Warsaw in terms of the realisation of the plan and dynamics:

- a lower annual growth in the revenue from Warsaw's participation in PIT (2.5%), as compared to the basic macroeconomic indicators determining the inflows from PIT (a growth in employment of 0.1% together with a growth in wages and salaries in the national economy of 3.6%), which resulted from the lowering of the participation rate of Warsaw in the PIT from 12.06% in 2011 to

11.80% in 2012. The dropping share of Warsaw is connected with the participation structure based on historical data which provided for the consequences of systemic changes introduced in previous years, i.e. increasing the tax allowance on children and decreasing the taxation scale, being relatively more significant for Warsaw than, in average terms, for the whole country,

- the settlements with revenue offices, connected with the returns made by tax offices in 2011 and in 2012 for the benefit of taxpayers, under the judgment passed by the European Court of Justice on 16 June 2011. The said judgment implies that the tax obligation in respect of loans granted to companies by their partners, which was introduced to the Act on the Tax on Civil Law Transactions, was incompliant with the EU law. The European Court of Justice in its judgment ordered that the said tax on civil law transactions (amounting to 0.5% of the transaction value), paid in respect of the loan agreements concluded in 2007-2008 by shareholders of joint-stock and limited-liability companies, be reimbursed to the taxpayers,

- a low transaction activity of both natural and legal persons; the revenue from the tax on civil law transactions in 2012, in the context of the economic slowdown, were lower than in 2011.

The positive values of measures of revenue acquisition resulted from the activities taken by the City authorities with the aim to increase the efficiency of the property management in the City, and from the realisation of revenue from the resources for co-financing projects implemented as part of EU programmes. The level of revenue from the EU was significantly influenced by the co-financing provided to the construction of Metro line II.

V.18. A description of the course and efficiency of budget planning and the realisation of the entity's budget

Modern metropolis management requires clearly-defined strategic, long-term objectives and the identification of tools for their realisation. Considering this, the financial management of the Capital City of Warsaw is made in a rolling system, e.g. certain assumptions to the multiannual financial addendum, attached to the budget from the preceding year for which the budget was prepared, form the basis for preparing the budget for a given year and for the following years. The specification of a multiannual financial framework in the management of local-government unit facilitates an effective allocation of the limited financial assets for the maintenance of financial safety. The knowledge of assumed priorities and financial opportunities allows the selection of the optimum path for the City's development. Comparing the City's needs and potential in the context of its development strategy provided is crucial in ensuring the relevant hierarchy of the realisation of investment projects. Moreover, the long-term forecast of the City's potential facilitates an effective debt management, necessary for financing the development needs of Warsaw. On the one hand, the specification of the long-term financial framework identified the statutory and economic, possible level of indebtedness; on the other, the reliable budgetary forecast facilitated the acquisition of relatively cheap capital obtained in the form of bond issues, and "cheap" credits from international institutions (the European Investment Bank, the Council of Europe Development Bank). The events occurring in the last three years have reflected the benefits of multiannual planning, also under extraordinary circumstances, meaning the unexpected weakening of the economic situation. Precisely-developed multiannual financial forecasts facilitated the flexible – not excluding strategic objectives – discounting of predicted, disadvantageous effects of the economic slowdown resulting from the crisis on the global financial markets.

The preparation of the budget and the Multiannual Financial Forecast is of a continuous nature, e.g. a valid, official budgetary framework for the City approved under Resolutions of the City Council is concurrently verified, based on the monitoring of the realisation of budgetary revenue and expenditures, as well as on the analysis of changes in the economic environment influencing the level of revenue and expenditures to be realised in the future. The process of detailed budgetary planning for the Capital City of Warsaw engages all the organisational units of the City, and also management authorities or councils of the City districts.

V.19. The forecast concerning the repayment of liabilities of the issuer

The budget forecast for 2013-2016, and the scheduled indebtedness and repayment of liabilities, are given under item III.2.3 of this report. A detailed forecast, until the repurchase of liabilities, i.e. until 2039, was presented in the Multiannual Financial Forecast for the Capital City of Warsaw for 2013-2042, available at the sites of the Public Information Bulletin of the City of Warsaw (www.bip.warszawa.pl) in the tag "Budget and financial policy of the Capital City of Warsaw".

V.20. The efficiency of municipal services and plans for their development

V.20.1. Local public transport and urban transport services

The Urban Transport Authority (ZTM) deals with the planning, organisation and supervision of the urban transport and transit system in the Capital City of Warsaw.

In 2012, the following changes have occurred in the framework of the public transport and urban transport system organised by ZTM:

- Transit services in terms of collective public transport in Warsaw and adjacent municipalities (with which intra-communal agreements were concluded for the provision of urban transport services) were increased in relation to 2011 by approximately 1.7%, i.e. from 212.6 million vehicle kilometres to 216.3 million vehicle kilometres.
- The share of metro services in passenger transport decreased from 12.2% to 11.9% for the benefit of other means of public transport, due to the start-up of new fast urban rail lines and bus lines as part of supplementary transport, as well as due to additional bus and tram services during EURO 2012.
- The continuous modernisation of rolling stock owned by the City carriers was in progress. In 2012, 105 buses, 65 modern trams and 6 35WE (Fast Urban Rail) trains were provided for use.
- The construction of metro line II (the central section) was continued. The works involved drafting the design, logging, constructing all planned stations and drilling track tunnels.
- Other transport investments were continued, such as design works on extending the eastern and western section of Metro line II, the construction of strategic "Park&Ride" car parks – stage II (the commissioning of the P&R Wawer SKM car park and the cubature Ursus-Niedźwiadek car park, the commencement of constructing the cubature P&R Metro Stokłosy car park in the "design & build" system, and the lease of P&R parking space in the Wileńska Commercial Centre and in Multikino Imielin), the construction of an underground passage next to the P&R Ursus-Niedźwiadek car park, the construction of a Tarchomin tram line along the Maria Skłodowska-Curie Bridge Route and the preparatory and design works concerning this tram line to the Winnica terminus, the start-up of a new SKM (S-3) line and the extension of S-2 line to the Warsaw Chopin Airport, the modernisation of the bus terminus, including the construction of a check-out pavilion at the Eastern Station from the side of Lubelska Street (commissioned on 29 May 2012), the start-up of a separate bus lane along the Maria Skłodowska-Curie Bridge Route, the extension of the ticket sales network by starting up new passenger service points (metro stations, the Lubelska bus terminus, the Warsaw Chopin Airport), the assembly of stationary ticket machines in new locations (48 new machines; at the end of 2012, there were 347 ticket machines altogether) and the assembly of mobile ticket machines in public transport vehicles (in 2012, the number of vehicles equipped with such devices amounted to 382; the total number as at the end of 2012 – 664).
- The number of bicycle paths at P&R car parks, bus terminals and public facilities was increased (to 1000 posts in total).

- The Veturilo public bicycle system was implemented – stage I implemented since 1 August 2012 comprised 58 stations and 1068 bicycles; the number of registered users in September 2012 exceeded 44.5 thousand whereas the average number of bicycle rentals per month reached 89.4 thousand.
- As part of cooperation with local governments of the neighbouring municipalities, additional 3 supplementary “L” lines were activated. In 2012, 18 lines of this kind operated in the area of 10 municipalities, with a total length of 276 km.

V.20.2. Public roads

Tasks in terms of the construction, modernisation, maintenance and protection of public roads running within the limits of the Capital City of Warsaw are carried out by the budgetary unit – Urban Transport Authority (ZDM). In terms of organisation and financing, ZDM reports to the Mayor of the Capital City of Warsaw who, under the Act on Public Roads of 21 March 1985, manages national, province and district roads under the supervision of Warsaw.

Areas and activities generating the highest expenditures in 2011 include the maintenance and overhaul of the City lighting system, the maintenance of roads and bridges, the maintenance of traffic lights, the assembly and maintenance of traffic safety equipment, the maintenance of road drain equipment, the maintenance of and changes to horizontal markings, the maintenance, monitoring and modernisation of elevators in buildings, and the maintenance and extension of the City Information System.

The most important modernisation and overhaul investments implemented in 2012 include the overhaul of Dźwigowa Street which comprised reconstructing the drain equipment, providing a new sewage connection to the road drain system, and reclaiming roadways and pavements (the cost incurred in 2012 – PLN 9,994,711), the overhaul of flyovers along Hynka i Sasanki Street over Żwirki i Wigury Avenue (at the cost of PLN 2,593,384), the overhaul of retaining walls along the Łazienkowska Route next to the seat of the Central Statistical Office (at the cost of PLN 3,708,763), the construction of two vehicle weighing stands at the cost of PLN 1,155,970, the construction of a pavement along Dzieci Polskich Avenue (1,761 m²) at the cost of PLN 435,357, the overhaul of the lighting system along Jerozolimskie Avenue (at the cost of PLN 4,575,149), the overhaul of traffic lights at the following crossroads: Odyńca and Krasickiego, Sobieskiego and Nałęczowska, Jana Pawła II and Solidarności, Kondratowicza and Malborska, Powstańców Śląskich and Człuchowska, and Powstańców Śląskich and Borowej Góry (at the cost of PLN 4,754,061), the construction of cycling lanes along 5 streets (4,660 m²) at the cost of PLN 880,110.

The gradual road overhauls conducted in 2012 as part of weekend replacements of asphalt surface included the construction of new roadways asphalt surface covering the area of 208,699 m² in 22 street sections (the cost of PLN 26,422,486). In connection with EURO 2012, the surface of 11 streets with the total area of 41,476 m² was replaced (at the cost of PLN 4,999,462) and complex pavement overhaul works were performed along 7 streets (20,807 m²) at the cost of PLN 2,493,101.

V.20.3. The technical infrastructure

Providing municipal services in the field of common water supply and waste disposal is conducted by the City's company MPWiK w Warszawie S.A., in which the City has 100% of shares. The City may co-create the enterprise strategy by shaping the company's articles of association and the appointment of management.

On 19 June 2012, the City granted a permission to the Marecki Wodociąg Sp. z o.o., headquartered in Marki, for the provision of collective water supply and sewage discharge services. The area of

activity of the reference service provider covers the Capital City of Warsaw Districts of Białołęka and Targówek.

The investments realised by MPWiK (Municipal Water and Wastewater Company) in the framework of the project "Water supply and waste treatment in Warsaw", co-financed from the Cohesion Fund, have significantly contributed to the improvement in the quality of water supplied to residents through the municipal pipeline system for the last two years. Moreover, within the reference project, MPWiK has implemented an innovative computer system facilitating the reliable and effective management of the water system, the so-called mathematical system. At the end of 2011, 97.93% of Warsaw residents were connected to the water supply system. (This ratio was calculated on the basis of an estimate analysis of the system coverage and increase in the newly-constructed sections).

At the end of 2012, 97.75% of Warsaw residents were within the coverage of the water supply system. This difference in the water supply connection ratio results from the application of a different calculation method. The 2012 value was calculated on the basis of a preliminary analysis of data from the 2011 National Census, based on the demographic points using GIS software.

In terms of the realisation of tasks relating to waste management, the priority investment in 2012 comprised the extension and modernisation of the "Czajka" Sewage Treatment Plant, with the construction of a transmission system for sewage treatment and the Municipal Solid Waste Treatment Plant, co-financed from the EU resources. Sewage from the central and northern part of the Warsaw left-bank will be transmitted via the transmission system under the bottom of the Vistula River to OŚ "Czajka". At present, the treatment plant also collects waste from the right-bank part of Warsaw, and Legionowo, Jabłonna, Zielonka, Marki and Ząbki.

In 2012, the "W" sewer was constructed, with the total length exceeding 6 km. An extension of the secondary channels system, which uses the "W" sewer, will make it possible to transmit household sewage from the Wawer District to the "Czajka" treatment plant. It is also planned that a new section between Rogatkowa and Patriotów streets will be constructed, comprising the drilling of a tunnel under rail tracks, in order to connect the new sections of the built network, and to decrease the burden on the sewer at Patriotów Street.

The investments implemented in the Capital City are intended to include the largest possible amount of waste water in the sewage system, which will contribute to a better protection of water environment. All the activities realised so far fall within the National Programme for Municipal Waste Water Treatment (NPMWWT). The reference programme obliges the Warsaw agglomeration to construct in 2007-2015 at least 93.4 km of a new sewage system and to modernise 40 km of the existing one. In 2011, as part of the NPMWWT, 23.4 km of a new system was constructed and 0.2 km modernised (only within the limits of the City of Warsaw), as a result of which, since 2005, a total of 95.03% of residents have been covered by the sewage system. (This value was calculated on the basis of an estimate analysis of the system coverage and increase in the newly-constructed sections).

In 2012, as part of the NPMWWT (only within the limits of the City of Warsaw), 38 km of a new system was constructed and 4.9 km modernised, as a result of which, at the end of 2012, a total of 95.52% of residents were covered by the sewage system.

The production, sales, transmission and distribution of heat, gas and electricity are conducted by commercial companies. In Warsaw there are 52 licensed electricity providers and 5 electrical system operators, using 15,962 km of electrical lines, 87% of which are cable lines ensuring very high reliability of energy supplies. The municipal heating system with a length of 1,752 km is powered by 14 heat sources, including 4 cogeneration plants. The works on extending and modernising two cogeneration plants are now in progress, and the construction of another three is planned. Further development of the City will be based on the existing reserves in the network heating system.

At the end of 2012, the Gaz-System S.A. operator confirmed at the annual Warsaw Energy Forum the lack of reserves in the gas supply systems operating within the Warsaw Metropolitan Area. This situation does not pose any threat to current users, to whom gas is supplied through distribution networks with a length of 2,745 km.

The investments in the energy sector are defined in the Warsaw Heating, Electricity and Gas Fuel Supply Programme, which at the end of 2012 covered 54.7% of the area of the Capital City of Warsaw.

Moreover, an updated version of the Assumptions to the Warsaw Heating, Electricity and Gas Fuel Supply Programme, used to balance the energy needs of the City until 2030, is currently under implementation.

V.20.4. The housing economy

The policy in terms of the housing resources of the City was specified in the Multiannual Programme for the Housing Resources Economy for the 2008-2012. In 2012, activities resulting from the assumptions presented in the said programme were continued. These mainly related to the continuation of the implementation of common rules for the rental policy of the whole city, resulting in e.g., the ordering of the rent calculation system. The implementation of such rules resulted in a significant increase in the revenue from residential premises.

In order to satisfy the housing needs, and taking into account the huge demand and sales of residential premises, the Programme for Municipal Residential Construction was prepared for the Capital City of Warsaw, valid in 2008-2012. In the framework of the activities planned and aimed at an improvement in the technical condition of housing resources, an improvement in the quality of life of residents and the protection of natural environment in the years 2010-2012, the project entitled "Network heat in municipal buildings" is currently implemented, as part of which 126 buildings have been selected to be equipped with internal central heating and hot water supply systems.

VI. Annual report on the budget realization with the opinion of the Regional Accounting Chamber

VI.1. Annual report on the budget realization

In accordance with Art. 37 paragraph 2 of the Public Finance Act of August 27, 2009 (Journal of Laws No. 157, item. 1240) reports on the budget realization of the Capital City of Warsaw was published on the Public Information Bulletin:

http://bip.warszawa.pl/Menu_przedmiotowe/budzet_polityka_finansowa/wykonanie_budzetu/default.htm

VI.2. The Resolution of the Adjudication panel of the Regional Accounting Chamber in Warsaw on delivery of opinion on the submitted report on the realisation of the budget for 2012

to be provided immediately upon receipt

VII. THE OPINION AND REPORT OF EXPERT AUDITOR

VII.1. The opinion of the expert auditor for Warsaw City Council on the examination of the financial statement of the City of Warsaw for the period from 1.01.2012 to 31.12.2012

to be provided immediately upon receipt

VII.2. The report on the examination of the financial statement of the City of Warsaw for the period from 1.01.2012 to 31.12.2012

to be provided immediately upon receipt