

Abridged interim consolidated financial report
for the 3rd quarter of 2018

SELECTED FINANCIAL DATA	thousand x PLN		thousand x EUR	
	3 quarter(s) increasingly for the period from 01- 01-2018 to 30-09- 2018	3 quarter(s) increasingly for the period from 01- 01-2017 to 30-09- 2017	3 quarter(s) increasingly for the period from 01- 01-2018 to 30-09- 2018	3 quarter(s) increasingly for the period from 01- 01-2017 to 30-09- 2017
I. Net sales of products, goods and materials	2 989 641	2 601 554	702 866	611 181
II. Operating profit (loss)	266 589	282 960	62 675	66 476
III. Profit (loss) before taxation	293 777	271 556	69 067	63 796
IV. Net profit (loss)	242 418	219 702	56 993	51 614
- attributable to shareholders of the parent company	230 895	203 001	54 284	47 691
- net profit attributed to non-controlling interests	11 523	16 701	2 709	3 923
V. Net cash flow from operating activities	258 383	370 544	60 746	87 052
VI. Net cash flow from investment activities	-225 085	-143 868	-52 918	-33 799
VII. Net cash flow from financial activities	-30 466	-94 975	-7 162	-22 312
VIII. Total net cash flow	2 832	131 701	666	30 941
IX. Total assets	4 308 838	3 937 757	1 008 765	944 102
X. Liabilities and provisions for liabilities	1 621 077	1 702 089	379 519	408 087
XI. Long-term liabilities	495 853	485 665	116 087	116 441
XII. Short-term liabilities	724 101	884 641	169 523	212 098
XIII. Shareholders' equity	2 687 761	2 235 668	629 246	536 016
- attributable to shareholders of the parent company	2 581 388	2 145 299	604 342	514 349
- attributed to non-controlling interests	106 373	90 369	24 904	21 667
XIV. Share capital	11 161	11 161	2 613	2 641
XV. Number of shares	5 580 267	5 580 267	5 580 267	5 580 267
XVI. Profit (loss) for one ordinary share (in PLN)	43,44	39,37	10,21	9,25
Diluted profit (loss) per ordinary share (PLN)				
XVII. Book value per share (PLN)	481,65	400,64	112,76	96,06
Diluted book value per share (PLN)				
XVIII. Declared or paid-out dividend for one share in (PLN/EUR)	3,00	3,00	0,71	0,70

- Comparable financial data (item IX-XIV and XVII) was presented pursuant to the requirements of the International Financial Reporting Standards according to the balance for this 31st December 2017. Other comparable data is presented for the period from 1st January 2017 to 30th September 2017.
- EUR exchange rates according to the following principles were used for the conversion of the currency into PLN:
 - the assets and liabilities items of the balance sheet were converted into EUR according to the average rate announced by the National Bank of Poland for this 30th September 2018 and amounting to 4.2714 and 4.1709 for this 31st December 2017.
 - the profit and loss account items and the cash flow items were converted into EUR according to the rate being the simple average of the average EUR rates announced by the National Bank of Poland on the last day of each month included in the report and amounting to PLN 4.2535 for 3 quarters of 2018 and PLN 4.2566 for 3 quarters of 2017.
- In the item XVIII the amount of the dividend for 1 share to paid out in 2018 and 2017 by the Issuer.
- For profit-per-share calculation the number of 5 580 267 shares was adopted.

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CONSOLIDATED BALANCE SHEET	(thousand x PLN)				retrospectively (thousand x PLN)
	30.09.2018	30.06.2018	31.12.2017	30.09.2017	31.12.2017
Assets					
I. Fixed assets	2 234 074	2 178 427	2 035 926	2 033 577	2 035 926
1. Intangible fixed assets, including	145 573	148 313	141 505	135 451	141 505
- right of perpetual land use	82 045	81 745	82 000	81 383	82 000
2. Tangible fixed assets	1 940 098	1 905 989	1 768 000	1 764 080	1 768 000
3. Long-term receivables	717	618	536	809	536
4. Long-term investments	68 104	45 386	48 278	39 997	48 278
4.1. Real estate investments	3 009	3 135	3 296	3 423	3 296
4.2. Intangible assets					
4.3. Long-term financial assets	65 095	42 251	44 982	36 574	44 982
4.4. Other long-term investments					
5. Long-term prepayments	79 582	78 121	77 607	93 240	77 607
5.1. Deferred income tax assets	60 937	60 937	61 380	77 132	61 380
5.2. Other prepayments	18 645	17 184	16 227	16 108	16 227
II. Current assets	2 074 764	2 226 911	1 901 831	1 811 161	1 902 008
1. Inventories	731 473	790 721	643 461	639 777	643 638
2. Short-term receivables	660 507	660 407	564 888	555 718	564 888
3. Short-term investments	635 654	732 010	666 844	578 766	666 844
3.1. Short-term financial assets	579 442	623 803	618 875	544 470	618 875
a) loans	30 000	30 000	50 000	60 000	50 000
b) short-term securities	48 573	38 607	70 838	66 590	70 838
c) cash and cash equivalents	500 869	555 196	498 037	417 880	498 037
3.2. Other short-term investments	56 212	108 207	47 969	34 296	47 969
4. Short-term prepayments	47 130	43 773	26 638	36 900	26 638
Total assets	4 308 838	4 405 338	3 937 757	3 844 738	3 937 934
Liabilities					
I. Shareholders' equity	2 687 761	2 491 961	2 235 668	2 133 629	2 235 845
1. Equity attributable to shareholders of the parent	2 581 388	2 394 267	2 145 299	2 051 483	2 145 476
1.1. Share capital	11 161	11 161	11 161	11 161	11 161
1.2. Reserve capital	574 242	528 357	490 963	492 191	490 963
1.3. Reserve capital from revaluation	98 331	-33 855	-126 978	-169 544	-126 978
1.4. Other reserve capital	1 559 299	1 562 114	1 477 155	1 474 056	1 477 155
1.5. Retained earnings (losses)	107 460	156 515	38 546	40 618	38 546
1.6. Net profit (loss)	230 895	169 975	254 452	203 001	254 629
2. Capital non-controlling interests	106 373	97 694	90 369	82 146	90 369
II. Liabilities and provisions for liabilities	1 621 077	1 913 377	1 702 089	1 711 109	1 702 089
1. Provisions for liabilities	368 388	356 590	313 769	319 699	313 769
1.1. Provision for deferred income tax	96 304	94 316	90 029	88 362	90 029
1.2. Other provisions	272 084	262 274	223 740	231 337	223 740
a) long-term	196 678	197 204	158 569	149 451	158 569
b) short-term	75 406	65 070	65 171	81 886	65 171
2. Long-term liabilities	495 853	452 174	485 665	518 597	485 665
2.1. Long-term credits and loans	169 870	96 643	101 738	114 184	101 738
2.3. Contingent liabilities due to the purchase of ZGH	29 868	59 416	87 812	108 298	87 812
2.2. Other long-term liabilities	296 115	296 115	296 115	296 115	296 115
3. Short-term liabilities	724 101	1 078 531	884 641	854 636	884 641
3.1. Short-term credits and loans	146 438	396 314	235 294	175 419	235 294
3.2. Current part of long-term credits and loans	20 000			10 000	
3.3. Trade liabilities	347 606	379 300	311 884	316 505	311 884
3.4. Income tax liabilities	24 146	16 598	20 809	17 892	20 809
3.5. Other short-term liabilities	185 911	286 319	316 654	334 820	316 654
4. Accruals	32 735	26 082	18 014	18 177	18 014
Total liabilities	4 308 838	4 405 338	3 937 757	3 844 738	3 937 934
Book value	2 687 761	2 491 961	2 235 668	2 133 629	2 235 845
Number of shares	5 580 267	5 580 267	5 580 267	5 580 267	5 580 267
Book value per share (PLN)	481,65	446,57	400,64	382,35	400,67

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CONSOLIDATED PROFIT AND LOSS ACCOUNT for the period	thousand x PLN				
	3rd quarter of 2018 - period from 01-07-2018 to 30-09-2018	3 quarter(s) increasingly for the period from 01-01-2018 to 30-09-2018	3rd quarter of 2016 - period from 01-07-2017 to 30-09-2017	3 quarter(s) increasingly for the period from 01-01-2017 to 30-09-2017	3 quarters 2017 increasingly - retrospectively
I. Net sales of products, goods and materials, including:	1 019 363	2 989 641	906 306	2 601 554	2 601 554
1. Net sales of products	988 336	2 891 530	873 773	2 517 187	2 517 187
2. Net sales of goods and materials	31 027	98 111	32 533	84 367	84 367
II. Costs of products, merchandise and materials sold, including:	886 624	2 552 763	763 489	2 175 104	2 175 049
1. Production cost of products sold	860 867	2 467 426	734 013	2 098 772	2 098 717
2. Value of goods and materials sold	25 757	85 337	29 476	76 332	76 332
III. Gross profit (loss) on sales	132 739	436 878	142 817	426 450	426 505
IV. Selling costs	24 792	57 686	17 085	50 931	50 931
V. General and administrative costs	38 616	112 621	33 192	101 145	101 145
VI. Profit (loss) on sales	69 331	266 571	92 540	274 374	274 429
VII. Other operating incomes	9 488	21 637	3 701	18 125	18 125
VIII. Other operating costs	5 306	21 619	2 110	9 539	9 539
IX. Operating profit (loss)	73 513	266 589	94 131	282 960	283 015
X. Financial incomes	3 662	40 165	-2 188	18 359	18 359
- including: profit from the bargain purchase of GO STEEL		19 749			
XI. Financial costs	-1 615	12 977	4 130	29 763	29 763
XII. Profit from shares in associated entities					
XII. Profit (loss) before taxation	78 790	293 777	87 813	271 556	271 611
XIII. Income tax	14 806	51 359	18 342	51 854	51 854
XIV. Net profit (loss)	63 984	242 418	69 471	219 702	219 757
1. Attributable to shareholders of the parent company	60 920	230 895	64 062	203 001	203 056
2. Attributed to non-controlling interests	3 064	11 523	5 409	16 701	16 701
Profit (loss) net	63 984	242 418	69 471	219 702	219 757
Weighted average number of ordinary shares	5 580 267	5 580 267	5 580 267	5 580 267	5 580 267
Profit (loss) for one ordinary share (in PLN)	11,47	43,44	12,45	39,37	39,38

TOTAL COMPREHENSIVE CONSOLIDATED INCOME for the period	thousand x PLN				
	3rd quarter of 2018 - period from 01-07-2018 to 30-09-2018	3 quarter(s) increasingly for the period from 01-01-2018 to 30-09-2018	3rd quarter of 2016 - period from 01-07-2017 to 30-09-2017	3 quarter(s) increasingly for the period from 01-01-2017 to 30-09-2017	3 quarters 2017 increasingly - retrospectively
Net result	63 984	242 418	69 471	219 702	219 757
Gain from a bargain purchase					
The effective part of the cash flow hedging in accordance with IFRS 9	127 211	220 334			
Total Comprehensive Income	191 195	462 752	69 471	219 702	219 757
Total comprehensive income attributable to the parent company shareholders	181 669	440 036	64 062	203 001	203 056
Total comprehensive income attributed to non-controlling interests	9 526	22 716	5 409	16 701	16 701

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Statement of changes in equity for the period from 1st January to 30th September 2018 and 2017	thousand x PLN							
	Share capital	Supplementary capital	Revaluation reserve	Other reserve capital	Retained profits	Current year net profit	Capital non-controlling interests	Equity TOTAL
Balance on this 1.01.2018 (opening balance)	11 161	490 963	-126 978	1 477 155	292 998		90 369	2 235 668
Profit distribution		74 707		81 522	-156 229			0
Intercapital and consolidation transfer		8 572		622	-4 864		4 481	8 811
Dividend					-24 445			-24 445
Valuation of hedging transactions			225 309					225 309
Total comprehensive income for period 1.01 - 30.09.2018						230 895	11 523	242 418
Balance on this 30.09.2018 (closing balance)	11 161	574 242	98 331	1 559 299	107 460	230 895	106 373	2 687 761
Balance on this 1.01.2017 (opening balance)	11 161	383 479	-169 860	1 376 022	255 380		80 572	1 936 754
Profit distribution		96 487		97 099	-193 586			0
Intercapital and consolidation transfer		12 225		935	998		-15 127	-969
Dividend					-22 174			-22 174
Valuation of hedging transactions			316					316
Total comprehensive income for period 1.01 - 30.09.2017						203 001	16 701	219 702
Balance on this 30.09.2017 (closing balance)	11 161	492 191	-169 544	1 474 056	40 618	203 001	82 146	2 133 629
Balance on this 1.01.2017 (opening balance)	11 161	383 479	-169 860	1 376 022	255 380		80 572	1 936 754
Profit distribution		96 487		97 099	-193 586			0
Intercapital and consolidation transfer		12 225		935	998		-15 127	-969
Dividend					-22 174			-22 174
Valuation of hedging transactions			316					316
Total comprehensive income for period 1.01 - 30.09.2017						203 056	16 701	219 757
Balance on this 30.09.2017 (closing balance)	11 161	492 191	-169 544	1 474 056	40 618	203 056	82 146	2 133 684

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CONSOLIDATED CASH FLOW ACCOUNT for the period	thousand x PLN		
	3 quarter(s) increasingly for the period from 01-01- 2017 to 30-09-2017	3 quarter(s) increasingly for the period from 01-01- 2016 to 30-09-2016	3 quarters 2017 increasingly - retrospectively
A. Cash flow from operational activity - indirect method	258 383	370 544	370 544
I. Net profit (loss)	242 418,00	219 702,00	219 757
II. Total adjustments	15 965,00	150 842,00	150 787
1. Depreciation	109 098,00	102 843,00	102 843
2. (Profit) loss from exchange rate fluctuations	-469	21	21
3. Interest and profit share (dividends)	10 022	7 399	7 399
4. (Profit) loss on investment activities	3 285	-5 016	-5 016
5. Change in reserves	87 982	-6 337	-6 337
6. Change in inventories	-88 012	-35 195	-35 250
7. Change in receivables	-95 619	31 833	31 833
8. Change in short-term liabilities except for loans and credits	-13 912	-21 319	-21 319
9. Change in accruals	3 590	-10 395	-10 395
10. Other adjustments		87 008	87 008
III. Net cash flow from operating activities	258 383	370 544	370 544
B. Cash flow from investment activity	-225 085	-143 868	-143 868
I. Inflows	134 167	15 587	15 587
1. Sales of intangible and tangible fixed assets	527	616	616
2. Sales of real estate properties and intangible assets			
3. From financial assets, including:	133 640	14 971	14 971
- financial assets sold	113 188	14 656	14 656
- dividends and profit share received		2	2
- repayment of long-term loans granted	20 000		
- interest received	452	313	313
- other inflows from financial assets			
4. Other investment inflows			
II. Outflows	-359 252	-159 455	-159 455
1. Purchase of intangible and tangible fixed assets	-123 256	-109 733	-109 733
2. Real estate property and intangible assets			
3. To financial assets, including:	-235 652	-49 704	-49 704
- financial assets purchased	-235 652	-49 704	-49 704
- long-term loans granted			
4. Other investment outflows	-344	-18	-18
III. Net cash flow from investment activities	-225 085	-143 868	-143 868
C. Cash flow from financial activity	-30 466	-94 975	-94 975
I. Inflows	44 059	33 546	33 546
1. Net inflows from issue of shares, other capital instruments and capital receipts			
2. Credits and loans	43 259	32 312	32 312
3. Issue of debentures			
4. Other financial inflows	800	1 234	1 234
II. Outflows	-74 525	-128 521	-128 521
1. Purchase of own shares			
2. Dividends and other dues paid to shareholders	-24 445	-24 207	-24 207
3. Outflows from profit distribution, other than dues paid to shareholders			
4. Credits and loans repaid	-37 252	-88 908	-88 908
5. Redemption of debentures			
6. From other financial liabilities		-5 051	-5 051
7. Contractual payments of financial leasing dues	-1 860	-1 930	-1 930
8. Interest paid	-10 476	-7 714	-7 714
9. Other financial outflows	-492	-711	-711
III. Net cash flow from financial activities	-30 466	-94 975	-94 975
D. Total net cash flow	2 832	131 701	131 701
E. Balance sheet change in cash, including:	2 832	131 701	131 701
- change in cash due to exchange rates fluctuations			
F. Cash (beginning of period)	498 037	286 179	286 179
G. Cash (end of period), including:	500 869	417 880	417 880
- of limited access and disposal			