

STALPRODUKT S.A.

Abridged Interim Consolidated
Financial Report for the 1st Quarter
of 2016. Additional Information

Bochnia, May 2016

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 94.47% 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:
 - production of galvanized banding steel and wire, as well as steel strips - Cynk-Mal S.A.,
 - spare parts production and regeneration - Stalprodukt-Wamech Sp. z o.o.,

- installation, repair/renovation and maintenance of machines - Stalprodukt-Serwis Sp. z o.o.,
- structural steel production - STP Elbud Sp. z o.o., Stalprodukt-Wamech Sp. z o.o.,
- galvanizing services - STP Elbud Sp. z o.o. and Cynk-Mal S.A.,
- roads and freeways construction and management – Stalprodukt MB Sp. z o.o.
- bodyguard and property security - Stalprodukt Ochrona Sp. z o.o.,
- 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 1st quarter of 2015 acting as the comparable period for the present consolidated financial report, the following changes occurred in the Issuer's Capital Group's ownership structure:

- In the 1st quarter of 2015, a procedure was initiated for the purchase of the ZGH „Bolesław” S.A. employee shares, as a result of which the Stalprodukt's share in the capital of the above mentioned company increased up to 94.47 % towards the end of the 1st quarter of 2016 (against 90.12 % towards the end of the 1st quarter of 2015).
- Within the framework of the Capital Group's control analysis, the Stalprodukt-Zamość Sp. z o.o subsidiary company was found to undergo the IFRS 10 requirements, related to the control over the company: Polska Technika Zabezpieczeń Sp. z o.o. In connection therewith, the company underwent consolidation with the use of the complete consolidation method. In the previous reporting periods the shares in the company concerned were recognized as long-term investments.

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 2016 to 31 March 2016 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 2015 referring to the profit and loss account and the cash flow statement, the balance sheet values reflect the status as of 31 December 2015.

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 2015.

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 2015.

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 1st quarter of 2016, 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 2 548 thousand in connection with the occurrence of transitory positive differences,
 - A revaluation write-off was created for doubtful receivables amounting to PLN 1 414 thousand,
 - revaluation write-offs amounting to PLN 423 thousand were released due to having been paid,
 - a provision for employee benefits was formed amounting to PLN 3 328 thousand,
 - and the provision for employee benefits amounting to PLN 935 thousand was released in respect of the disbursement of anniversary awards and retirement severance payments,
 - a provision for repairs was formed in the amount of PLN 5 428 thousand,
 - a provision for deterioration in profitability in December was formed in the amount of PLN 10 000 thousand,
 - a provision for electrical energy origin certificates and CO₂ emissions allowances was formed in the amount of PLN 1 998 thousand, and the one amounting to PLN 9 593 thousand was released,
 - a provision for land reclamation, amounting to PLN 72 thousand, was released,
 - the provision for mine liquidation was formed in the amounting to PLN 5 000 thousand, and the one amounting to PLN 319 thousand was released,
 - a provision for royalties was formed amounting to PLN 240 thousand.

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Except for the above mentioned, there was no necessity to make any other adjustments in respect of the provisions, reestimations and write-offs revaluating the asset components or any other changes in estimated values.

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 2015.

Information on Operating Segments for 1st quarter of 2016 (PLN thousand)

Itemization	Operating Segments				Total
	Electrical Sheets Segment	Profiles Segment	Zinc Segment	Other Activities	
Segment Revenues	156 129	142 371	345 540	35 646	679 686
Segment Costs	114 631	139 911	271 138	30 322	556 002
Segment Result	41 498	2 460	74 402	5 324	123 684
Other Operating and Financial Revenues Non-Attributable to the Segment					16 123
Other General, Operating and Financial Costs Non-Attributable to the Segment					51 656
Gross Profit					88 151
Income Tax					19 070
Net Profit					69 081
Segment Assets	873 710	693 844	1 583 036	218 505	3 369 095
Assets Non-Attributable to the Segment					26 097
Total Assets					3 395 192
Liabilities	205 381	252 234	556 954	77 585	1 092 154
Contingent Liabilities					296 115
Total Liabilities					1 388 269
Investment Outlays	270	188	33 125	4 015	37 598
Depreciation	6 995	4 926	18 912	3 127	33 960

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Information on Operating Segments for 1st 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
Segment Result	29 785	4 048	66 245	3 657	103 735
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
Gross Profit					63 842
Income Tax					18 309
Net Profit					45 533
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

V. Ocena uzyskanych wyników i sytuacja finansowa

In the 1st quarter of 2016, compared to the analogical period in 2015, the Stalprodukt S.A. Capital Group achieved sales revenue decreased by PLN 71 453 thousand.

The Capital Group recorded increased sales profits, higher by PLN 18 856 thousand, increased profit from operating activities higher by PLN 5 740 thousand and net profit higher by PLN 23 548 thousand. Evaluating the achieved results, one should stress that in the 1st quarter the sales profits recorded reached the level of PLN 93 572 thousand against the loss amounting to PLN 74 716 thousand in the analogical period of 2015, what means an increase by 25.23%.

The improvement of the Group's results in relation to the analogical period of 2015 was mainly achieved through the increase of prices in the Electrical Sheets Segment and good results achieved in the Zinc Segment.

Despite the sales volume decrease by 17.6 % in the Electrical Sheets Segment, the sales proceeds were maintained at the level recorded in 2015. This resulted from the higher prices achieved in relation to the 1st quarter of 2015. As a result of the above, a significant improvement of results was recorded in the Segment. In relation to the 1st quarter of 2015 an increase by PLN 11 713 thousand, i.e. by 39.3 % was recorded. At the same time, in the 1st quarter of 2016, despite better prices as compared to the analogical period, a decrease in the prices was recorded, accompanied by a slight decrease of volumes. It should be noted that in the periods to come the Issuer predicts a further decrease and erosion of the Segment prices, which is mainly caused by the establishment of minimum price levels, introduced by the EU Commission Regulation No 2015/1953, dated 29 October 2015.

The Profiles Segment recorded an increase in the sales volumes by 3.4 %, however, due to the Segment's price conditions, this was not translated into the increase of the sales proceeds. The 1st quarter of 2016 saw a sales decrease by PLN 23 852 thousand and decrease of the Segment's results by PLN 1 588 thousand. The Profiles Segment reflects the difficult market conditions, i.e. strong competition (also including the imports), persisting massive supply of materials and, consequently, a further decrease of average prices and achieved profit margins as compared to the 1st quarter of 2015. At the same time, it should be added that thanks to the actions aimed at the reduction of the manufacturing costs, the Segment recorded a positive result in the 1st quarter of 2016. Additionally, the market conditions on the turn of the 1st and 2nd quarters allow one to expect a favorable change in the price trend in the months to come. Maintaining the favorable trend, its power, influence and market impact, will be crucial for the Segment's results in 2016.

In the 1st quarter of 2016, the net sales of the Zinc Segment amounted to PLN 345 540 thousand and decreased by 8.5%, compared to the analogical period of the previous year, when the sales amounted to PLN 377 798 thousand. The decrease of the net results in the 1st quarter of 2016 resulted from the decrease of the London Metal Exchange prices, and zinc prices in particular, which was toned by the slightly higher USD exchange rate. The prices of the basic metals processed by ZGH "Bolesław" S.A. and its subsidiary companies were quoted as follows:

1st Quarter of 2016

Average LME zinc price: 1 679 USD/ton

Average LME lead price: 1 744 USD/ton

Average LME silver price: 14.8 USD/oz.

USD exchange rate: PLN 3.9580

1st Quarter of 2015

Average LME zinc price: 2 080 USD/ton

Average LME lead price: 1 806 USD/ton

Average LBM silver price: 16.7 USD/oz.

USD exchange rate: PLN 3.7277

Converted to PLN, the base zinc price decreased by 14 %, from PLN 7 744 in the 1st quarter of 2015 to PLN 6 649 in the present reporting period. Whereas in the case of lead, the base LME lead price expressed in PLN increased by 2.6 %, i.e. from PLN 6 730 in the 1st quarter of 2015 to PLN 6 904 in the present reporting period. Converted to PLN, the base LBM silver price decreased by 6 % from PLN 62.3 per ounce in the 1st quarter of 2015 to PLN 58.8 per ounce in the present reporting period.

in the 1st quarter of 2016, the sales volume of zinc products was slightly lower than in the analogical period of the previous year. In the 1st quarter of 2016, a 2.2%-decrease of the zinc sales volumes was recorded as compared to the year 2015. Yet, it was, mainly, the this year's decrease of the PLN prices, that brought about the 14%-decrease of the zinc product sales. In the 1st quarter of 2016, the refined lead sales volume decreased by 8 %, while the lead concentrate sales volume increased by 24 %.

In the 1st quarter of 2016, the silver sales volume was maintained at a level similar to the one recorded for the 1st quarter of 2015.

Despite the decreases of the prices and sales volumes, thanks to the consistently pursued hedging policy, the Segment managed to achieve better results than in the 1st quarter of 2015. The Segment's result were increased by PLN 8 157 thousand, i.e. 12.3 %.

The financial standing of the Stalprodukt S.A. Capital Group is stable. The economic and financial ratios characterizing its economic activities were not subject to significant changes and correspond to the current market conditions. Throughout the entire period, the Group did not experience any payment back-logs, consistently pursuing the adopted risk-management policy. Both the Issuer and the majority of the Capital Group companies enjoy financial liquidity and credit capacity.

Compared to the status as of 31.12.2015, some slight changes affected the assets level and their financing sources. A 1.2%-decrease of the fixed assets was recorded. At the same time, the current assets increased by 8.5 %. Equity decreased by PLN 42 980 thousand, i.e. by 2.1 %. The decrease of equity had been caused by the necessity to cover the Company's purchase of its own shares with the reserve capital, formed to serve this purpose by the Extraordinary General Meeting of Shareholders and decrease of the revaluation capital formed through the revaluation of the derivative instruments hedging the raw material prices in line with the hedging policy pursued by Zakłady Górniczo-Hutnicze "Bolesław" S.A. and its subsidiary companies.

The liabilities and provisions for liabilities increased by PLN 132 426 thousand, i.e. by 10.5 %.

Compared to 31.12.2015, a decrease of the book value per share was recorded from PLN 304.82 to PLN 298.43. This had been caused by the necessity to cover the Company's purchase of its own shares with the reserve capital, formed to serve this purpose in line with the Resolution adopted by the Extraordinary General Meeting of Shareholders.

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 2015 are still functioning and are extended by the banks in due time. Additionally, in order to facilitate the purchase of the shares concerned, on 24 March 2016 the Issuer concluded a credit agreement with Bank Handlowy S.A. in Warsaw, amounting to PLN 90 000 thousand, to be repaid within 29.12.2017. The agreement is secured with a blockage of the funds deposited on the bank account.

Most of the credit lines held by the Company are used as credit limits intended to cover the guarantees and letters of credit as well as credits available within current accounts. They, additionally, secure the Group's external 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 1st quarter of 2016, 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 the balance sheet day, the Stalprodukt S.A. Capital Group holds the below mentioned off-balance-sheet contingent liabilities:
 - guarantees of good workmanship concerning the production and assembly of road barriers totaling PLN 13 776 thousand, and endorsement of a blank promissory note amounting to PLN 13 000 thousand, issued by STP Elbud Sp. z o.o. in order to secure the investment credit granted by Bank Pekao S.A.,

- guarantees and sureties (avals) granted by ZGH "Bolesław" amounting to PLN 3 607 thousand and USD 350 thousand.

3. The Issuer does not publish result forecasts.
4. The pending bankruptcy and composition proceedings cover the Group's receivables totaling PLN 11 391 thousand, wherein Stalprodukt's share amounts to PLN 743 thousand and ZGH "Bolesław"'s - PLN 10 648 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.

5. On 17 November 2015, the Extraordinary General Meeting of Shareholders adopted a Resolution regarding the Company's purchase of its own shares with a view to redemption. The maximum number of shares to be purchased by the Company within the Program is 1 075 000 items. The purchase price per share is PLN 250. The purchase concerns the registered preference shares of series A, B and E. The value of the Program combined with the purchase costs amounts to PLN 270 million. The purchase of the shares may take place in the period not longer than within 10 June 2016. Within the three tranches, the Company purchased 1 075 000 of its own shares at the purchase price of PLN 268 750 thousand. Before the above mentioned tranches were cleared, the Company and one of its subsidiaries had jointly held 69 778 shares. After the clearing procedure the Company altogether holds 1 144 778 shares, accounting for 31.94 % of votes at the General Meeting of Shareholders.
6. On 5 May 2016, the Issuer received a notification from the shareholder: ArcelorMittal Poland S.A. regarding the transfer of 347 839 registered preference shares. The transfer was made in response to the Issuer's invitation within the framework of the purchase of the Company's own shares. After the above mentioned transaction has been cleared ArcelorMittal Poland S.A. holds 1 216 733 shares, accounting for 18.09 % of the capital share, which authorize the Shareholder to 1 576 465 votes at the General Meeting of Shareholders, which stands for 8.80 % of the total number of votes at the General Meeting of Shareholders.
7. 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 1 216 733 shares, accounting for a 18.09 %-share in capital and 1 576 465 votes, accounting for a 8.80 % of the total number of votes at the General Meeting of Shareholders,

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- STP Investment S.A. holding 1 949 985 shares, accounting for a 29.00 %-share in capital and 5 891 241 votes, accounting for 32,87 % of the total number of votes at the General Meeting of Shareholders,
 - Stalprodukt Profil S.A. holding 609 217 shares, accounting for 9.06 %-share in capital and 976 109 votes, accounting for 5.45 % of the total number of votes at the General Meeting of Shareholders.
8. 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.

9. 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 01.01.2016 to 31.03.2016 and in the comparable period from 01.01.2015 to 31.03.2015 is presented in the Table below.

Items the 1 st quarter of 2015	PLN thousand			
	Mutual settlements		Mutual revenues and costs	
	Receivables	Liabilities	Revenues	Costs
Stalprodukt-MB Sp. z o.o.	28	1 309	71	553
Stalprodukt-Wamech Sp. z o.o.	143	2 128	354	2 514
Stalprodukt-Centrostal Kraków Sp. z o.o.	65 633	34	75 696	294

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Stalprodukt-Serwis Sp. z o.o.	73	1 339	186	1 559
Stalprodukt-Zamość Sp. z o.o.	80	290	192	356
Stalprodukt-Ochrona Sp. z o.o.	22	518	57	640
STP Elbud Sp. z o.o.	343	3 529	796	4 060
Anew Institute Sp. z o.o.				
ZGH „Bolesław” S.A.		20		30
Cynk-Mal S.A.	7 673		4 483	1 231

Items the 1 st 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
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

10. In the reporting period the Group made investment outlays on the purchase and formation of tangible fixed assets amounting to PLN 37 598 thousand. No significant fixed asset components have been disposed of during the reporting period.

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11. 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.
12. 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.
13. 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.
14. During the reporting period and following 31.12.2015 until the preparation of the Abridged Consolidated Report for the 1st 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.
15. 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 2016".
16. No additional information was appended to the Abridged Consolidated Financial Report for the 1st quarter of 2016 as, during the reporting period, no other events, concerning the separate report, took place, apart from the ones referred to herein.
17. This Abridged Consolidated Financial Report for the 1st quarter of 2016 was approved for publication by parent Company's Management Board on 13.05.2016.

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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