

STALPRODUKT S.A.

Abridged Interim Consolidated  
Financial Report for the 1<sup>st</sup> Quarter  
of 2015. Additional Information

Bochnia, May 2015

## I. Introductory Information

### 1. The basic data

Apart from the parent company, the Stalprodukt S.A. Capital Group embraces 11 associated entities accounting for subsidiary companies, in which Stalprodukt holds 100% of shares, except for Cynk-Mal S.A. where it holds 51% of shares and Zakłady Górniczo-Hutnicze "Bolesław", where it holds 90.07% of shares.

As the group's parent company, Stalprodukt S.A., provides operating and development guidelines for the associated entities formed within the framework of the Company's restructuring and expansion of its production, trade and services and organization of its own sales network.

The basic objects of operation of the capital group companies are:

- production of electrical transformer sheets – parent company Stalprodukt S.A.,
- production of cold formed profiles, road safety barriers as well as cut-to-length cold- and hot-rolled sheets and strips – parent company Stalprodukt S.A.,
- non-ferrous metal ores mining and zinc and lead production – ZGH "Bolesław" S.A. along with its subsidiary companies:
  - Zinc Smelter - Huta Cynku "Miasteczko Śląskie" S.A. – production of rectified zinc, lead and cadmium,
  - Bolesław Recykling Sp. z o.o. – zinc-bearing materials processing and recycling services as well as production and sales of non-ferrous metal concentrates,
  - Bol-Therm Sp. z o.o.\* – power supply-, laboratory-, mechanics and construction-related services, transport-equipment and forwarding services, production of dolomite aggregates, zinc products and zinc alloys,
  - Gradir Montenegro d.o.o. – zinc ores mining and concentrate production,
  - Agencja Ochrony Osób i Mienia "Karo" Sp. z o.o. – bodyguard and property security services.
- trade activities:
  - Stalprodukt-Centrostal Kraków Sp. z o.o., managing the all-Poland sales network with department and trade offices in Gliwice, Włocławek, Wrocław, Szczecin and Radom,
  - Stalprodukt - Zamość Sp. z o.o.,
- other production- and services-related activities:
  3. production of galvanized banding steel and wire, as well as steel strips - Cynk-Mal S.A.,
  4. spare parts production and regeneration - Stalprodukt-Wamech Sp. z o.o.,

5. installation, repair/renovation and maintenance of machines - Stalprodukt-Serwis Sp. z o.o.,
6. structural steel production - STP Elbud Sp. z o.o., Stalprodukt-Wamech Sp. z o.o.,
7. galvanizing services - STP Elbud Sp. z o.o. and Cynk-Mal S.A.,
8. roads and freeways construction and management – Stalprodukt MB Sp. z o.o.
9. bodyguard and property security - Stalprodukt Ochrona Sp. z o.o.,
10. designing equipment related to the use of renewable energy sources – Anew Institute Sp. z o.o.

## 2. Changes in the Issuer's and Capital Group's Ownership Structure

In relation to the 1<sup>st</sup> quarter of 2014 acting as the comparable period for the present consolidated financial report, the following changes occurred in the Issuer's Capital Group's ownership structure:

- As of 30 June 2014, the Extraordinary Meeting of Shareholders of Stalprodukt Warszawa Sp. z o.o. - company under liquidation – adopted a Resolution No 3/2014 regarding the completion of liquidation proceedings. As of 04.07.2014 the Kraków-Śródmieście District Court in Kraków, 12<sup>th</sup> Economic Department of the National Court Register deleted the company's entry from the Register of Entrepreneurs.
- As of 9 February 2015 the Issuer has received a decision of the Kraków-Śródmieście District Court of Kraków, 12<sup>th</sup> Economic Department, National Court Register No as of 29.01.2015, on making an entry in the Entrepreneurs Register, concerning the increase of the subsidiary company's share capital, i.e. of Zakłady Górniczo-Hutniczych „Bolesław” S.A. company based in Bukowno, from the amount of PLN 126.116.000,00 to the amount of PLN 166.116.000,00, amendment to the company's Articles of Association related to the increase concerned and issuance of 4.000.000 new shares of C-series.

All the newly issued C-series shares have been acquired by Stalprodukt S.A. based in Bochnia by way of private subscription in exchange for a cash contribution. The increase of the company's share capital by the amount of PLN 40.000.000,00, accomplished through the issuance of the new C-series shares and offering the same to the Shareholder - Stalprodukt S.A. by way of private subscription in exchange for a cash contribution amounting to PLN 40.000.000,00 was carried out in connection with the completion of the Stalprodukt S.A.'s investment obligations, referred to in the Agreement for the Sale of Shares of ZGH „Bolesław” S.A., concluded on 7 November 2012 between

the State Treasury and Stalprodukt S.A., based in Bochnia. As a result of the issue, the Issuer's share in the subsidiary company's share capital increased from 86.92% to 90.07 %.

- Moreover, during the 1<sup>st</sup> quarter of 2015, a shares purchase process started in respect of the ZGH „Bolesław” S.A. employee shares, as a result of which Stalprodukt's share in the capital of this Company was raised up to 90.12 % (more relevant information can be found in Chapter VI, par. 5 of the present Report).

### **3. Fundamental Principles Governing the Preparation of the Abridged Interim Consolidated Financial Report**

The presented Abridged Consolidated Financial Report was prepared in respect of the period from 1 January 2015 to 31 March 2015 with the use of the full consolidation method, considering all the Group's subsidiaries. The comparable data cover the period from 1 January 2015 to 31 March 2014 referring to the profit and loss account and the cash flow statement, the balance sheet values reflect the status as of 31 December 2014.

The Group's reporting year is equivalent to the calendar year.

This Interim Abridged Consolidated Financial Report was prepared in line with the International Financial Reporting Standards approved by the European Union and, in particular, with the International Accounting Standard No 34 "Interim Financial Reporting" and was based on the assumption that the Group will be continuing its activities in the predictable future. As of the Financial Report approval day, the Issuer's Management Board does not find any circumstances likely to threaten the continuation of activities pursued by the Capital Group.

The Interim Abridged Consolidated Financial Report does not contain all the information and disclosures required in the consolidated financial report and the additional information sheet mainly contains the explanations of events and changes indispensable for the understanding of the changes in the Group's financial standing and its performance results to have occurred since the end of the previous reporting year.

The Additional Information sheet embraces selected data explaining the facts required by the IAS 34 and the Regulation of the Minister of Finance as of 19.02.2009 r. on current and periodic information to be disclosed by issuers of securities and conditions for recognizing as equivalent of information whose disclosure is required under the laws of a non-member state (Journal of Laws No 33, item 259).

If the Additional Information sheet does not contain a description of some events, required by the above mentioned regulations, this shall mean that such events have not occurred during the reporting period.

## II. Accounting Principles (Policy)

1. In the quarterly abridged consolidated financial report the accounting principles (policy) used, including the assets and liabilities, income and costs valuation methods as well as calculation methods adopted, were identical with the ones presented in detail in the Consolidated Report 2014.

In the reporting period neither any essential changes were introduced into the accounting principles (policy), nor any adjustments were made in respect of the fundamental errors and adopted estimated values which would have significantly affected the Group's property and liquidity standing and its financial result.

2. The changes introduced into the standards and interpretations issued by the International Financial Reporting Standards Council and International Financial Reporting Standards Interpretation Committee, applicable since 1 January 2015 or later, either do not apply to the Stalprodukt Group, or do not significantly affect the heretofore applied accounting policy and assessment of its asset position and financial standing. The numerous changes introduced into the existing accounting standards and interpretation changes, referring to the existing standards, have already been adopted by the International Financial Reporting Standards Council, but not approved by the EU yet and so the same shall take effect at later dates.

The Management Board does not expect the introduction of the above standards and interpretations to significantly affect the accounting principles (policy) applied by the Group, its financial standing and financial result, but the same may still require further additional or amended disclosures to be included in the report. The above mentioned changes were precisely described in the Additional and Explanatory Information sheet appended to the published Consolidated Financial Report for 2014.

3. The information contained in the Consolidated Financial Report was compiled in compliance with the principles pertaining to the assets and liabilities valuation and net financial result measurement, defined as of the balance sheet day, in compliance with IFRS adopted by the European Union and interpretations related thereto, announced in the form of the European Commission Regulations, with the principle of materiality observed.

The Issuer's Individual Financial Report, incorporated herein, was also prepared in compliance with the above principles.

### III. Appraised Values

1. In the 1<sup>st</sup> quarter of 2015, the Group made the following adjustments in respect of the reserves, revaluations and write-downs revaluating the asset components:
  - a deferred income tax reserve allowance was increased by the amount of PLN 2 453 thousand in connection with the occurrence of transitory positive differences,
  - The provision for employee benefits was increased by the amount of PLN 4 152 thousand, including: awards on the occasion of branch-specific holidays by PLN 3 263 thousand, bonuses and voluntary redundancies by PLN 889 thousand,
  - the provision for employee benefits amounting to PLN 1 816 thousand was released, including: service anniversary awards and severance payments totalling PLN 646 thousand plus bonuses and voluntary redundancies totalling PLN 1 170 thousand,
  - a provision for repairs was formed in the amount of PLN 12 419 thousand, and the one amounting to PLN 3 541 thousand was released,
  - a provision for deterioration in profitability in December was formed in the amount of PLN 1 800 thousand,
  - a provision for electrical energy origin certificates and CO<sub>2</sub> emissions allowances was formed in the amount of PLN 3 589 thousand, and the one amounting to PLN 1 684 thousand was released,
  - the provision for mine liquidation was formed in the amounting to PLN 900 thousand,

### IV. Business Segments

The segment-based reporting was based on IFRS 8 "Operating Segments". The rules governing the Stalprodukt Capital Group's division into operating segments and accounting principles applied in this kind of reporting were described in detail in the last published Consolidated Financial Report for 2014.

## Abridged Interim Consolidated Financial Report for the 1st Quarter of 2015. Additional Information

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Information on Operating Segments for 1<sup>st</sup> quarter of 2015 (PLN thousand)

Itemization	Operating Segments				Total
	Electrical Sheets Segment	Profiles Segment	Zinc Segment	Other Activities	
Segment Revenues	156 680	166 223	377 798	50 438	751 139
Segment Costs	126 895	162 175	311 553	46 781	647 404
<b>Segment Result</b>	<b>29 785</b>	<b>4 048</b>	<b>66 245</b>	<b>3 657</b>	<b>103 735</b>
Other Operating and Financial Revenues Non-Attributable to the Segment					4 838
Other General, Operating and Financial Costs Non-Attributable to the Segment					44 731
<b>Gross Profit</b>					<b>63 842</b>
Income Tax					18 309
<b>Net Profit</b>					<b>45 533</b>
Segment Assets	804 199	736 707	1 389 490	234 138	3 164 534
Assets Non-Attributable to the Segment					24 600
Total Assets					3 189 134
Liabilities	144 175	215 113	584 389	81 700	1 025 377
Contingent Liabilities					296 115
Total Liabilities					1 321 492
Investment Outlays	1 793	2 118	13 440	732	18 083
Depreciation	5 926	4 769	21 362	3 603	35 660

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Information on Operating Segments for 1<sup>st</sup> quarter of 2014 (PLN Thousand)

Itemization	Operating Segments				Total
	Electrical Sheets Segment	Profiles Segment	Zinc Segment	Other Activities	
Segment Revenues	101 852	192 197	328 185	50 400	672 634
Segment Costs	96 307	182 024	300 231	46 276	624 868
<b>Segment Result</b>	<b>5 545</b>	<b>10 143</b>	<b>27 954</b>	<b>4 124</b>	<b>47 766</b>
Other Operating and Financial Revenues Non-Attributable to the Segment					6 472
Other General, Operating and Financial Costs Non-Attributable to the Segment					36 849
<b>Gross Profit</b>					<b>17 389</b>
Income Tax					6 894
<b>Net Profit</b>					<b>10 495</b>
Segment Assets	735 511	783 485	1 192 791	274 766	2 986 553
Assets Non-Attributable to the Segment					21 793
Total Assets					3 008 346
Liabilities	115 735	267 656	455 957	108 231	947 579
Contingent Liabilities					296 115
Total Liabilities					1 243 694
Investment Outlays	6 867	233	7 647	819	15 566
Depreciation	5 803	4 607	19 802	3 286	33 498

### V. Ocena uzyskanych wyników i sytuacja finansowa

In the 1<sup>st</sup> quarter of 2015, compared to the analogical period in 2014, the Stalprodukt S.A. Capital Group achieved sales revenue increased by PLN 78 505 thousand.

The Capital Group recorded increased sales profits, higher by PLN 56 967 thousand, increased profit from operating activities higher by PLN 55 852 thousand and net profit higher by PLN 35 038 thousand. Evaluating the achieved results, one should stress that in the 1<sup>st</sup> quarter the sales profits recorded reached the level of PLN 74 716 thousand against the loss amounting to PLN 17 749 thousand in the analogical period of 2014, what means an increase by 321%.



The improved results, achieved by the Group in relation to the analogical period in 2014, were chiefly attributable to the increased volumes and prices in two out of four reported operating segments.

The Electrical Sheets Segment recorded an increase in the sales volumes by as much as 22.4 %. The increase of sales volumes combined with price increases resulted in the significant increase of sales proceeds and significant improvement of the Segment's result. In relation to the 1<sup>st</sup> quarter of 2014, the sales increase by PLN 54,828 thousand, i.e. by 53.8 % was recorded and combined with net result improvement by PLN 24 240 thousand. The Segment's improved results reflect the occurrence of earlier market signals indicating the growing demand and positive price adjustment. It should be reminded that in the 1<sup>st</sup> quarter of 2014, steel sheet prices dropped down to the lowest level ever recorded throughout the previous 10 years, whereas a clear bounce-back of the prices was observed in the 2<sup>nd</sup> half of the previous year. Moreover, the improved PLN sales prices to have been achieved, had resulted from favorable currency exchange rates - USD in particular.

The Segment of Profiles recorded a sales volume decline by 5.9 %, however, in the key product group – the cold formed profiles – the Company managed to retain the sales volumes at the levels close to the ones achieved in the 1<sup>st</sup> quarter of 2014. At the same time, the decline in the sales volumes was accompanied by the decrease of average prices. The above condition resulted in the decrease of sales by PLN 25 974 thousand and decline in the segment's results by PLN 6 095 thousand.

Comparing the two segments, one should pay attention to a significant improvement in the activities of the Electrical Sheets Segment and poor condition persistently present in the Segment of Profiles. The results achieved in the Electrical Sheets Segment in the 1<sup>st</sup> quarter of 2015, confirmed the Company's prior predictions. Whereas the Segment of Profiles reflects the difficult market conditions, i.e. fierce competition also from abroad, maintained massive supply of materials, and the resulting decrease of average prices compared to the 1<sup>st</sup> quarter of 2014. At the same time, it should be added that, thanks to the activities aimed at the reduction of manufacturing costs, the Segment concerned recorded a positive result in the 1<sup>st</sup> quarter, in spite of the significant decrease of the prices.

The third operating segment – Zinc Segment – recorded a significant improvement of results. The sales volumes were retained at the level similar to the 1<sup>st</sup> quarter of 2014, however the change in prices resulted in a significant improvement of the results achieved.

In the 1<sup>st</sup> quarter of 2015 the Segment recorded an increase of sales by PLN 49 613 thousand, i.e. 15.10 %, which was combined with the achieved net result. The growth of net result by PLN 38 291 thousand was achieved thanks to increase of the London metal Exchange (LME) prices and the increase in trading the US dollar. In the 1<sup>st</sup> quarter of 2015,

the LME zinc prices increased by 24% compared to the 1<sup>st</sup> quarter of 2014. In spite of the decrease of LME lead prices, thanks to the increase of the USD exchange rate, the base lead price, converted to PLN, increased by 4.6% in the 1<sup>st</sup> quarter of 2015 in relation to the comparable period.

The financial standing of the Stalprodukt S.A. Capital Group is stable. The economic and financial ratios, characterizing the economic activity, were not subject to any significant changes and correspond to the current market conditions. Throughout the entire period the Group was not affected by any payment backlogs, consistently implementing its risk management policy. Both the Issuer and most of the Capital Group's companies enjoy good financial liquidity and credit capacity. Stalprodukt-Centrostal Kraków Sp. z o.o. is affected by some financial difficulties in connection with the downward trend on the market of finished steel products.

In the ZGH "Bolesław" Group, the "Gradir Montenegro" company is experiencing difficulties in connection with the high financial costs and lack of appropriate working capital.

The talks concerning the sale of shares were closed due to the non-fulfillment of the contractual conditions by the purchasing party. The transaction details were presented in "Other Information" in report for the 1<sup>st</sup> quarter of 2014 and in current reports systematically disclosed to the public.

Compared to 31.12.2014 slight changes affected the size of the Assets and their financing sources. The Assets increased by 1.4 %. Current Assets increased by 5.4 %. The equity increased by PLN 20 992 thousand, i.e. by 1.1%. The liabilities and reserves for liabilities increased by PLN 23 587 thousand, i.e. by 1.8 %.

No major changes occurred in the Assets and Liabilities structure. However in the structure of liabilities (payables) there occurred a shift of financing from trade liabilities to short-term bank credits.

Compared to the analogical period in 2014, the book value per share increased from PLN 274.59 to PLN 277.72.

During the entire reporting period the Stalprodukt Group enjoyed very good financial liquidity, which is confirmed by the liquidity ratios maintained at high levels, it punctually settled all its liabilities, both in respect of the employees and suppliers, as well as towards the state budget and financial institutions.

In the assessment of the financing banks, the Stalprodukt Capital Group is continuously enjoying good credit capacity which allows the Group to obtain multi-form financing for its activities. All the credit lines which were precisely described in the last Consolidated Financial Report for 2014 are still functioning and are extended by the banks in due time. Most of the

credit lines are used as limits for guarantees and letters of credit in current accounts. They, additionally, secure the Group's internal financing sources.

In order to maintain the good financial and liquidity standing, further restructuring undertakings are carried out, aimed at the improved management of inventories and cost reduction and actions enabling the expansion to new supply and sale markets.

## VI. Other Information

1. In the 1<sup>st</sup> quarter of 2015, the Capital Group did not experience any seasonality consequences. During the reporting period no other positions were recorded, significantly affecting the assets, liabilities, equity, net profit or cash flow, which would be untypical in terms of their kind, volume/size or frequency.
2. As of 31.03.2015, the Capital Group has contingent liabilities presented in the Consolidated Annual Report for 2014. The below mentioned off-balance-sheet contingent liabilities were subject to change:
  - guarantees of good workmanship concerning the production and assembly of road barriers totalling PLN 16 699 thousand.

The remaining contingent liabilities did not change.

3. The Issuer does not publish result forecasts.
4. On 22 April 2015, the Stalprodukt S.A. Management Board adopted a resolution concerning the profit distribution proposal for 2014, including the dividend distribution issue. In accordance with this proposal the Company will appropriate the amount of PLN 13 310 534.00 , i.e. gross PLN 2.00 per share, to the dividend disbursement.
5. In connection with the Resolution of the ZGH „Bolesław” S.A. General Meeting of Shareholders as of 17 November 2014, regarding the increase of the company's share capital by the amount of PLN 40 000 000.00 through the issue of 4 000 000 C series shares at the issue price of PLN 10 per share, as of 5 December 2014, the Issuer made a payment in respect of the acquisition of the shares concerned, carrying out the investment obligations, arising from the ZGH „Bolesław” S.A. shares sale agreement, concluded on 7 November 2012, between the State Treasury and Stalprodukt S.A. On 09.02.2015 the Issuer received the Decision of the District Court for Kraków-Śródmieście in Cracow, 12<sup>th</sup> Economic Department of the National Court Register dated 29.01.2015 regarding the record, made in the Register of Entrepreneurs, on the increase of the ZGH „Bolesław” S.A. share capital from the amount of PLN 126 116 000.00 up to the amount of PLN 166 116 000.00.
6. In the 1<sup>st</sup> quarter of 2015, a shares purchase program was initiated in respect of the ZGH „Bolesław” S.A. employee shares. As, in accordance with the *Employee, Social and Trade Unions Guarantee Package for the Employees of ZGH „Bolesław” S.A.* signed by the

Company on 12.10.2012, Stalprodukt obligated itself to buy the ZGH shares back from the entitled employees. At the same time, Stalprodukt obligated itself to offer the entitled employees the repurchase price not lower than the initial purchase price that had been paid to the State Treasury, i.e. PLN 20.00 per share (the same price was offered to the company employees within the program). The employee shares purchase process is conducted with the intermediation of a brokerage office and was divided into a few tranches. In a separate agreement the ZGH "Bolesław" S.A. Management Board agreed on the purchase details with the representatives of the company trade unions, namely: the rules of shares acquisition, program schedule and, also, the time of process conclusion (30 June 2016).

Within the program, in the 1<sup>st</sup> quarter of 2015, the total number of 8,974 shares were purchased, and Stalprodukt's share in the capital of ZGH "Bolesław" S.A. reached the level of 90.12 % as of 31.03.2015.

7. On 13 May 2015, the European Commission imposed temporary (i.e. 6-month) antidumping import duties on electrical grain-oriented sheets (otherwise: transformer sheets), originating from the People's Republic of China, Japan, Republic of Korea, Russian Federation and United States of America. Depending on the country and manufacturer the levels of import duties fluctuate from 21.6 % to 35.0 %. The procedure was conducted upon the motion filed by the EU manufacturers of transformer sheets.
8. As of the Report submission day, the shareholders holding at least 5% of the total number of votes at the General Meeting of Shareholders are:
  - ArcelorMittal Poland S.A. holding 2 270 800 shares, accounting for a 33.77 %-share in capital and 6 846 800 votes, accounting for a 38.20 % of the total number of votes at the General Meeting of Shareholders,
  - STP Investment S.A. holding 1 959 725 shares, accounting for a 29.14 %-share in capital and 5 899 941 votes, accounting for 32,92 % of the total number of votes at the General Meeting of Shareholders,
  - Stalprodukt Profil S.A. holding 621 747 shares, accounting for 9.25 %-share in capital and 974 759 votes, accounting for 5.44 % of the total number of votes at the General Meeting of Shareholders.
9. As of the Report submission day, the ownership statuses of management and supervision officers in respect of the Issuer's shares are as follows:
  - a/ management officers:
    - Piotr Janeczek 114 865 shares of nominal value: PLN 229 730,
    - Józef Ryszka 504 shares of nominal value: PLN 1 008.

b/ supervision officers:

- Stanisław Kurnik 2 900 shares of nominal value: PLN 5 800,
- Maria Sierpińska 11 880 shares of nominal value: PLN 23 760,
- Kazimierz Szydłowski 7 012 shares of nominal value: PLN 14 024,
- Janusz Bodek 62 640 shares of nominal value: PLN 125 280.

Since the General Meeting of Shareholder, the Issuer has not received any information concerning changes in the management or supervision officers' ownership statuses in respect of the Company's shares.

10. The pending bankruptcy and composition proceedings cover the Group's receivables totaling PLN 10 466 thousand, wherein Stalprodukt's share amounts to PLN 743 thousand and ZGH "Bolesław"'s - PLN 9 723 thousand.

During the reporting period, no other essential proceedings were instituted or pending before the courts or government agencies, concerning any liabilities or receivables, which might exert a significant influence on the Group's future results and its financial standing.

11. Apart from the typical and routine transactions, concluded in line with market conditions, with the capital group- associated companies, resulting from the on-going operating activities, neither the Stalprodukt Company, nor its subsidiaries concluded any other transactions with associated companies during the reporting period.

The total value of the Issuer's transactions with associated companies in the period from 01.01.2015 to 31.12.2015 and in the comparable period from 01.01.2014 to 31.12.2014 is presented in the Table below.

Items the 1 <sup>st</sup> quarter of 2015	PLN thousand			
	Mutual settlements		Mutual revenues and costs	
	Receivables	Liabilities	Revenues	Costs
Stalprodukt-MB Sp. z o.o.	41	1 466	88	682
Stalprodukt-Wamech Sp. z o.o.	148	2 307	357	2 575
Stalprodukt-Centrostal Kraków Sp. z o.o.	83 824		82 283	478
Stalprodukt-Serwis Sp. z o.o.	70	1 666	188	1 822
Stalprodukt-Zamość Sp. z o.o.	174		191	64

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Stalprodukt-Ochrona Sp. z o.o.	24	789	57	648
STP Elbud Sp. z o.o.	319	2 053	777	2 925
Anew Institute Sp. z o.o.				
ZGH „Bolesław” S.A.		24		38
Cynk-Mal S.A.	8 089		7 880	1 520

Items the 1 <sup>st</sup> quarter of 2014	PLN thousand			
	Mutual settlements		Mutual revenues and costs	
	Receivables	Liabilities	Revenues	Costs
Stalprodukt-MB Sp. z o.o.	30	1 375	76	846
Stalprodukt-Wamech Sp. z o.o.	137	1 910	359	1 996
Stalprodukt-Centrostal Kraków Sp. z o.o.	84 735		93 609	545
Stalprodukt-Serwis Sp. z o.o.	83	5 017	210	5 715
Stalprodukt-Zamość Sp. z o.o.	78	396	194	478
Stalprodukt-Ochrona Sp. z o.o.	24	982	60	799
STP Elbud Sp. z o.o.	409	5 152	853	4 156
Anew Institute Sp. z o.o.				52
ZGH „Bolesław” S.A.		23		
Cynk-Mal S.A.	7 639		7 364	3 168

12. In the reporting period the Group made investment outlays on the purchase and formation of tangible fixed assets amounting to PLN 18 083 thousand. No significant fixed asset components have been disposed of during the reporting period.
13. Neither the Issuer nor its Capital Group's entities issued, redeemed or paid any debt or other capital securities, apart from the ones referred to herein.

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14. During the reporting period and within the submission of the present quarterly report, neither the Parent Company, nor its subsidiaries, granted any sureties, loans, credits or guaranties, apart from the ones referred to herein.
15. In the Issuer's assessment, the factors likely to affect the Group's results at least in the perspective of the coming quarter, shall be:
  - fluctuations of charge prices and demand for Stalprodukt's products,
  - fluctuations of the LME zinc and lead prices and LBM silver prices ,
  - fluctuations of currency exchange rates.
16. During the reporting period and following 31.12.2015 until the preparation of the Abridged Consolidated Report for the 1<sup>st</sup> quarter no other important events took place, apart from the ones mentioned herein, which might significantly affect the Group's standing and its financial results. The Issuer does not possess any other information, which, in his opinion, is essential for the assessment and changes in the Group's staffing level, assets structure and financial standing, or information essential for the assessment of its potential capacity to settle the liabilities incurred.
17. Pursuant to par. 83, subpar. 1 of the Regulation of the Minister of Finance as of 19.02.2009 on current and periodic information to be disclosed by issuers of securities and conditions for recognizing as equivalent of information whose disclosure is required under the laws of a non-member state (Journal of Laws No 33, item 259), the Issuer does not submit its separate quarterly report. This Report constitutes a supplement to the Abridged Consolidated Report rendered as the „Stalprodukt S.A. Mid-Year Abridged Financial Report for the 1st Quarter of 2015”.
18. No additional information was appended to the Abridged Consolidated Financial Report for the 1<sup>st</sup> quarter of 2015 as, during the reporting period, no other events, concerning the separate report, took place, apart from the ones referred to herein.
19. This Abridged Consolidated Financial Report for the 1<sup>st</sup> quarter of 2015 was approved for publication by parent Company's Management Board on 14.05.2015.

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Piotr Janeczek

President of the Management Board – CEO

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Józef Ryszka

Member of the Management Board – Marketing Director