

## CONSOLIDATED BALANCE SHEET

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

	30.09.2016	31.12.2015 (restated)	30.09.2015 (restated)	01.01.2015 (restated)
Tangible fixed assets	226 584	205 287	188 725	197 714
Investment real estate	3 556	3 556	3 556	3 556
Intangible assets	17 694	14 796	18 867	19 907
Financial assets	15	1 631	1 631	1 631
Deferred income tax assets	9 318	8 945	4 067	2 627
Long-term active prepayments and accrued income	94	22	45	97
<b>Total fixed assets</b>	<b>257 261</b>	<b>234 237</b>	<b>216 891</b>	<b>225 532</b>
Stocks	132 195	125 116	114 027	121 800
Trade accounts receivable	149 769	107 863	139 102	96 291
Other short-term accounts receivable	21 536	15 618	17 534	10 744
Income tax assets	838	1 037	485	530
Active prepayments and accrued income	4 603	1 952	3 351	1 387
Financial assets	628	2 013	742	2 057
Cash and cash equivalents	198 350	174 669	148 473	154 510
<b>Total current assets</b>	<b>507 919</b>	<b>428 268</b>	<b>423 714</b>	<b>387 319</b>
<b>TOTAL ASSETS</b>	<b>765 180</b>	<b>662 505</b>	<b>640 605</b>	<b>612 851</b>
Share capital	5 376	5 376	5 376	5 376
Capital from the valuation of warrants	5 327	3 483	2 868	1 145
Reserve funds	314 866	239 696	239 217	219 108
Revaluation capital reserve	74 094	74 247	74 281	74 421
Capital reserves	2 048	2 048	2 048	2 082
Retained profit	76 663	89 509	63 938	84 186
Foreign exchange differences from calculation	-6 125	-5 832	-4 702	902
<b>Equity attributable to shareholders of the Parent Entity</b>	<b>472 249</b>	<b>408 527</b>	<b>383 026</b>	<b>387 220</b>
Non-controlling interest	1 499	1 540	1 507	1 004
<b>Total equity</b>	<b>473 748</b>	<b>410 067</b>	<b>384 533</b>	<b>388 224</b>
Credits and debt securities	8 332	7 850	8 292	1 269
Provisions	18 390	19 213	19 378	19 281
Income from future periods	7 336	7 708	742	1 000
Deferred tax provision	544	591	576	652
Other liabilities	409	0	0	0
<b>Total long-term liabilities</b>	<b>35 011</b>	<b>35 362</b>	<b>28 988</b>	<b>22 202</b>
Credits and debt securities	130 402	96 848	93 047	75 155
Trade liabilities	77 114	59 046	66 105	59 746
Financial liabilities	1 770	1 183	302	3 120
Other short-term liabilities	25 162	32 732	35 237	30 526
Income tax liabilities	2 065	8 889	7 438	14 737
Income from future periods	958	392	416	479
Provisions	18 950	17 986	24 539	18 662
<b>Total short-term liabilities</b>	<b>256 421</b>	<b>217 076</b>	<b>227 084</b>	<b>202 425</b>
<b>TOTAL LIABILITIES</b>	<b>765 180</b>	<b>662 505</b>	<b>640 605</b>	<b>612 851</b>

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

in thousand PLN

	01.07.2016 30.09.2016	01.01.2016 30.09.2016	01.07.2015 30.09.2015 (restated)	01.07.2015 30.09.2015 (restated)
Sales revenue	237 195	700 187	236 560	692 108
Cost of sales	172 275	507 304	174 799	522 173
<b>Gross profit on sales</b>	<b>64 920</b>	<b>192 883</b>	<b>61 761</b>	<b>169 935</b>
Selling cost	7 337	20 839	7 452	19 452
General and administrative expenses	20 751	66 819	18 923	64 209
<b>Core business result</b>	<b>36 832</b>	<b>105 225</b>	<b>35 386</b>	<b>86 274</b>
Other operating income	2 781	14 752	907	5 140
Other operating expenses	3 753	9 882	1 179	1 966
<b>Operating result</b>	<b>35 860</b>	<b>110 095</b>	<b>35 114</b>	<b>89 448</b>
Financial income	4 937	6 657	1 070	5 859
Financial expenses	1 250	3 347	2 040	4 086
<b>Pre-tax profit</b>	<b>39 547</b>	<b>113 405</b>	<b>34 144</b>	<b>91 221</b>
Income tax	7 850	23 851	6 937	19 616
<i>current</i>	7 381	24 268	7 391	20 868
<i>deferred</i>	469	-417	-454	-1 252
<b>Net profit</b>	<b>31 697</b>	<b>89 554</b>	<b>27 207</b>	<b>71 605</b>
<i>attributable to shareholders of the Parent</i>	31 556	89 012	26 888	71 095
<i>attributable to non-controlling interest</i>	141	542	319	510
Weighted-average number of shares		26 881 922		26 881 922
Earnings per share		3,31		2,66
Weighted-average diluted number of shares		27 957 194		27 957 194
Diluted earnings per share		3,18		2,56
Revenue from sales of products	216 603	641 265	213 819	618 131
Revenue from sales of goods and	11 869	40 199	17 840	59 311
Other revenues	8 723	18 723	4 901	14 666
<b>Total sales revenue including</b>	<b>237 195</b>	<b>700 187</b>	<b>236 560</b>	<b>692 108</b>
<i>of which</i>				
<i>revenue generated locally</i>	72 286	214 584	70 733	208 103
<i>revenues from foreign contractors</i>	164 909	485 603	165 827	484 005

## CONSOLIDATED CASH FLOW STATEMENT

in thousand PLN

	For the period from 01.01 to 30.09	
	2016	2015 (restated)
<b>Net profit</b>	89 012	71 095
<b>Total adjustments:</b>	-35 003	1 802
– Profit attributable to the non-controlling shareholders	542	510
– Depreciation	26 679	27 410
– Net foreign exchange (gains) losses	405	-1 492
– Net interest and dividends	759	633
– Income tax on profit before taxation	24 268	20 868
– (Gains) losses from investing activities	-599	-1 569
– Change in provisions	94	4 639
– Change in stocks	592	7 772
– Change in accounts receivable	-35 941	-43 877
– Change in liabilities	51	15 620
– Change in active prepayments and accrued income	-2 492	-2 412
– Other adjustments	-1 543	1 546
– Income tax paid	-31 052	-27 846
<b>Net cash from operating activities</b>	<b>70 775</b>	<b>72 897</b>
Income from sales of tangible and intangible fixed assets	3 346	12 232
Acquisition of tangible and intangible fixed assets	-28 979	-34 569
Income from financial assets	22	0
Dividend paid to minority shareholders	-602	-15
Outflows for financial assets	-17 573	0
Other	-7 329	-10 406
<b>Net cash from investing activities</b>	<b>-51 115</b>	<b>-32 758</b>
Proceeds from credits taken	31 678	196 819
Other financial income	698	0
Repayment of credits	0	-171 906
Exchange differences	-647	778
Interest paid	-753	-631
Dividend paid to shareholders	26 882	-71 237
Other	-59	-13
<b>Net cash from financing activities</b>	<b>4 035</b>	<b>-46 190</b>
<b>Change in cash</b>	<b>23 695</b>	<b>-6 051</b>
Change in cash resulting from foreign exchange differences	-14	15
Cash at beginning of period	174 669	154 510
Change in net cash	23 681	-6 036
<b>Cash at end of period</b>	<b>198 350</b>	<b>148 474</b>
<i>including restricted cash</i>	119	117

**BALANCE SHEET OF SANOK RC SA**  
(Financial report as of the end of period) - in thousand PLN

	30.09.2016	31.12.2015 (restated)	30.09.2015 (restated)	01.01.2015 (restated)
<b>ASSETS</b>				
Tangible fixed assets	147 383	149 844	134 573	142 714
Investment real estate	109	109	109	109
Intangible assets	11 453	13 572	17 894	19 162
Financial assets	104 778	62 280	58 704	60 582
Deferred income tax assets	2 917	2 648	2 967	1 744
Long-term active prepayments and accrued income	29	22	45	97
<b>Total fixed assets</b>	<b>266 669</b>	<b>228 475</b>	<b>214 292</b>	<b>224 408</b>
Stocks	68 726	68 672	61 267	69 871
Trade accounts receivable	121 710	99 113	121 332	87 313
Other short-term accounts receivable	11 541	7 567	11 566	4 618
Active prepayments and accrued income	1 128	681	1 156	549
Financial assets	11 344	10 273	8 915	1 493
Cash and cash equivalents	187 980	161 265	132 977	141 453
<b>Total current assets</b>	<b>402 429</b>	<b>347 571</b>	<b>337 213</b>	<b>305 297</b>
<b>TOTAL ASSETS</b>	<b>669 098</b>	<b>576 046</b>	<b>551 505</b>	<b>529 705</b>
Share capital	5 376	5 376	5 376	5 376
Reserve funds	292 011	222 831	222 713	205 925
Revaluation capital reserve	69 758	69 919	69 950	69 952
Capital from the valuation of warrants	5 328	3 483	2 868	1 145
Retained profit	93 727	95 901	73 512	87 762
<b>Total shareholders' equity</b>	<b>466 200</b>	<b>397 510</b>	<b>374 419</b>	<b>370 160</b>
Provisions	14 050	14 718	14 852	15 500
Income from future periods	386	620	704	961
<b>Total long-term liabilities</b>	<b>14 436</b>	<b>15 338</b>	<b>15 556</b>	<b>16 461</b>
Credits and debt securities	115 286	87 404	85 396	63 697
Trade liabilities	52 625	42 449	46 852	38 746
Financial liabilities	37	1 072	76	2 393
Other short-term liabilities	6 429	10 511	5 074	8 547
Income tax liabilities	1 895	8 794	7 198	14 703
Income from future periods	318	382	410	463
Provisions	11 872	12 586	16 524	14 535
<b>Total short-term liabilities</b>	<b>188 462</b>	<b>163 198</b>	<b>161 530</b>	<b>143 084</b>
<b>TOTAL LIABILITIES</b>	<b>669 098</b>	<b>576 046</b>	<b>551 505</b>	<b>529 705</b>

**PROFIT AND LOSS ACCOUNT OF SANOK RC SA**

in thousand PLN

	01.07.2016 30.09.2016	01.01.2016 30.09.2016	01.07.2015 30.09.2015 (restated)	01.01.2015 30.09.2015 (restated)
Sales revenue	167 847	513 316	157 335	463 748
Cost of sales	122 022	368 767	115 950	343 645
<b>Gross profit on sales</b>	<b>45 825</b>	<b>144 549</b>	<b>41 385</b>	<b>120 103</b>
Selling cost	2 686	7 226	2 107	5 467
General and administrative	9 718	30 575	8 747	28 406
<b>Core business result</b>	<b>33 421</b>	<b>106 748</b>	<b>30 531</b>	<b>86 230</b>
Other operating income	399	4 851	153	1 358
Other operating expenses	151	531	796	1 368
<b>Operating result</b>	<b>33 669</b>	<b>111 068</b>	<b>29 888</b>	<b>86 220</b>
Financial income	2 005	7 123	1 978	7 369
Financial expenses	663	2 327	1 238	1 784
<b>Pre-tax profit</b>	<b>35 011</b>	<b>115 864</b>	<b>30 628</b>	<b>91 805</b>
Income tax	6 957	22 137	5 978	18 293
<i>current</i>	6 805	22 406	6 664	19 255
<i>deferred</i>	152	-269	-686	-962
<b>Net profit</b>	<b>28 054</b>	<b>93 727</b>	<b>24 650</b>	<b>73 512</b>

Weighted-average number of shares	26 881 922	26 881 922
Earnings per share	3,49	2,73
Weighted-average diluted number of shares	27 957 194	27 957 194
Diluted earnings per share	3,35	2,63

Revenue from sales of products	507 948	451 461
Revenue from sales of goods and materials	2 833	1 569
Other revenues	2 535	10 718
<b>Total sales revenue including</b>	<b>513 316</b>	<b>463 748</b>
<i>of which</i>		
<i>revenue generated locally</i>	178 024	162 216
<i>revenues from foreign contractors</i>	335 292	301 532

**CASH FLOW STATEMENT OF SANOK RC SA**

in thousand PLN

	For the period from 01.01 to 30.09	
	2016	2015 (restated)
<b>Net profit</b>	<b>93 727</b>	<b>73 512</b>
<b>Total adjustments:</b>	<b>-379</b>	<b>-4 929</b>
– Depreciation	21 698	23 254
– Net foreign exchange (gains) losses	138	-1 154
– Net interest and dividends	-3 687	-645
– Income tax on profit before taxation	22 406	19 256
– (Gains) losses from investing activities	-590	-1 528
– Change in provisions	-907	238
– Change in stocks	-54	8 604
– Change in accounts receivable	-21 224	-34 860
– Change in liabilities	10 324	7 665
– Change in active prepayments and accrued income	-1 022	-983
– Other adjustments	1 844	1 985
– Income tax paid	-29 305	-26 761
<b>Net cash from operating activities</b>	<b>93 348</b>	<b>68 583</b>
Income from sales of tangible and intangible fixed assets	2 586	12 126
Income from financial assets (dividends)	2 584	117
Income from repayment of loans and interest	3 730	498
Other investing cash inflow	0	856
Acquisition of tangible and intangible fixed assets	-19 588	-25 100
Outflows for financial assets	-47 029	-6 837
Other	-9 597	-9 654
<b>Net cash from investing activities</b>	<b>-67 314</b>	<b>-27 994</b>
Proceeds from credits taken	27 882	21 699
Exchange differences	51	778
Interest paid	-370	-304
Dividend paid to shareholders	-26 882	-71 237
<b>Net cash from financing activities</b>	<b>681</b>	<b>-49 064</b>
<b>Change in cash</b>	<b>26 715</b>	<b>-8 475</b>
Change in cash resulting from foreign exchange differences	0	-1
Cash at beginning of period	161 265	141 453
Change in net cash	26 715	-8 476
<b>Cash at end of period</b>	<b>187 980</b>	<b>132 977</b>