

**CONSOLIDATED BALANCE SHEET**

(Financial report as of the end of period) - in thousand PLN

	31.03.2016	31.12.2015	31.03.2015
<b>ASSETS</b>			
Tangible fixed assets	208 523	205 287	192 567
Investment real estate	3 556	3 556	3 556
Intangible assets	13 758	14 321	19 182
Financial assets	1 631	1 631	1 631
Deferred income tax assets	14 618	14 558	10 014
Other fixed assets	23	22	83
<b>Total fixed assets</b>	<b>242 109</b>	<b>239 375</b>	<b>227 033</b>
Stocks	123 153	126 721	127 377
Trade accounts receivable	135 369	107 863	120 769
Other short-term accounts receivable	14 179	15 618	13 512
Income tax assets	824	1 037	557
Active prepayments and accrued income	4 660	1 952	5 007
Financial assets	1 928	2 574	4 677
Cash and cash equivalents	167 515	174 942	150 709
<b>Total current assets</b>	<b>447 628</b>	<b>430 707</b>	<b>422 608</b>
<b>TOTAL ASSETS</b>	<b>689 737</b>	<b>670 082</b>	<b>649 641</b>
<b>LIABILITIES</b>			
Share capital	5 376	5 376	5 376
Capital from the valuation of warrants	4 098	3 483	1 818
Reserve funds	240 786	240 784	217 548
Revaluation capital reserve	71 721	71 635	71 543
Capital reserves	2 048	2 048	2 082
Retained profit	106 026	86 864	102 164
Foreign exchange differences from calculation	-6 533	-5 832	-2 416
<b>Equity attributable to shareholders of the Parent Entity</b>	<b>423 522</b>	<b>404 358</b>	<b>398 115</b>
Non-controlling interest	1 743	1 540	1 140
<b>Total equity</b>	<b>425 265</b>	<b>405 898</b>	<b>399 255</b>
Credits and debt securities	10 643	7 850	3 388
Provisions	18 580	18 681	19 560
Income from future periods	13 695	13 838	7 043
Deferred tax provision	6 311	6 381	8 382
Other liabilities	128	0	0
<b>Total long-term liabilities</b>	<b>49 357</b>	<b>46 750</b>	<b>38 373</b>
Credits and debt securities	102 198	96 848	77 263
Trade liabilities	66 097	59 046	73 648
Financial liabilities	855	1 183	1 129
Other short-term liabilities	25 057	33 003	34 751
Income tax liabilities	1 778	8 889	1 989
Income from future periods	524	953	489
Provisions	18 606	17 512	22 744
<b>Total short-term liabilities</b>	<b>215 115</b>	<b>217 434</b>	<b>212 013</b>
<b>TOTAL LIABILITIES</b>	<b>689 737</b>	<b>670 082</b>	<b>649 641</b>

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

in thousand PLN

	<b>01.01.2016 31.03.2016</b>	<b>01.01.2015 31.03.2015</b>
Sales revenue	219 334	215 961
Cost of sales	166 214	167 899
<b>Gross profit on sales</b>	<b>53 120</b>	<b>48 062</b>
Selling cost	6 194	5 980
General and administrative expenses	21 073	21 936
<b>Core business result</b>	<b>25 853</b>	<b>20 146</b>
Other operating income	2 363	1 074
Other operating expenses	1 057	918
<b>Operating result</b>	<b>27 159</b>	<b>20 302</b>
Financial income	530	3 522
Financial expenses	1 758	2
<b>Pre-tax profit</b>	<b>25 931</b>	<b>23 822</b>
Income tax	6 573	5 682
<i>current</i>	6 614	5 250
<i>deferred</i>	-41	432
<b>Net profit</b>	<b>19 358</b>	<b>18 140</b>
<i>attributable to shareholders of the Parent Entity</i>	19 162	18 012
<i>attributable to non-controlling interest</i>	196	128
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	0,71	0,67
Weighted-average diluted number of shares	27 957 194	27 957 194
Diluted earnings per share	0,69	0,64
Revenue from sales of products	204 259	194 292
Revenue from sales of goods and materials	12 339	19 183
Other revenues	2 736	2 486
<b>Total sales revenue including</b>	<b>219 334</b>	<b>215 961</b>
<i>of which</i>		
<i>revenue generated locally</i>	64 473	62 553
<i>revenues from foreign contractors</i>	154 861	153 408

## CONSOLIDATED CASH FLOW STATEMENT

in thousand PLN

	For the period from 01.01 to 31.03	
	2016	2015
<b>Net profit</b>	<b>19 162</b>	<b>18 012</b>
<b>Total adjustments:</b>	<b>-18 803</b>	<b>-13 464</b>
– Profit attributable to the non-controlling shareholders	196	128
– Depreciation	8 556	9 061
– Net foreign exchange (gains) losses	315	-64
– Net interest and dividends	234	204
– Income tax on profit before taxation	6 614	5 250
– (Gains) losses from investing activities	-286	-401
– Change in provisions	923	5 030
– Change in stocks	3 568	-3 973
– Change in accounts receivable	-25 593	-23 163
– Change in liabilities	2 840	19 706
– Change in active prepayments and accrued income	-3 341	-4 008
– Other adjustments	900	-3 243
– Income tax paid	-13 729	-17 991
<b>Net cash from operating activities</b>	<b>359</b>	<b>4 548</b>
Income from sales of tangible and intangible fixed assets	2 478	2 603
Acquisition of tangible and intangible fixed assets	-14 050	-9 321
Income from financial assets	48	
Other	-3 849	-5 847
<b>Net cash from investing activities</b>	<b>-15 373</b>	<b>-12 565</b>
Proceeds from credits taken	39 193	4 799
Repayment of credits	-31 052	-574
Exchange differences	-262	100
Interest paid	-232	-201
Dividend paid to shareholders	0	0
Other	-32	-33
<b>Net cash from financing activities</b>	<b>7 615</b>	<b>4 091</b>
<b>Change in cash</b>	<b>-7 399</b>	<b>-3 926</b>
Change in cash resulting from foreign exchange differences	-28	21
Cash at beginning of period	174 942	154 614
Change in net cash	-7 427	-3 905
<b>Cash at end of period</b>	<b>167 515</b>	<b>150 709</b>
<i>including restricted cash</i>	<i>19</i>	<i>28</i>

**BALANCE SHEET OF SANOK RC SA**

(Financial report as of the end of period) - in thousand PLN

	31.03.2016	31.12.2015	31.03.2015
<b>ASSETS</b>			
Tangible fixed assets	150 078	149 844	137 829
Investment real estate	109	109	109
Intangible assets	12 530	13 097	18 386
Financial assets	76 636	62 280	53 523
Deferred income tax assets	7 635	7 466	8 009
Other fixed assets	23	22	83
<b>Total fixed assets</b>	<b>247 011</b>	<b>232 818</b>	<b>217 939</b>
Stocks	66 924	68 672	70 423
Trade accounts receivable	122 430	99 113	101 985
Other short-term accounts receivable	5 843	7 567	8 765
Active prepayments and accrued income	2 070	681	2 002
Financial assets	14 933	10 834	12 166
Cash and cash equivalents	152 379	161 538	143 653
<b>Total current assets</b>	<b>364 579</b>	<b>348 405</b>	<b>338 994</b>
<b>TOTAL ASSETS</b>	<b>611 590</b>	<b>581 223</b>	<b>556 933</b>
<b>LIABILITIES</b>			
Share capital	5 376	5 376	5 376
Reserve funds	219 320	219 318	202 761
Revaluation capital reserve	67 387	67 302	67 073
Capital from the valuation of warrants	4 098	3 483	1 818
Retained profit	120 781	95 901	109 506
<b>Total shareholders' equity</b>	<b>416 962</b>	<b>391 380</b>	<b>386 534</b>
Provisions	14 718	14 718	15 500
Income from future periods	6 668	6 750	7 004
Deferred tax provision	4 782	4 818	6 766
<b>Total long-term liabilities</b>	<b>26 168</b>	<b>26 286</b>	<b>29 270</b>
Credits and debt securities	91 904	87 404	65 470
Trade liabilities	51 501	42 449	50 117
Financial liabilities	739	1 072	418
Other short-term liabilities	10 024	10 784	7 677
Income tax liabilities	1 700	8 794	1 935
Income from future periods	475	943	450
Provisions	12 117	12 111	15 062
<b>Total short-term liabilities</b>	<b>168 460</b>	<b>163 557</b>	<b>141 129</b>
<b>TOTAL LIABILITIES</b>	<b>611 590</b>	<b>581 223</b>	<b>556 933</b>

## PROFIT AND LOSS ACCOUNT OF SANOK RC SA

in thousand PLN

	01.01.2016 31.03.2016	01.01.2015 31.03.2015
Sales revenue	163 805	142 605
Cost of sales	122 140	109 477
<b>Gross profit on sales</b>	<b>41 665</b>	<b>33 128</b>
Selling cost	2 054	1 652
General and administrative expenses	8 717	8 907
<b>Core business result</b>	<b>30 894</b>	<b>22 569</b>
Other operating income	977	420
Other operating expenses	767	868
<b>Operating result</b>	<b>31 104</b>	<b>22 121</b>
Financial income	827	3 725
Financial expenses	873	-1 437
<b>Pre-tax profit</b>	<b>31 058</b>	<b>27 283</b>
Income tax	6 178	5 539
<i>current</i>	6 296	4 950
<i>deferred</i>	-118	589
<b>Net profit</b>	<b>24 880</b>	<b>21 744</b>
Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	0,93	0,81
Weighted-average diluted number of shares	27 957 194	27 957 194
Diluted earnings per share	0,89	0,78
Revenue from sales of products	160 288	139 373
Revenue from sales of goods and materials	1 679	755
Other revenues	1 838	2 477
<b>Total sales revenue including</b>	<b>163 805</b>	<b>142 605</b>
<i>of which</i>		
<i>revenue generated locally</i>	54 222	49 141
<i>revenues from foreign contractors</i>	109 583	93 464

## CASH FLOW STATEMENT OF SANOK RC SA

in thousand PLN

	For the period from 01.01 to 31.03	
	2016	2015
<b>Net profit</b>	24 880	21 744
<b>Total adjustments:</b>	<b>-10 079</b>	<b>-11 721</b>
– Depreciation	6 971	7 655
– Net foreign exchange (gains) losses	285	-73
– Net interest and dividends	105	97
– Income tax on profit before taxation	6 296	4 950
– (Gains) losses from investing activities	-260	-377
– Change in provisions	-31	1 225
– Change in stocks	1 748	-552
– Change in accounts receivable	-21 058	-14 533
– Change in liabilities	10 777	13 131
– Change in active prepayments and accrued	-2 108	-1 736
– Other adjustments	586	-3 791
– Income tax paid	-13 390	-17 717
<b>Net cash from operating activities</b>	<b>14 801</b>	<b>10 023</b>
Income from sales of tangible and intangible fixed	2 322	2 556
Income from financial assets	0	0
Other investing cash inflow	462	12
Acquisition of tangible and intangible fixed assets	-8 225	-4 186
Outflows for financial assets	-19 132	-1 037
Other	-3 521	-7 078
<b>Net cash from investing activities</b>	<b>-28 094</b>	<b>-9 733</b>
Proceeds from credits taken	4 500	1 773
Issue of debt securities / shares	0	0
Exchange differences	0	100
Interest paid	-105	-97
Dividend paid to shareholders	-262	0
<b>Net cash from financing activities</b>	<b>4 133</b>	<b>1 776</b>
<b>Change in cash</b>	<b>-9 160</b>	<b>2 066</b>
Change in cash resulting from foreign exchange	1	30
Cash at beginning of period	161 538	141 557
Change in net cash	-9 159	2 096
<b>Cash at end of period</b>	<b>152 379</b>	<b>143 653</b>
<i>including restricted cash</i>	1	26