

**CONDENSED CONSOLIDATED
QUARTERLY REPORT
OF BORYSZEW CAPITAL GROUP
FOR Q1 '2017**



15 May 2017



TABLE OF CONTENTS

Page

CONDENSED CONSOLIDATED QUARTERLY REPORT OF BORYSZEW CAPITAL GROUP

SELECTED FINANCIAL DATA.....	3
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	4
DISCONTINUED OPERATIONS	5
CONSOLIDATED CASH FLOW STATEMENT	8
CONSOLIDATED STATEMENT ON CHANGES IN EQUITY.....	9

CONDENSED QUARTERLY REPORT OF BORYSZEW S.A.

STATEMENT OF COMPREHENSIVE INCOME.....	47
STATEMENT OF FINANCIAL POSITION.....	48
CASH FLOW STATEMENT	50
STATEMENT OF CHANGES IN EQUITY	51



(amounts expressed in PLN '000 unless specified otherwise)

SELECTED FINANCIAL DATA

SELECTED FINANCIAL DATA	in PLN thousand		in EUR thousand	
	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
data regarding condensed consolidated financial statements				
Revenue from continuing operations	1 601 280	1 480 056	373 337	339 782
Operating profit	93 577	66 446	21 817	15 254
Net profit on continuing operations	78 455	45 553	18 292	10 458
Profit on continuing and discontinued operations	78 123	44 109	18 214	10 126
Profit attributable to shareholders of the Parent	65 281	35 649	15 470	8 352
Net cash flow from operating activities	2 006	37 403	468	8 587
Net cash flow from investment activities	(88 223)	(73 779)	(20 569)	(16 938)
Net cash flow from financial activities	75 063	34 145	17 501	7 839
Weighted average number of shares	218 010 000	225 000 000	218 010 000	225 000 000
Earnings per share attributable to shareholders of the Parent (in PLN/EURO)	0.3	0.16	0.07	0.04

	in PLN thousand		in EUR thousand	
	As at 31.03.2017	As at 31.12.2016	As at 31.03.2017	As at 31.12.2016
Total assets	4 104 230	3 859 622	972 612	872 428
Total liabilities	2 423 983	2 246 025	574 431	507 691
Assets of continued operations	4 100 404	3 857 969	971 706	872 054
Liabilities of continued operations	2 399 564	2 223 860	568 644	502 681
Equity	1 680 247	1 613 597	398 182	364 737
Number of ordinary shares entitled to dividend	218 010 000	225 000 000	218 010 000	225 000 000



(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Continuing operations		<i>restated data</i>
Revenues from sales	1 601 280	1 480 056
Cost of sales	1 404 499	1 323 897
Gross profit on sales	196 781	156 159
Selling costs	33 109	32 318
General and administrative expenses	71 414	64 861
Other operating revenue	8 568	18 129
Other operating expenses	7 249	10 663
Operating income	93 577	66 446
Financial revenues	41 760	2 808
Financial expenses	40 826	15 349
Financial profit/loss	934	(12 541)
Share in profit of affiliates	(886)	(664)
Profit before taxation	93 625	53 241
Income tax	15 170	7 688
Net profit on continuing operations	78 455	45 553
Net profit on discontinued operations	(332)	(1 444)
Profit on continuing and discontinued operations, including attributable to:	78 123	44 109
<i>to shareholders of the parent</i>	65 281	35 649
<i>non-controlling interest</i>	12 842	8 460
Earnings per share		
Weighted average number of shares	218 010 000	225 000 000
Net profit attributable to the parent (PLN thousand)	65 281	35 649
Earnings per one share (PLN)	0.30	0.16

**Boryszew Capital Group**

Condensed consolidated interim report for quarter I 2017 prepared according to IAS 34 adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Earnings recognised in equity		
Net profit	78 123	44 109
Earnings recognised in equity, to be transferred to income statement		
Exchange rate differences on converting foreign operations	469	(4 249)
Financial assets available for sale	1 506	(564)
Hedge accounting	24 958	14 267
<i>Income tax</i>	2 547	2 660
Earnings recognised in equity, not to be transferred to income statement		
Employee benefit capital reserve	17	56
<i>Income tax</i>	3	11
Total earnings recognised in equity	24 400	6 839
<i>to shareholders of the parent</i>	19 099	1 713
<i>non-controlling interest</i>	5 301	5 126
Total comprehensive income, including attributable:	102 523	50 948
<i>to shareholders of the parent</i>	84 380	37 362
<i>non-controlling interest</i>	18 143	13 586

DISCONTINUED OPERATIONS

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Profit and loss account - discontinued operations		
Revenues from sales	27	50
Cost of sales	28	53
Gross profit/loss on sales	(1)	(3)
Other operating revenue	244	10
Other operating expenses	452	1 881
Profit / loss on operating activities	(209)	(1 874)
Financial expenses	123	1
Financial profit/loss	(123)	(1)
Profit/loss before taxes	(332)	(1 878)
Income tax	0	(434)
Net profit on discontinued operations	(332)	(1 444)
<i>to shareholders of the parent</i>	96	(272)
<i>non-controlling interest</i>	(428)	(1 172)



(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.03.2017	As at 31.12.2016	As at 01.01.2016
ASSETS		<i>restated data</i>	<i>restated data</i>
Non-current assets			
Property, plant and equipment	1 327 390	1 307 613	1 140 319
Investment property	113 188	111 879	191 034
Goodwill	23 455	23 464	23 855
Intangible assets	44 810	43 386	37 484
Investments in subsidiaries and associates	306 729	307 615	232 660
Financial assets	5 373	7 608	10 913
Deferred tax assets	47 697	51 311	44 416
Long-term receivables	5 855	5 945	12 700
Other assets	32 014	42 909	18 810
Total non-current assets	1 906 511	1 901 730	1 712 191
Current assets			
Inventory	913 631	923 760	861 746
Trade receivables and other receivables	891 344	675 420	677 124
Short-term financial assets	92 522	86 857	67 350
Derivative financial instruments	46 084	18 231	11 072
Current tax assets	3 586	3 230	7 106
Other assets	52 772	43 633	48 300
Cash and cash equivalents	193 954	205 108	138 071
Total current assets	2 193 893	1 956 239	1 810 769
Assets classified as held for sale	3 826	1 653	4 610
Total assets	4 104 230	3 859 622	3 527 570



Boryszew Capital Group
Condensed consolidated interim report for quarter I 2017 prepared according
to IAS 34 adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	As at 31.03.2017	As at 31.12.2016	As at 01.01.2016
		<i>restated data</i>	<i>restated data</i>
Equity			
Share capital	248 906	248 906	248 906
Treasury shares	(135 756)	(135 756)	(125 657)
Share premium	114 435	114 435	114 435
Hedge accounting reserve	8 816	(2 348)	(4 011)
Reserve on translating employee payables	28	28	(92)
Revaluation reserve	(11 126)	(12 374)	(12 051)
Exchange differences on translating foreign entities	(15 005)	(21 692)	(2 019)
Retained earnings	861 480	779 844	654 188
Total equity	1 071 778	971 043	873 699
Non-controlling shareholders' capital	608 469	642 554	594 775
Total equity	1 680 247	1 613 597	1 468 474
Liabilities and long-term provisions			
Bank credits, loans, bonds	379 093	231 171	97 901
Lease liabilities	88 097	89 761	79 411
Payables on perpetual usufruct of investment land	40 631	40 631	51 379
Deferred tax provision	86 351	81 018	79 469
Employee benefit provisions	18 446	19 707	18 517
Other provisions	11 507	12 733	9 716
Other liabilities	12 766	12 964	14 359
Liabilities and long-term provisions - total	636 891	487 985	350 752
Short-term liabilities			
Bank credits, loans, bonds	704 329	757 207	803 134
Lease liabilities	40 618	39 071	43 314
Trade payables and other liabilities	922 747	844 597	745 578
Derivative financial instruments	12 360	27 779	21 354
Current tax liabilities	12 446	11 562	6 971
Employee benefit provisions	31 676	27 206	21 201
Other provisions	24 576	18 053	34 060
Other liabilities	13 921	10 400	6 009
Liabilities and short-term provisions - total	1 762 673	1 735 875	1 681 621
Liabilities related to assets classified as held for sale	24 419	22 165	26 723
Total liabilities and provisions	2 423 983	2 246 025	2 059 096
Total equity and liabilities	4 104 230	3 859 622	3 527 570



(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED CASH FLOW STATEMENT

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
		<i>restated data</i>
Cash flows from operating activities		
Profit on continued operations before tax (excluding share in profit of affiliates)	94 511	53 905
Adjustments for (+/-)	(92 505)	(19 074)
Amortisation and depreciation	34 707	33 037
Interest on financial liabilities	10 685	8 727
Change in receivables	(215 735)	(143 695)
Change in inventories	10 129	(1 685)
Change in liabilities	78 150	112 104
Change in provisions and accruals as well as prepayments	13 585	(2 780)
Other items	(13 518)	(18 870)
Income tax paid	(10 508)	(5 912)
Net cash from operating activities	2 006	34 831
Cash flows from investment activities		
Proceeds from fixed assets disposal	2 877	12 236
Payments for property, plant and equipment	(69 047)	(65 228)
Payments for acquisition of shares in capital group entities	(22 053)	(20 787)
Net cash from investing activities	(88 223)	(73 779)
Cash flows from financial activities		
Proceeds from credit and loan facilities	144 411	142 537
Redemption of bonds	-	(1 000)
Repayment of credit and loan facilities	(44 822)	(91 373)
Repayment of borrowings	(4 545)	(1 233)
Interest paid on loans, bonds...	(10 685)	(8 727)
Payment of liabilities under finance lease agreements	(9 296)	(6 059)
Net cash from financing activities	75 063	34 145
Net change in cash	(11 154)	(4 803)
Cash opening balance	205 108	138 071
Cash closing balance	193 954	133 268



(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED STATEMENT ON CHANGES IN EQUITY

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Currency translation differences (subsidiaries)	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
As at 01.01.2017	248 906	(135 756)	114 435	(2 348)	(12 374)	28	(21 692)	779 844	971 043	642 554	1 613 597
Valuation of hedge instruments	-	-	-	11 164	-	-	-	-	11 164	9 052	20 216
Valuation of assets available for sale	-	-	-	-	1 248	-	-	-	1 248	(28)	1 220
Valuation of employee benefits	-	-	-	-	-	-	-	-	-	14	14
Exchange rate differences	-	-	-	-	-	-	6 687	-	6 687	(3 737)	2 950
Profit for Q1 '2017	-	-	-	-	-	-	-	65 281	65 281	12 842	78 123
Total comprehensive income for Q1 '2017	-	-	-	11 164	1 248	-	6 687	65 281	84 380	18 143	102 523
Change of group structure	-	-	-	-	-	-	-	16 355	16 355	(52 228)	(35 873)
As at 31.03.2017	248 906	(135 756)	114 435	8 816	(11 126)	28	(15 005)	861 480	1 071 778	608 469	1 680 247



Boryszew Capital Group
Condensed consolidated interim report for quarter I 2017 prepared according
to IAS 34 adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Currency translation differences (subsidiaries)	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
As at 01.01.2016	248 906	(125 657)	114 435	(4 011)	(12 051)	(92)	(2 019)	654 188	873 699	594 775	1 468 474
Valuation of hedge instruments	-	-	-	5 889	-	-	-	-	5 889	5 667	11 556
Valuation of assets available for sale	-	-	-	-	(338)	-	-	-	(338)	(119)	(457)
Valuation of employee benefits	-	-	-	-	-	24	-	-	24	21	45
Exchange rate differences	-	-	-	-	-	-	(2 427)	-	(2 427)	(443)	(2 870)
Profit for Q1 '2016	-	-	-	-	-	-	-	35 649	35 649	8 460	44 109
Total comprehensive income for Q1 '2016	-	-	-	1 878	(12 389)	(68)	(4 446)	689 837	912 496	608 361	1 520 857
Change of Group structure	-	-	-	-	-	-	-	(6 160)	(6 160)	(1 005)	(7 165)
As at 31.03.2016	248 906	(125 657)	114 435	1 878	(12 389)	(68)	(4 446)	683 677	906 336	607 356	1 513 692



	<u>Page</u>
ADDITIONAL INFORMATION TO CONSOLIDATED QUARTERLY REPORT DRAFTED AS AT 31 MARCH 2017	
1. INTRODUCTION.....	12
2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES	13
3. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2017 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT	19
4. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE PRESENTED PERIOD.....	29
5. INCOME AND RESULTS OF EACH SEGMENT OF CONTINUING OPERATIONS IN THE PERIOD FROM THE START OF THE YEAR.....	29
6. INFORMATION CONCERNING THE ISSUE, REDEMPTION AND REPAYMENT OF NON-SHARE AND EQUITY SECURITIES.....	32
7. FACTORS AND EVENTS, IN PARTICULAR EXTRAORDINARY, WITH IMPACT ON THE RESULTS OF THE CURRENT PERIOD	Błąd! Nie zdefiniowano zakładki.
8. CHANGES IN CONTINGENT LIABILITIES AND ASSETS AS WELL AS ESTIMATES.....	Nie zdefiniowano zakładki.
9. FINANCIAL ASSETS MEASURED AT FAIR VALUE	33
10. ORGANISATION OF THE CAPITAL GROUP.....	33
11. EFFECTS OF GROUP STRUCTURAL CHANGES SINCE THE START OF THE YEAR, INCLUDING BUSINESS COMBINATIONS, ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND LONG TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUED OPERATIONS	38
12. MANAGEMENT BOARD VIEW ON THE FEASIBILITY OF EARLIER PUBLISHED FORECAST RESULTS FOR THE CURRENT YEAR.....	38
13. SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF THE COMPANY AS AT THE DATE OF SUBMITTING THE REPORT.....	38
14. CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT PACKGES OF COMPANY'S SHARES IN THE PERIOD SINCE SUBMISSION OF THE PREVIOUS QUATERLY REPORT – SHARE IN VOTES DURING GENERAL ASSEMBLY OF THE COMPANY	38
15. MANAGERS AND SUPERVISORS OF THE COMPANY – CHANGES IN THE NUMBER OF OWNED SHARS OR SHARE OPTIONS IN THE PERIOD SINCE SUBMISION OF THE PREVIOUS QUARTERLY REPORT	38
16. PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY.....	39
17. ONE OR MORE SIGNIFICANT TRANSACTIONS CONCLUDED BY THE COMPANY OR ITS SUBSIDIARY WITH RELATED ENTITIES.....	39
18. INFORMATION OF SURETIES AGAINST LOANS AND BORROWING OR ON GURANTEES GRANTED BY THE COMPANY OR ITS SUBSIDIARIES – IN TOTAL TO ONE EINTITY OR SUBSIDIARY, IF TOTAL VALUE OF SURETIES OR GUARANTIES IS AT 10% OF COMPANY'S EQUITY OR MORE	42
19. FACTORS WHICH MAY INFLUENCE COMPANY'S RESULTS DURING AT LEAST THE NEXT QUARTER.....	44



1. INTRODUCTION

COMPANY DATA

The head office of Boryszew Spółka Akcyjna is located in Warsaw at Jagiellońska street No. 76.

The company is registered with the District Court for the capital city of Warsaw, 13th Commercial Division of the National Court Register under KRS number 0000063824.

The Company's REGON (Business ID) is 750010992 and NIP (tax ID) is 837-000-06-34.

The company has been established for an indefinite period of time.

HISTORY

The history of Boryszew SA (the "Company") dates back to 1911, when the Belgian Society of the Sochaczew Rayon Factory was established. Following the II WW the factory was nationalised. In 1991, as a result of privatisation of the state-owned enterprise Boryszew ERG, a joint stock company Boryszew S.A. with 100% private capital was established.

The Company is listed on the Warsaw Stock Exchange since May 1996.

In 1999 Boryszew S.A., offering a wide range of chemicals (including Borygo, a widely known coolant) gained a strategic investor, Mr Roman Karkosik.

The new shareholder initiated a dynamic growth of the company. Acquisitions of manufacturing companies in the same industry combined with restructuring, mergers as well as organic growth of sales in Group's companies contributed to significant improvement of results.

Boryszew Capital Group is one of the largest industrial groups in Poland, with production facilities on 4 continents, involved in automotive, non-ferrous metals, chemical and trade industry. The Capital Group employs more than 9 000 people.

SUPERVISORY BOARD OF BORYSZEW S.A.

In Q1 '2017 the composition of the Supervisory Board was as follows:

Mr Janusz Siemieniec - Chairman of the Supervisory Board,

Mr Arkadiusz Krężel - Vice-Chairman of the Supervisory Board,

Mr Mirosław Kutnik – Secretary of the Supervisory Board

Mr Piotr Lisiecki – Member of the Supervisory Board,

Ms Małgorzata Waldowska - Member of the Supervisory Board.

No changes in the composition of the Supervisory Board occurred between 31 March 2017 and the date of publication of the report.

MANAGEMENT BOARD OF BORYSZEW S.A.

In Q1 '2017 the composition of Boryszew S.A. Management Board was as follows:

Mr Jarosław Michniuk – President of the Management Board, Chief Executive Officer,

Mr Aleksander Baryś – Member of the Management Board, Chief Finance Officer,

Mr Mikołaj Budzanowski – Member of the Management Board, Director for Development

Mr Cezary Pyszkowski – Member of the Management Board, Director for Automotive Sector Mergers and Development,

Mr Piotr Szeliga – Member of the Management Board, Director for the Metal Segment.

No changes in the composition of the Management Board occurred between 31 March 2017 and the date of publication of the report.



2. BASIS FOR REPORT PREPARATION AND ACCOUNTING PRINCIPLES

Information published in Quarterly Report for Q1 '2017 has been drafted as per the Regulation of the Minister of Finance of 19 February 2009 regarding current and regular information to be published by the issuers of securities, and conditions, upon which information required by law of a non-member country can be accepted as equivalent (Journal of Laws No. 33, item 259 of 2009, with subsequent amendments) and the International Accounting Standard 34 (IAS 34) "Interim Financial Reporting".

The rules of accounting and methods of calculation applied by the Group are described in detail in the consolidated report for 2016, published on 29 March 2017.

These condensed financial statements were drafted on the basis of International Standards of Financial Reports, version accepted by the European Union (EU).

The consolidated financial statements include the financial statements of the parent company and statements of companies under control of the parent company (or its subsidiaries), drafted as at the balance sheet date. Control exists in case when the parent company is able to influence the policies governing finance and operations of its subordinate company, in order to benefit from its activity..

The selected financial data in the initial part of the report were presented in EUR according to § 87 section 7 of the Minister of Finance Regulation of 19 February 2009 (Journal of Law No. 33, item 259 of 2009).

PRINCIPLES FOR CONVERTING FINANCIAL DATA TO EUR

The following rates of exchange were adopted to convert amounts of PLN into EUR:

	average EUR exchange rate for the period	EUR exchange rate for the last day of the period
1.01- 31.03.2016	4.3559	4.2684
1.01- 31.12.2016	4.3757	4.4240
1.01- 31.03.2017	4.2891	4.2198

3. SPECIFICATION AND CLARIFICATION OF DIFFERENCES BETWEEN THE DATA DISCLOSED IN THESE CONDENSED FINANCIAL STATEMENTS AND DATA DISCLOSED IN PREVIOUS FINANCIAL STATEMENTS

Conversion of comparable data between the data disclosed in the condensed report for Q1 '2017 and data published for Q1 '2016 and 2016

In 2017 the Management Board decided to extend consolidation upon all companies controlled by Boryszew Capital Group. Starting from Q1 '2017 consolidation was extended upon the following companies, excluded from consolidation before that date:

Automotive Segment:

- Maflow India Private Ltd, India, Maharashtra.

Metal Segment:

- Zakład Utylizacji Odpadów Sp. z o.o., in Konin,



(amounts expressed in PLN '000 unless specified otherwise)

- FLT Wälzlager GmbH, Germany, Viersen,
- FLT & Metals s.r.l., Italy, Alserio,
- FLT (Wuxi) Trading Co. Ltd., China, Wuxi.

In connection with the aforementioned comparable data were restated, presented below

Consolidated statement of comprehensive income for the period between 01.01.2016 and 31.03.2016

	01.01.2016 - 31.03. 2016	corrections	01.01.2016 - 31.03. 2016
	<i>data published</i>		<i>restated data</i>
Continuing operations			
Revenues from sales	1 463 576	16 480	1 480 056
Cost of sales	1 313 637	10 260	1 323 897
Gross profit on sales	149 939	6 220	156 159
Selling costs	28 526	3 792	32 318
General and administrative expenses	62 520	2 341	64 861
Other operating revenue	18 071	58	18 129
Other operating expenses	10 651	12	10 663
Operating income	66 313	133	66 446
Financial revenues	2 258	550	2 808
Financial expenses	14 861	488	15 349
Financial profit/loss	(12 603)	62	(12 541)
Share in profit of affiliates	(664)	-	(664)
Profit before taxation	53 046	195	53 241
Income tax	7 363	325	7 688
Net profit on continuing operations	45 683	(130)	45 553
Net profit on discontinued operations	(1 444)	-	(1 444)
Net profit/loss on continued activity and discontinued operations including attributable:	44 239	(130)	44 109
<i>to shareholders of the parent</i>	35 967	(318)	35 649
<i>non-controlling interest</i>	8 272	188	8 460
Earnings recognised in equity, to be transferred to income statement			
Exchange rate differences on converting foreign operations	(4 249)	1 305	(2 944)
Financial assets available for sale	(564)	-	(564)
Hedge accounting	14 267	-	14 267
<i>Income tax</i>	2 660	-	2 660
Earnings recognised in equity, not to be transferred to income statement			
Employee benefit capital reserve	56	-	56
<i>Income tax</i>	11	-	11
Total earnings recognised in equity	6 839	1 305	8 144
<i>to shareholders of the parent</i>	1 713	1 117	2 830
<i>non-controlling interest</i>	5 126	188	5 314
Total comprehensive income, including attributable:	51 078	1 305	52 383
<i>to shareholders of the parent</i>	37 680	1 117	38 797
<i>non-controlling interest</i>	13 398	188	13 586



(amounts expressed in PLN '000 unless specified otherwise)

Consolidated statement of financial position as at 31.12.2016

	As at		As at
	31.12.2016	corrections	31.12.2016
	data published		restated data
ASSETS			
Non-current assets			
Property, plant and equipment	1 271 028	36 585	1 307 613
Investment property	111 879	-	111 879
Goodwill	23 464	-	23 464
Intangible assets	42 646	740	43 386
Shares in subsidiaries and associates	331 876	(24 261)	307 615
Financial investments	21 790	(14 182)	7 608
Deferred tax assets	50 416	895	51 311
Long-term receivables	4 975	970	5 945
Other assets	42 859	50	42 909
Total fixed assets	1 900 933	797	1 901 730
Current assets			
Inventory	896 432	27 328	923 760
Trade receivables and other receivables	666 742	8 678	675 420
Short-term financial assets	86 857	-	86 857
Derivative financial instruments	18 231	-	18 231
Current tax assets	1 743	1 487	3 230
Other assets	43 052	581	43 633
Cash and cash equivalents	154 498	50 610	205 108
Total current assets	1 867 555	88 684	1 956 239
Assets classified as held for sale	1 653	-	1 653
Total assets	3 770 141	89 481	3 859 622



(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	As at 31.12.2016	correction s	As at 31.12.2016
	data published		restated data
Equity			
Share capital	248 906	-	248 906
Own shares	(135 756)	-	(135 756)
Share premium	114 435	-	114 435
Hedge accounting capital	(2 348)	-	(2 348)
Capital reserve on translating employee payables	28	-	28
Revaluation reserve	(12 374)	-	(12 374)
Exchange differences on translating foreign entities	(24 281)	2 589	(21 692)
Retained earnings	765 131	14 713	779 844
Total equity	953 741	17 302	971 043
Non-controlling shareholders' capital	601 703	40 851	642 554
Total equity	1 555 444	58 153	1 613 597
Liabilities and long-term provisions			
Bank credits, loans, bonds	232 171	(1 000)	231 171
Lease liabilities	81 827	7 934	89 761
Payables on perpetual usufruct of investment land	40 631	-	40 631
Deferred tax provision	80 405	613	81 018
Employee benefit provisions	18 732	975	19 707
Other provisions	9 839	2 894	12 733
Other equity and liabilities	11 818	1 146	12 964
Liabilities and long-term provisions - total	475 423	12 562	487 985
Short-term liabilities			
Bank credits, loans, bonds	756 049	1 158	757 207
Lease liabilities	38 272	799	39 071
Trade payables and other liabilities	829 432	15 165	844 597
Derivative financial instruments	27 779	-	27 779
Current tax liabilities	11 389	173	11 562
Employee benefit provisions	26 574	632	27 206
Other provisions	17 276	777	18 053
Other equity and liabilities	10 338	62	10 400
Liabilities and short-term provisions - total	1 717 109	18 766	1 735 875
Liabilities related to assets classified as held for sale	22 165	-	22 165
Total liabilities and provisions	2 214 697	31 328	2 246 025
Total equity and liabilities	3 770 141	89 481	3 859 622



(amounts expressed in PLN '000 unless specified otherwise)

Consolidated statement of financial position as at 31.12.2016

ASSETS	As at 01.01.2016	correction	As at 01.01.2016
	<i>data published</i>		<i>restated data</i>
Non-current assets			
Property, plant and equipment	1 103 343	36 976	1 140 319
Investment property	191 034	-	191 034
Goodwill	23 855	-	23 855
Intangible assets	36 679	805	37 484
Shares in subsidiaries and associates	255 977	(23 317)	232 660
Financial investments	22 339	(11 426)	10 913
Deferred tax assets	43 382	1 034	44 416
Long-term receivables	11 768	932	12 700
Other assets	18 720	90	18 810
Total fixed assets	1 707 097	5 094	1 712 191
Current assets			
Inventory	837 760	23 986	861 746
Trade receivables and other receivables	672 470	4 654	677 124
Short-term financial assets	67 350	-	67 350
Derivative financial instruments	11 072	-	11 072
Current tax assets	6 501	605	7 106
Other assets	47 245	1 055	48 300
Cash and cash equivalents	98 686	39 385	138 071
Total current assets	1 741 084	69 685	1 810 769
Assets classified as held for sale	4 610	-	4 610
Total assets	3 452 791	74 779	3 527 570



(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	As at	correction	As at
	01.01.2016		01.01.2016
	<i>data published</i>		<i>restated data</i>
Equity			
Share capital	248 906	-	248 906
Own shares	(125 657)	-	(125 657)
Share premium	114 435	-	114 435
Hedge accounting capital	(4 011)	-	(4 011)
Capital reserve on translating employee payables	(92)	-	(92)
Revaluation reserve	(12 051)	-	(12 051)
Exchange differences on translating foreign entities	(3 429)	1 410	(2 019)
Retained earnings	639 410	14 778	654 188
Total equity	857 511	16 188	873 699
Non-controlling shareholders' capital	557 386	37 389	594 775
Total equity	1 414 897	53 577	1 468 474
Liabilities and long-term provisions			
Bank credits, loans, bonds	98 556	(655)	97 901
Lease liabilities	71 099	8 312	79 411
Payables on perpetual usufruct of investment land	51 379	-	51 379
Deferred tax provision	78 823	646	79 469
Employee benefit provisions	17 224	1 293	18 517
Other provisions	7 362	2 354	9 716
Other equity and liabilities	13 150	1 209	14 359
Liabilities and long-term provisions - total	337 593	13 159	350 752
Short-term liabilities			
Bank credits, loans, bonds	796 444	6 690	803 134
Lease liabilities	42 278	1 036	43 314
Trade payables and other liabilities	746 825	(1 247)	745 578
Derivative financial instruments	21 354	-	21 354
Current tax liabilities	6 494	477	6 971
Employee benefit provisions	20 656	545	21 201
Other provisions	33 580	480	34 060
Other equity and liabilities	5 947	62	6 009
Liabilities and short-term provisions - total	1 673 578	8 043	1 681 621
Liabilities related to assets classified as held for sale	26 723	-	26 723
Total liabilities and provisions	2 037 894	21 202	2 059 096
Total equity and liabilities	3 452 791	74 779	3 527 570



4. DESCRIPTION OF PERFORMANCE OF BORYSZEW GROUP IN Q1 '2017 INCLUDING FACTORS AND EVENTS WITH SIGNIFICANT IMPACT ON THE FINANCIAL RESULT

A. ACHIEVED RESULTS

Factors having impact on the financial performance in Q1 '2017

Overall macroeconomic situation

The overall macro-economic situation on the EU market, including Germany, after Quarter I, 2017 was better than that of the same period in the previous year.

The average values of PMI, characterising the level of engagement of key economies for our Capital Group (the Euro Zone, Germany) were higher, while for Poland these values were at the similar level to that of the same period in the previous year.

PMI for Germany and the EU achieved its 6-year minimum values, that is, 56.2 pp for the EU, and 58.3 pp for Germany (while the same parameters for this period of the previous year were respectively: 51.6 pp. for EU and 50.7 pp. for Germany).

The PMI for Poland falls slightly below that of the same period in the previous year, that is 53.5 pp. (with 53.8 pp. for Quarter I of 2016); we are also witnessing a slightly declining trend of this ratio since January 2017.

According to the prognosis of the European Commission from May this year, the economic situation in Poland has improved, as compared with the previous prognosis, from February 2017 (Polish GDP has increased in 2017 by 0.3 pp. to +3.5%), while GDP in the European Union has increased by 0.1 pp. up to +1.9%. Similar prognoses were published in April YTD by the World Bank and IMF. The forecasted growth of GDP in Poland in 2017 was increased by the World Bank to the level of 3.3 % in 2017 (from 3.1% in January 2017). The IMF improved its forecasted growth of GDP in Poland in 2017 from the level of 3.3% to 3.4%.

Sales of cars

Q1 '2017 saw an increased sale of cars in Europe. According to data from ACEA, the total market for passenger cars in the European Union increased over Quarter I, 2017 by 8.4%. The main customer for the Automotive Segment - Volkswagen Group - recorded an increase in car sales on the European Market of 5.7% in Q1 '2017 (compared to the corresponding period of previous year). The European Market remains a key market for the Automotive Segment, despite the fact that entities in this segment are also present in Latin America and Asia.

Prices for key raw materials and rates of exchange

Bearing in mind the fact that almost 60% of the Boryszew Capital Group sales take place on the market for non-ferrous metals, the Group income is sensitive to fluctuations of average prices of metals on the London Metal Exchange (LME). The hedge policy which the Capital Group implemented for the prices of metals, as well as the increased foreign currency exchange rates, allow to significantly reduce that risk. In the discussed period prices of all four basic metals increased significantly, namely the price of aluminium (by 22%), copper (by 25%), lead (by 31%) and zinc (by 66%).

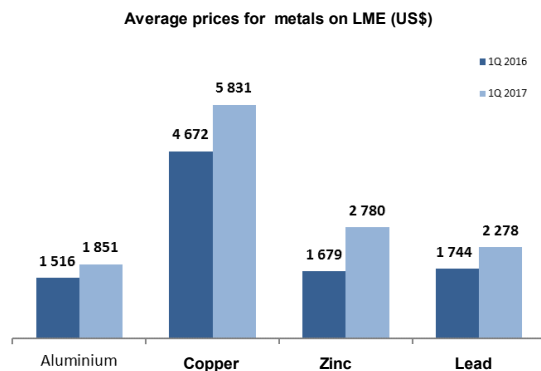


The prices for metals denominated in PLN grew by amounts ranging from +25% (Aluminium) to +70% (Zinc), as compared to the same period of the previous year.

The raw material significant for the Group is scrap metal (including battery scrap) which the basic (Baterpol SA, WM Dziedzice SA) or significant (Impexmetal SA) raw material for production. The scrap metal prices fell by ca. 5 percentage points for battery scrap, by ca. 3 percentage points for scrap aluminium and by ca. 3 percentage points for scrap copper and brass.

Another factor of importance for our Capital Group is the level of subsidies paid for metal. These levels, for Quarter I of 2017, were higher for Zinc and lower for Aluminium and Lead, as compared to the corresponding period of 2016.

The diagrams and table below illustrate the comparison of average prices for metals on LME over the above discussed periods:



	1Q 2017	1Q 2016
Aluminium [USD]	1 851	1 516
Copper : [USD]	5 831	4 672
Zinc [USD]	2 780	1 679
Lead [USD]	2 278	1 744

	1Q 2017	1Q 2016
Aluminium [PLN]	7 513	5 999
Copper : [PLN]	23 667	18 491
Zinc [PLN]	11 283	6 644
Lead [PLN]	9 245	6 902

Source: based on average daily quotes from LME

The price for US dollars is important for the Group income, whose major part depends on the quotes of metals, as a main component of the prices for our products. The period under discussion was a time of appreciation of the dollar by 2.0%, which was also important for the quotes of key metals expressed in PLN and for profitability of sales.



The quotations of Euro are vital for the Group, due to prevailing processing margins denominated in that currency and 66% share of sales to foreign countries, mostly of the Euro zone. The average quotes for Euro against Polish złoty fell by almost 2%.

The EUR/USD rate of exchange ranged around 1.07 after Q1 '2017, which falls 4 pp. below its level of the same period of the previous year.

The stronger Dollar and weaker Euro had adverse effects for the Group financial result, especially taking into account the trade margins earned in Metal Segment.

Income from sales / Demand for Group products

Income of the Boryszew Capital Group in Q1 ' 2017 reached PLN 1,601.3 million, exceeding this figure from the same period of the previous year by 8.2%.

Total Group income from sales in each segment can be summarised as follows:

- Segment Automotive – income of PLN 538.0 million (PLN 508.5 million in Q. I, 2016),
- Segment Metal – income of PLN 937.8 million (PLN 809.8 million in Q. I, 2016), volumes of 67.3 thousand tons (62.4 thousand tons in Q. I, 2016),
- Segment Chemicals – income of PLN 69.6 million (PLN 63.7 million in Q. I, 2016), volumes of 14.2 thousand tons (11.6 thousand tons in Q. I, 2016),
- Segment Others – income of PLN 69.0 million (PLN 115.3 million in Q. I, 2016).

Income of Automotive segment grew in Maflow Group as a result of new contracts coming into force. Income of BAP Group declined mostly due to sale of tools reduced by PLN 18.6 million.

The growing income of the Metal Segment appears as a consequence of raised quotes of non-ferrous metals in PLN, whose growth ranged from +25% (Aluminium) to +70% (Zinc). These metals are the determinants for prices of products and increased volumes of sales. A narrative covering increased quotes for metals can be found in the chapter discussing prices for key raw materials and currency exchange rates.

The increased volume of sales in Metal Segment was observed in particular by: ZM SILESIA S.A, Baterpol S.A. O/NPA Skawina, Impexmetal S.A. (Aluminium Konin plant). Hutmen S.A. was the only company which saw declining volume of sales in Quarter I YTD.

The sharpest rise of sales volumes was seen in ZM SILESIA S.A. (in particular, the plant in Katowice) and reached approximately 26% (that is, volume increased by 0.8 thousand tons) as compared to the same period of the previous year. This was a consequence of increased sales in practically all product ranges, including more intense sales of a new product - Zinc-Titanium sheets patina carbon (so called black sheets). The other plant operated by that Company, i.e. Ironworks Branch (Oddział Huta) increased its sales volumes by 1.1 thousand tons (that is, 17%), which applies to sales of zinc oxides to new locations of Michelin in France and Spain, more intense sales to Continental (factories in Germany and Hungary) and greater sales on domestic market, to factories of Goodyear (Dębica).

Aluminium Konin plant increased its sales volumes by 1.1 thousand tons, that is, 4.6%, chiefly as a result of growing sales of slim products.



(amounts expressed in PLN '000 unless specified otherwise)

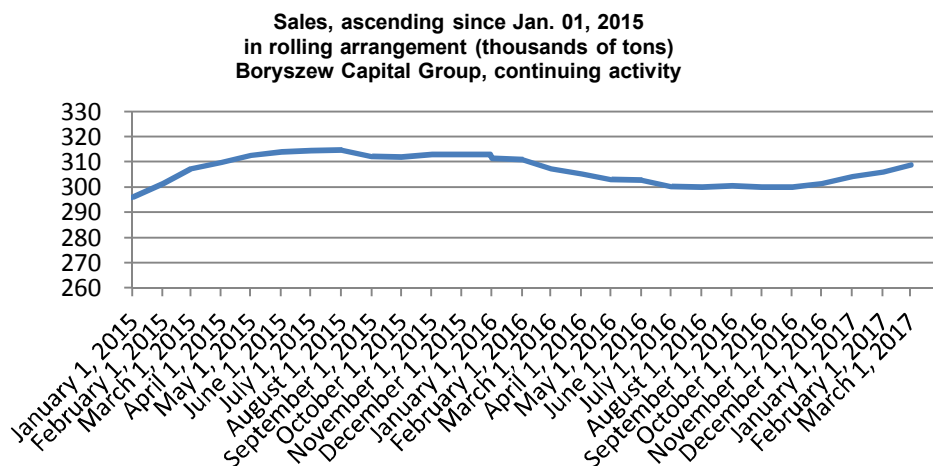
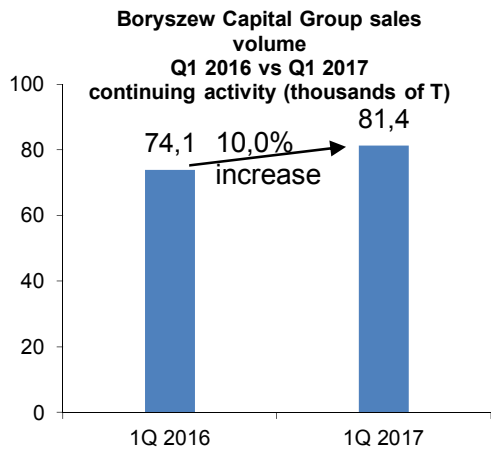
The increased volumes of O/ NPA Skawina by 15% or 1.1 thousand tons resulted chiefly from growing sales of all ranges of rolled products.

In case of Baterpol S.A. the sales volumes grew by 0.8 thousand tons (that is, 8%) as a result of a changed situation on the market of scrap batteries – increased supply, which supported intense purchase of these raw materials and thus, increased the sales of the plant.

The rising income from sales of Chemicals Segment results chiefly from growing sales volumes in O/Boryszew ERG. This growth reached 1.5 thousand tons, or 26% and was a consequence of more intense sales of fluids for de-icing of airports and automotive fluids.

The lower income from sales in the Other Products Segment appears as a result of limited sales of goods in the Group, also in consequence of liquidation of O/Handel.

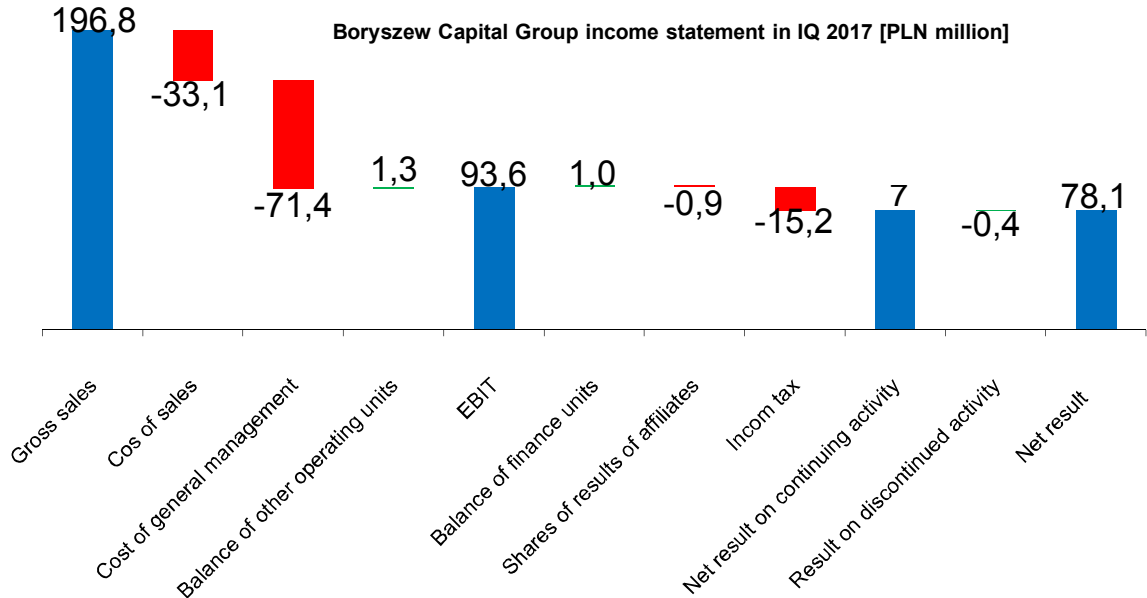
A specification of total sales volumes of the Capital Group over the periods under discussion and sales volumes in 12-month rolling arrangement, can be found on the diagrams below.





Achieved profit/loss

The diagram below shows the values of components of each item of the calculation of results after Q1 ' 2017.



The gross result on sales in Q1 '2017 reached PLN 196.8 million which exceeded by PLN 40.6 million the result of the same period in previous year. The gross result grew as a consequence of improved results of the Automotive segment and, to a lesser degree, of the Chemicals segment.

The average gross profitability of sales rose from 10.6% in Q1 '2016 up to 12.3% today.

The cost of sales grew nominally by PLN 0.8 million as a consequence of growing sales. The real cost of sales (as compared to income from sales) fell slightly (by 0.1%) against Q1 '2016 and reached 2.1%.

The cost of general management in Quarter I, 2017 was higher by PLN 6.5 million as compared to Quarter I, 2016. This factor grew the most in companies of the Maflow Group, as a consequence of inter alia, increased scale of activity in subjects located in Poland, Mexico and China.

The balance of operating income / costs reached PLN 1.3 million and was lower by PLN 6.1 million against the same period of year 2016. The key determinant of this balance in Quarter I, 2017 was lower sale of fixed assets and investment properties (result lower by PLN 6.9 million).

In Q1 '2017 EBITDA on continuing operations amounted to PLN 128.3 million, as compared to PLN 98.5 million in the same period of the previous year. EBITDA in each segment of operations can be summarised as follows:

- Segment Automotive – EBITDA result of PLN 56.8 million (28.9 million in Quarter I, 2016),
- Segment Metal – EBITDA result of PLN 61.1 million (56.3 million in Quarter I, 2016),
- Segment Chemicals – EBITDA result of PLN 5.9 million (2.0 million in Quarter I, 2016),
- Segment Other Products – EBITDA result of PLN 8.9 million (11.6 million in Quarter I, 2016).



As compared to Q1 '2016, the Group operating result increased by PLN 27.1 million.

The deviation of EBITDA in Q1 '2017 appeared as a result of changes in the following key segments:

- Higher results of the **Automotive segment** – the results increased by similar values in the BAP Group, as well as the Maflow Group.

In BAP Group this growth was seen particularly in: Boryszew Kunststofftechnik Deutschland GmbH, Theysohn Kunststoff GmbH, AKT Plastikarska Technologie.

In case of Boryszew Kunststofftechnik Deutschland GmbH, Theysohn Kunststoff GmbH the results improved due to a change in prices for products. In case of AKT Plastikarska Technologie the growth of results was influenced by the growing sales (of tools, in particular).

In the Maflow Group, on the other hand, the results improved practically in all its member companies, other than Maflow India and Maflow Mexico. The growth was greatest in Maflow O/Tychy, Maflow China and Maflow Brasilia.

In case of Maflow O/Tychy the results increased primarily as a result of growing sales due to new contracts completed and higher margins on sales of instruments.

Maflow China and Brasilia increased their results due to growing incomes (Maflow China due to new contracts), Brasilia (increased orders under existing contracts), and cost optimisation, including improved labour efficiency.

- Higher results of the **Metal Segment** – the results increased mostly in such companies as Impexmetal S.A. ZM SILESIA S.A. O/Katowice and Baterpol S.A..

The improved performance of Impexmetal S.A. came as a result of changes in technology, resulting in increased productivity and unit net margins. The better results were an effect of more products sold, with higher unit margins, boosted by good situation on the market of aluminium products.

ZM SILESIA S.A. O/Katowice showed better results due to higher sales volumes of sheets and wires, and a new product mix, characterised by higher unit processing margins.

Baterpol S.A. improved its results, primarily due to greater volumes of sales, lower cost of raw materials (scrap batteries and scrap lead) and higher unit processing margins.

In the segment of Metals worse results were noted by subjects representing the copper and brass sectors, ZM SILESIA O/Oława and manufacturers of bearings.

The declining results of WM Dziedzice S.A. came, despite sales volumes at the level matching that of the same period of the previous year, as a result of lower unit processing margins. The margins were lower after a huge growth of processing for copper since Quarter IV, 2016, which transformed itself into assertive policies in contracting the customers and lower margins.

Hutmen S.A. showed worse results on operations, chiefly as a result of lower average trade margins in practically all product ranges (except copper pipes) and lower sales volumes (in the scope of metal casting alloys, whose decreased sales were not compensated by an increase in sales of other product ranges).



The results of ZM SILESIA S.A. O/Oława deteriorated, despite much higher volumes of sales, as a result of increased quotes and subsidies for Zinc, which had particularly negative effects on sales in January and February of 2017.

The worse result of bearing sector companies was a consequence of significant decline in operating result of FŁT&Metals s.r.l. and FŁT Polska Sp. z o.o., stimulated by weaker rate of exchange EUR/USD and stronger competition on the market for bearings (SKF).

- Improving results of the **Chemicals segment** – this improvement has been made possible primarily by O/Boryszew ERG and, to a lesser extent, Torlen Sp. z o.o., Elana Pet Sp. z o.o. and O/Elana. The increased results of O/Boryszew ERG was a consequence of significantly higher sales volumes in airport de-icing fluids and automotive fluids, paired with higher unit trade margins for the two above named product groups.
- Worse results of the **Other Products segment** – the declining performance in this segment, as compared to the same period of the previous year, was an effect of less investment properties sold in Q1 '2017 in Toruń, and lacking commercial activity (O/Handel).

The balance of financial income vs. costs reached PLN 1.0 million and was higher by PLN 13.5 million, chiefly as a result of the positive result on foreign exchange gains/losses and hedge derivatives for currency and metals in total value of PLN +11.4 million.

The net result on continuing activity hit PLN 78.5 million which was higher by PLN 32.9 million than the result noted after Q1 of the previous year.

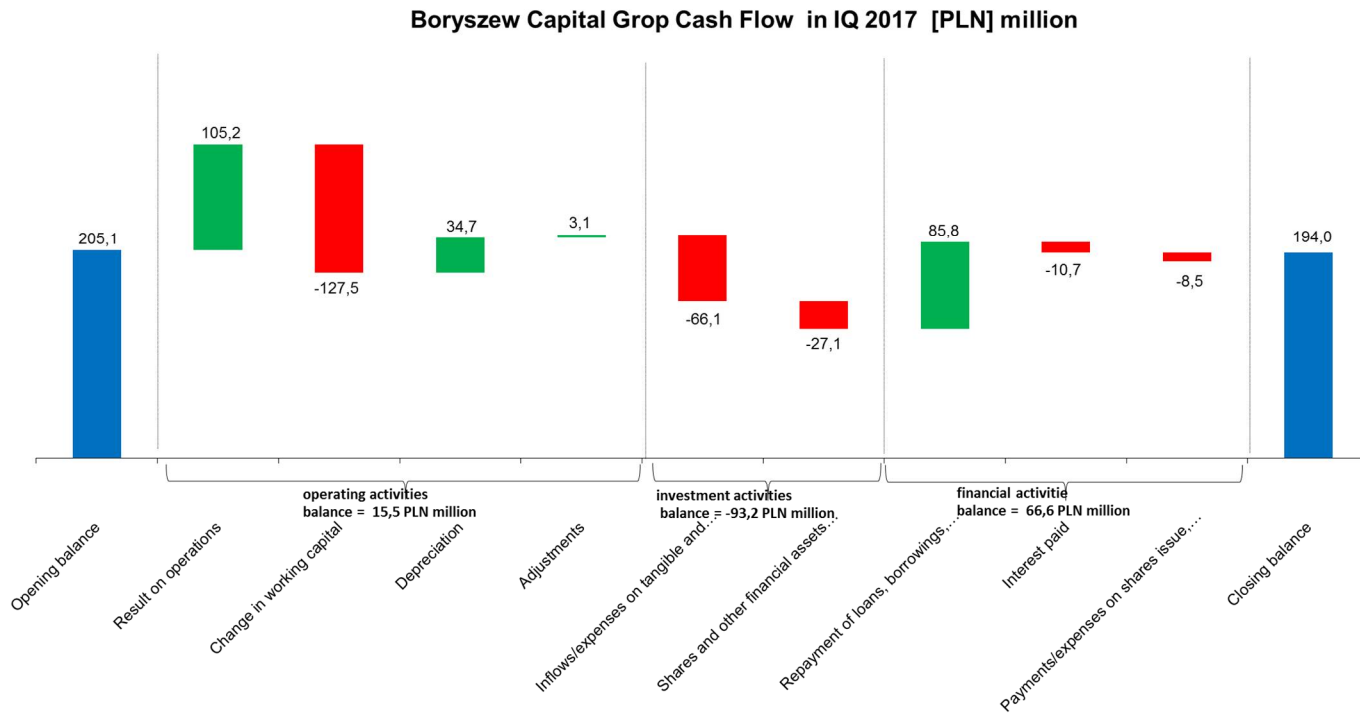
The total net result, incorporating continuing and discontinued activities, reached PLN 78.1 million and was higher by PLN 34.1 million than that of Quarter I of the previous year.

Whereas the net result assigned to parent company shareholders amounted to PLN 65.3 million and was higher than the last year's result by PLN 29.6 million.

Cash flow after Q1 '2017 was illustrated in the diagram below:



(amounts expressed in PLN '000 unless specified otherwise)



In Q1 ' 2017 the Boryszew Capital Group generated positive cash flows from direct operations, equal to PLN 15.2 million and PLN 66.6 million from financing activity, which were designated chiefly for financing of investments (expenses on fixed assets and repurchase of Hutmen S.A. shares).

The low amount of cash on operating activity appears mostly as a consequence of increased involvement in working capital, key of which are trade receivables in companies – members of the Metal Segment, as a result of increased quotes of metals and increased sales volumes.

The negative balance of income from investments was chiefly a result of the negative net balance of investments in fixed assets, of (PLN 66.2) million and the balance of acquiring / disposal of shares and other financial assets, amounting to (PLN 27.1) million.

The major disbursements in fixed assets were made by: BOD (PLN 20.6 million), Impexmetal S.A. (PLN 19.6 million), the Maflow Group (PLN 18.5 million).

In BOD investments included rebuilding of the production plant in Prenzlau, which was opened on Apr. 19, 2017.

Investments of Impexmetal S.A were related with the end of stage I of the investment programme, realised as part of company's expansion, in total amount of ca. PLN 125 million, which assumed the production capability in rolled products at the level of 100 thousand tons / year.

Investments of the Maflow Group were meant to extend the production capability in Poland (including construction of a new plant in Toruń) and in Mexico.



After Q1 '2017 the net debt of the Boryszew Capital Group reached PLN 1,018.2 million, which was higher by PLN 106.1 million as compared to this parameter at the end of 2016. The annualised net debt /EBITDA ratio for Q1 '2017 reached 2.5, as compared to 2.4 at the end of 2016 and 3.4 at the end of Q1 ' 2016.

B. OTHER IMPORTANT EVENTS

BORYSZEW S.A.

Acquisition of Hutmen S.A. shares in forced purchase

On 12 January 2017 Boryszew S.A. and its subsidiaries – members of the Boryszew Capital Group, i.e. company under name SPV Boryszew 3 Sp. z o.o., company under name Impex – Invest Sp. z o.o., company under name Impexmetal S.A. and SPV Impexmetal Sp. z o.o. (Boryszew Group) announced a demand for forced purchase from minority shareholders, of 2,549,980 shares accounting for ca. 9.96% of total initial capital and total no. of votes at the General Meeting of Hutmen S.A.. As a result of that, on 17 January 2017 Boryszew S.A. acquired all shares comprised by forced purchase.

After settlement of shares acquired under forced purchase, the Boryszew Group holds 25,596,270 shares of Hutmen SA accounting for 100.00% of its initial capital and corresponding to the total no. of votes at the general meeting of shareholders of Hutmen S.A..

The Extraordinary General Meeting of Shareholders of Hutmen S.A. dated Feb. 6, 2017 adopted a resolution to abolish dematerialisation of Hutmen S.A. shares and to remove them from trading on the regulated market of the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.).

On 10 February 2017 the Management Board of Hutmen S.A. filed a request in the Financial Sector Supervision Committee for a permission to restore the material (documentary) form of Hutmen S.A. shares (to abolish dematerialisation of these shares).

On 28 March 2017 the Financial Sector Supervision Committee gave Hutmen S.A. a permission to restore the documentary form of its shares (abolish dematerialisation of these shares) as upon April 18, 2017.

In its resolution dated April 11, 2017 the Management Board of Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.) resolved to exclude trading of Hutmen S.A. shares as from April 18, 2017.

IMPEXMETAL S.A.

Signed contract for supplementary financing

Impexmetal S.A. signed a contract for supplementary financing of the project titled: Design of the process of production of open and closed profiles made of Aluminium ECO – AISi alloy recovered in whole from recycled automotive parts.

This project is valued at PLN 8.7 million, including supplementary financing worth of PLN 2.9 million.

The project will produce an innovative product: OPEN AND CLOSED PROFILE, 100% made of recycled material. The project assumes building of a demonstration line for manufacture of closed and open aluminium profiles. The project assumes recycling of scrap aluminium from automotive parts (car heat exchangers), which are known as hard to recycle, owing to the nature of their production.

HUTMEN S.A.

Conclusion of a material agreement

On 3 January 2017 a contract was signed by and between Hutmen S.A. and KGHM Polska Miedź S.A., for sale by KGHM of round copper ingots. The annual base number of round copper ingots covered by this contract is 11,000 tons, or 20,000 tons, if the Buyer's option is accepted. The price for each batch of supplied copper ingots



was set as the total of the price of cathode copper (the mean of official settlement quotations for grade "A" copper on the London Metal Exchange over the agreed price setting period) plus a bonus for metal and the processing bonus. The total value of this Contract for 2017, in the current prices for copper, reaches ca. PLN 229 million net for supplies in base quantity and ca. PLN 416 million net for supplies according to Buyer's option. The potential claims of KGHM towards Hutmen S.A. are secured by the registered pledge on fixed assets of Hutmen S.A. worth of not less than PLN 5 million and a promissory note with declaration up to the amount of PLN 5 million.

ACQUISITION OF SHARES IN COMPANIES – MEMBERS OF THE BORYSZEW CAPITAL GROUP

Treasury shares bought by Impexmetal S.A.

In Q1 '2017, in execution of the programme of purchase of own shares to be redeemed or resold, or of financing the takeovers as enforcement of the development policy of the Impexmetal Company or Impexmetal Capital Group, adopted by the Ordinary General Meeting in its resolution no. 18 dated June 15, 2016, Impexmetal S.A. acquired a total of 2,261,200 own shares, which added to shares already in its possession, gives a total of 9,999,000 treasury shares, or 4.99% of the total number of votes at the General Meeting of Impexmetal S.A..

As at 31 March 2017 the Boryszew Capital Group held 119,999,000 shares of Impexmetal S.A., which represented 59.9995% of total number of votes at the General Meeting of Impexmetal S.A., of which:

- Boryszew S.A. : 102 720 968 shares of Impexmetal S.A., accounting for 51.36% share in share capital and votes during General Assembly of Impexmetal S.A.,
- Impexmetal S.A. 9 999 000 shares, accounting for 4.9995% share in share capital and votes during General Assembly of Impexmetal S.A.,
- SPV Boryszew 3 Sp. z o.o. 7 279 032 shares, accounting for 3.64% share in share capital and votes during General Assembly of Impexmetal S.A.,

Forced purchase of shares of Hutmen S.A.

In Q1 '2017, Boryszew S.A. bought 2,549,980 shares of Hutmen S.A. which added to shares already in its possession, gives a total of 2,657,532 treasury shares, or 10.38% share of the initial capital of Hutmen S.A..

As at 31 March 2017 the Boryszew Capital Group held 25,596,270 shares of Hutmen S.A. or 100.00% share of initial capital of Hutmen S.A., of which:

- Boryszew S.A. : 2 657 532 shares of Hutmen S.A., accounting for 10.38% share in share capital and votes during General Assembly of Hutmen S.A.,
- Impexmetal S.A. 695 159 shares, accounting for 2.72% share in share capital and votes during General Assembly of Hutmen S.A.,
- SPV Boryszew 3 Sp. z o.o. 6 165 383 shares, accounting for 24.09% share in share capital and votes during General Assembly of Hutmen S.A.,
- SPV Impexmetal Sp. z o.o., 3 528 196 shares, accounting for 13.78% share in share capital and votes during General Assembly of Hutmen S.A.,
- Impex – Invest Sp. z o.o.: 12 550 000 shares, accounting for 49.03% share in share capital and votes during General Assembly of Hutmen S.A.,

Information on other important events was conveyed in the form of current reports of the Company, which are available on the website: www.boryszew.com.pl



5. NOTES ON THE SEASONALITY OF THE COMPANY'S BUSINESS IN THE PRESENTED PERIOD

In case of Boryszew Capital Group the seasons / cycles of its activities are visible in a limited scope.

In Automotive Segment seasonal nature of business is seen in the holiday months and in December, when production of cars declines significantly, which transforms into decline of orders for components in that period.

In Metal Segment seasons are observed in products sold for the needs of construction sector, which include:

- copper installation pipes and condenser pipes manufactured of copper-nickel by Hutmen S.A.;
- condenser pipes made of brass, used in heat production, manufactured by WM Dzierżycze S.A.;
- zinc-titanium roofing sheets and zinc wire, manufactured by ZM SILESIA S.A..

Sales of these products reach their top levels in Quarter II and Quarter III, due primarily to the weather conditions decisive for the possibility to perform construction works, and the prosperity of the construction sector. Other products of that segment show less regular cycles, and fluctuations of their sales depend mostly on macro-economic conditions and prosperity.

In the segment of Chemicals seasons appear in a part of products manufactured by Boryszew S.A. branch of Boryszew ERG in Sochaczew. This applies to radiator fluids for automotive industry (cumulating in Q3 and Q4 with a tendency to prolong until the start of Quarter I of next year), airport and aviation machines de-icing fluids (cumulating in Quarters IV and I). On the other hand, PVC siding and EPS decoration components match the prosperity cycles of the construction industry, which means that their sales maximise in Quarters II and III.

Other products of the Boryszew Capital Group show no specific seasonal demand cycles.

Please note that periods of lower sales are usually observed in December, around Christmas, when the customers operate less intensely (Christmas holidays). Sales are lower in these periods every year.

6. INCOME AND RESULTS OF EACH SEGMENT OF CONTINUING OPERATIONS IN THE PERIOD FROM THE START OF THE YEAR

Boryszew Capital Group operates within four sector-oriented segments. In 2017 the Group operations were divided into operation segments.

SEGMENTS OF OPERATIONS IN 2017

Automotive	Boryszew S.A. Oddział Maflow, Maflow Spain Automotive S.L.U., Maflow France Automotive S.A.S., Maflow BRS s.r.l., Maflow Components Dalian Co. Ltd., Maflow do Brasil Ltda., Maflow Automotive Mexico S.de. RI. De.C, MAFMEX S.DE R.L.DE C.V., Maflow Polska Sp. z o.o., Maflow India Private Limited, Boryszew Automotive Plastics Sp. z o.o., Theysohn Kunststoff GmbH, Theysohn Formenbau GmbH, Boryszew Kunststofftechnik Deutschland GmbH, AKT Plastikarska Technologie Cechy spol. s.r.o., Boryszew Formenbau Deutschland GmbH, BRS YMOS GmbH, Boryszew
------------	---



(amounts expressed in PLN '000 unless specified otherwise)

	Oberflächentechnik Deutschland GmbH, Boryszew Plastik Rus, Boryszew Tensho Poland Sp. z o.o., ICOS GmbH, Boryszew Deutschland GmbH, Boryszew Commodities Sp. z o.o., Boryszew HR Service Sp. z o.o., Boryszew Components Poland Sp. z o.o.
Metals	Impexmetal S.A., Hutmen S.A., WM Dziedzice S.A., ZM SILESIA S.A., Baterpol S.A., Polski Cynk Sp. z o.o., Boryszew S.A Branch NPA Skawina, Baterpol Recycler Sp. z o.o., Baterpol Recycler Sp. z o.o. spółka komandytowa w likwidacji, Metal Zinc Sp. z o.o., Surowce Hutmen S.A. Sp. komandytowa, SPV Impexmetal Spółka z o.o., FŁT Polska Sp. z o.o., FLT Bearings Ltd., FLT France S.A.S., FLT & Metals s.r.l., FLT Wälzlager GmbH, FLT (Wuxi) Trading Co. Ltd., FLT Metals Ltd.; Zakład Utylizacji Odpadów Sp. z o.o., Symonvit Ltd. w likwidacji,
Chemical products	Torlen Sp. z o.o., Elana Pet Sp. z o.o., Boryszew S.A. Branch Elana, Boryszew S.A. Branch Boryszew ERG, Boryszew S.A. Branch Nylonbor, Elimer Sp. z o.o.
Other	Boryszew S.A. – Centrala, Boryszew S.A. Branch Enterprise Data Center, Boryszew S.A. Branch Energy, Eastside – Bis Sp. z o.o. (Branch Elana Nieruchomości), Huta Metali Szopienice S.A. w likwidacji, SPV Lakme Investment Sp. z o.o., Impex – invest Sp. z o.o., Eastside Capital Investments Sp. z o.o., Elana Energetyka Sp. z o.o., S&I S.A. w likwidacji, SPV Boryszew 3 Sp. z o.o., Nowoczesne Produkty Aluminiowe Skawina Sp. z o.o. w likwidacji, SPV Boryszew 6 Sp. z o.o., Maflow Toruń Sp. z o.o., SPV Boryszew 9 Sp. z o.o. w likwidacji.

REVENUES FROM SALE BY DESTINATION MARKET

Revenues from sales by geographical destinations	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Continuing operations		
Domestic sales	546 520	453 865
Sales to EU countries	946 090	952 425
Sales to other European countries	43 550	41 496
Export outside Europe	65 120	32 270
Total revenues from sale (continuing operations)	1 601 280	1 480 056

Share of EU member states in intra-Community sales:	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Germany	45%	47%
The Czech Republic	13%	16%
France	5%	6%
Slovakia	3%	3%
Italy	6%	4%
Other countries	28%	24%



(amounts expressed in PLN '000 unless specified otherwise)

REVENUES AND RESULTS OF EACH SEGMENT OF ACTIVITY IN Q1 '2017

(data regarding continued activity)

01.01.2017 – 31.03. 2017	Chemical products	Automotive	Metals	Other	Total	consolidation exclusions between segments	Total
Revenues from sales	69 560	537 999	937 784	68 964	1 614 307	(13 027)	1 601 280
Cost of sales for the segment	57 535	441 197	856 308	62 777	1 417 817	(13 318)	1 404 499
Gross sales result for the segment	12 025	96 802	81 476	6 187	196 490	291	196 781
General, administrative and sales expenses	8 273	54 266	37 522	6 514	106 575	(2 052)	104 523
Other operating profit/loss	459	(2 383)	1 235	8 806	8 117	(6 798)	1 319
Segment profit/loss	4 211	40 153	45 189	8 479	98 032	(4 455)	93 577
Amortisation and depreciation	1 708	16 659	15 916	424	34 707	-	34 707
EBITDA *)	5 919	56 812	61 105	8 903	132 739	(4 455)	128 284

01.01.2016 – 31.03. 2016-restated data	Chemical products	Automotive	Metals	Other	Total	consolidation exclusions between segments	Total
Revenues from sales	63 754	508 535	809 821	115 288	1 497 398	(17 342)	1 480 056
Cost of sales for the segment	53 618	451 727	725 492	108 369	1 339 206	(15 309)	1 323 897
Gross sales result for the segment	10 136	56 808	84 329	6 919	158 192	(2 033)	156 159
General, administrative and sales expenses	9 807	46 838	37 162	5 543	99 350	(2 171)	97 179
Other operating profit/loss	54	2 588	(4 610)	9 886	7 918	(452)	7 466
Segment profit/loss	383	12 558	42 557	11 262	66 760	(314)	66 446
Amortisation and depreciation	1 609	16 331	13 760	337	32 037	-	32 037
EBITDA *)	1 992	28 889	56 317	11 599	98 797	(314)	98 483

*) EBITDA = operating result plus depreciation



7. INFORMATION CONCERNING THE ISSUE, REDEMPTION AND REPAYMENT OF NON-SHARE AND EQUITY SECURITIES

DEBT SECURITIES

In Q1, 2017, under the registered bonds issue scheme, adopted by Resolution no. 153/2016 of the Management Board of Boryszew S.A. dated 28 July 2016, amended by Resolution no. 1/2017 of the Management Board of Boryszew S.A. dated 2 January 2017, Boryszew S.A. issued:

- On 2 January 2017, 15 inscribed bonds series A5 with face value of PLN 1,000,000.00 each. Total face value of this series of bonds issued reached PLN 15,000,000.00. The rate of interest was set on arm's length principles. Repurchase was set on Dec. 31, 2017. These bonds were to replace the bonds, issued by Boryszew S.A. in performance of the Inscribed bonds issue programme on December 31, 2015 and taken up by Hutmen S.A.. The money from this issue of bonds was assigned for financing of Boryszew S.A. operating activity.
- On 2 January 2017, 1 inscribed bond series A6 with face value of PLN 1,000,000.00. Total face value of this series of bonds issued reached PLN 1,000,000.00. The rate of interest was set on arm's length principles. Repurchase was set on Dec. 31, 2017. These bonds were to replace the bonds, issued by Boryszew S.A. in performance of the Inscribed bonds issue programme on December 31, 2015 and taken up by S&I S.A. with seat in St. Sulpice, Switzerland. The money from this issue of bonds was assigned for financing of Boryszew S.A. operating activity.

EQUITY SECURITIES

No equity securities were issued by the Company during Q1 2017 and by the date of this Report.

8. FACTORS AND EVENTS, IN PARTICULAR EXTRAORDINARY, WITH IMPACT ON THE RESULTS OF THE CURRENT PERIOD

Any unusual events with effects on the Group's results following Quarter I, 2017 (as compared to the preceding period) include first of all, factors important for comparability of data:

- declining result on sales of fixed assets and investment properties,
- changed prices for products of Boryszew Kunststofftechnik Deutschland GmbH and Theysohn Kunststoff GmbH, which came into force in Q2 2016.

9. CHANGES IN CONTINGENT LIABILITIES AND ASSETS AS WELL AS ESTIMATES

	As at 31.03.2017	As at 31.12.2016
OFF-BALANCE-SHEET LIABILITIES		
Contingent liabilities (guarantees and sureties):	25 726	12 659



10. FINANCIAL ASSETS MEASURED AT FAIR VALUE

Fair value of financial assets and liabilities of the Group valued at fair value on the on-going basis

	Fair value as at		Hierarchy of fair value
	As at 31.03.2017	As at 31.12.2016	
Financial assets			
Listed shares	3 466	3 462	Level 1
Derivative financial instruments	46 084	18 231	Level 2
Financial obligations			
Derivative financial instruments	12 360	27 779	Level 2

Fair value of financial assets and liabilities of the Group valued at fair value on the on-going basis

	Fair value as at		Hierarchy of fair value
	As at 31.03.2017	As at 31.12.2016	
Financial investments			
Not listed shares	2 502	2 502	Level 3
Shares held for trading	25 089	25 089	Level 3
Bonds	67 433	64 007	Level 3
Receivables and loans	763 265	593 937	Level 3
Investment property	113 188	111 879	Level 3
Cash and cash equivalents	193 954	205 108	Level 3
Financial obligations			
Borrowings and loans and lease	1 212 137	1 117 210	Level 2
Trade liabilities	681 473	629 496	Level 3
Liabilities related to perpetual usufruct of land	40 631	40 631	Level 2

11. ORGANISATION OF THE CAPITAL GROUP

STRUKTURE OF BORYSZEW S.A.

Boryszew S.A. is the Parent entity of Boryszew Capital Group. The Group features both domestic and foreign subsidiaries, jointly controlled entities, affiliates.

As the Parent company, it performs management and supervisory functions with regard to other companies of the Capital Group.

The core business of the Head Office in Warsaw is management of the Capital Group, and its objective is to increase the Company's goodwill in the long run.



In Q1 '2017 Boryszew S.A. carries out its activity through the following units:

- Maflow Branch in Tychy – producer of tubes for the automotive industry, including mainly air-conditioning tubes, power steering systems and various rubber components. The Branch's assets, constituting the largest productive assets of Maflow Group, were purchased on 10 August 2010.
- Elana Branch w Toruń - producer of polyester fibre and plastics with wide application. Its key products include staple fibres and silicon spheres. Elana Branch was established by merger of Boryszew S.A. and Elana S.A., which took place on 28 January 2005.
- Nowoczesne Produkty Aluminiowe Skawina Branch in Skawina– operating in the field of manufacturing of aluminium rods, wire and cables, including overhead cables of special aluminium alloys with constructions which eliminate the threat if phenomena of the „black-out” type, and supply of energy carries to external customers.
- Boryszew ERG Branch in Sochaczew – offering chemical and construction products. Company's flagship product in “Borygo” coolant.
- Nylonbor Branch in Sochaczew – production of modern engineering polyamides, which are used for manufacture of machinery and equipment as well as battlefield simulators for military applications.
- Enterprise Data Center Branch in Toruń - responsible for IT project for Boryszew Group companies and external parties utilising the existing IT infrastructure.
- Boryszew Energy Branch in Toruń, which is involved in sales of energy for Boryszew Capital Group companies and third parties.
- Trade Branch in Sochaczew was a dealer in non-ferrous metals with companies outside the Boryszew Group in Poland and on markets of the European Union (since September 1, 2016 this Branch ceased to operate). On 17 February 2017 the Branch was deleted from the Register of Entrepreneurs of the National Court Register (KRS).

STRUCTURE OF BORYSZEW GROUP

Boryszew Capital Group is one of the largest industrial groups in Poland.

In 2005 Boryszew SA seized control of Impexmetal S.A., a company listed at the Warsaw Stock Exchange, a parent company of manufacturing enterprises involved in non-ferrous metals and bearing industry.

In 2010, the Company seized control of the Maflow Group, one of the largest manufacturers of air-conditioning tubes, power steering systems and active suspension systems for automotive industry. It was then that the automotive sector became the key segment of the Group's activity.

In 2011 and 2012, the Company continued its growth strategy by further acquisitions in the automotive industry.

In July 2011, the Company signed takeover agreements in respect of two German capital groups (AKT/ICOS – Theysohn) in the plastics processing sector, and in March 2012 share acquisition agreement for shares of YMOS Group, leading European producer of plastic, galvanized and chromium-plated components for the automotive industry.

In June 2014 Boryszew S.A. acquired 80% shares of Tensho Poland Corporation spółka z o.o. with its registered office in Ostaszewo (currently: Boryszew Tensho Poland Sp. z o.o.), manufacturer of top quality plastic products.



(amounts expressed in PLN '000 unless specified otherwise)

CONSOLIDATED FINANCIAL STATEMENTS INCLUDE THE FOLLOWING COMPANIES:

Company name	Seat	share of the parent in share capital (%)	share in voting rights (%)	subsidiary of:	business segment
Boryszew S.A. :	Warsaw			Parent Company	
<i>Head Office</i>	Warsaw				Other
<i>Elana Branch in Toruń</i>	Toruń				Chemical products
<i>Energy Branch in Toruń</i>	Toruń				Other
<i>Enterprise Data Center Branch in Toruń</i>	Toruń				Other
<i>Maflow Branch in Tychy</i>	Tychy				Automotive
<i>NPA Skawina Branch</i>	Skawina				Metals
<i>Nylonbor Branch</i>	Sochaczew				Chemical products
Elimer Sp. z o.o.	Sochaczew	52.44	52.44	Boryszew SA	Chemical products
Torlen Sp. z o.o.	Toruń	100	100	Boryszew SA	Chemical products
Elana Pet Sp. z o.o.	Toruń	100	100	Boryszew SA	Chemical products
Elana Energetyka Sp. z o.o.	Toruń	100	100	Boryszew SA	Other
Boryszew Components Poland Sp. z o.o.	Warsaw	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew HR Service Sp. z o.o.	Toruń	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
SPV Boryszew 3 Sp. z o.o.	Warsaw	100	100	Boryszew SA	Other
Boryszew Commodities Sp. z o.o.	Warsaw	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Nowoczesne Produkty Aluminiowe Skawina Sp. z o.o. w likwidacji	Warsaw	100	100	Boryszew SA	Other
SPV Boryszew 6 Sp. z o.o.	Warsaw	100	100	Boryszew SA	Other
Maflow Toruń Sp. z o.o.	Toruń	100	100	Boryszew SA	Other
SPV Boryszew 9 Sp. z o.o.	Warsaw	100	100	Boryszew SA	Other
Boryszew Automotive Plastics Sp. z o.o.	Toruń	100	100	Boryszew S.A.	Automotive
Maflow Polska Sp. z o.o.	Warsaw	100	100	Boryszew S.A.	Automotive
Maflow BRS s.r.l	Italy	100	100	Boryszew SA	Automotive
Maflow Spain Automotive S.L.U	Spain	100	100	Boryszew SA	Automotive
Maflow France Automotive S.A.	France	100	100	Boryszew SA	Automotive
Maflow do Brasil Ltda	Brazil	100	100	Maflow Sp. z o.o.	Automotive
Maflow Components Co. Ltd	China	100	100	Maflow Sp. z o.o.	Automotive
Boryszew Automotive Mexico S.DE R.L.DE C.V	Mexico	100	100	Maflow Spain Automotive S.L.U., Maflow Sp. z o.o.	Automotive
MAFMEX S.DE R.L.DE C.V	Mexico	100	100	Maflow Spain Automotive S.L.U., Maflow Sp. z o.o.	Automotive
Maflow India Private Limited	India	100	100	Boryszew S.A. Maflow Polska Sp. z o.o.	Automotive
ICOS GmbH	Germany	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Theysohn Kunststoff GmbH	Germany	100	100	ICOS GmbH	Automotive
Theysohn Formenbau GmbH	Germany	100	100	ICOS GmbH	Automotive
Boryszew Formenbau Deutschland GmbH	Germany	100	100	Boryszew Kunststofftechnik Deutschland GmbH	Automotive



Boryszew Capital Group
Condensed consolidated interim report for quarter I 2017 prepared according
to IAS 34 adopted by the European Union

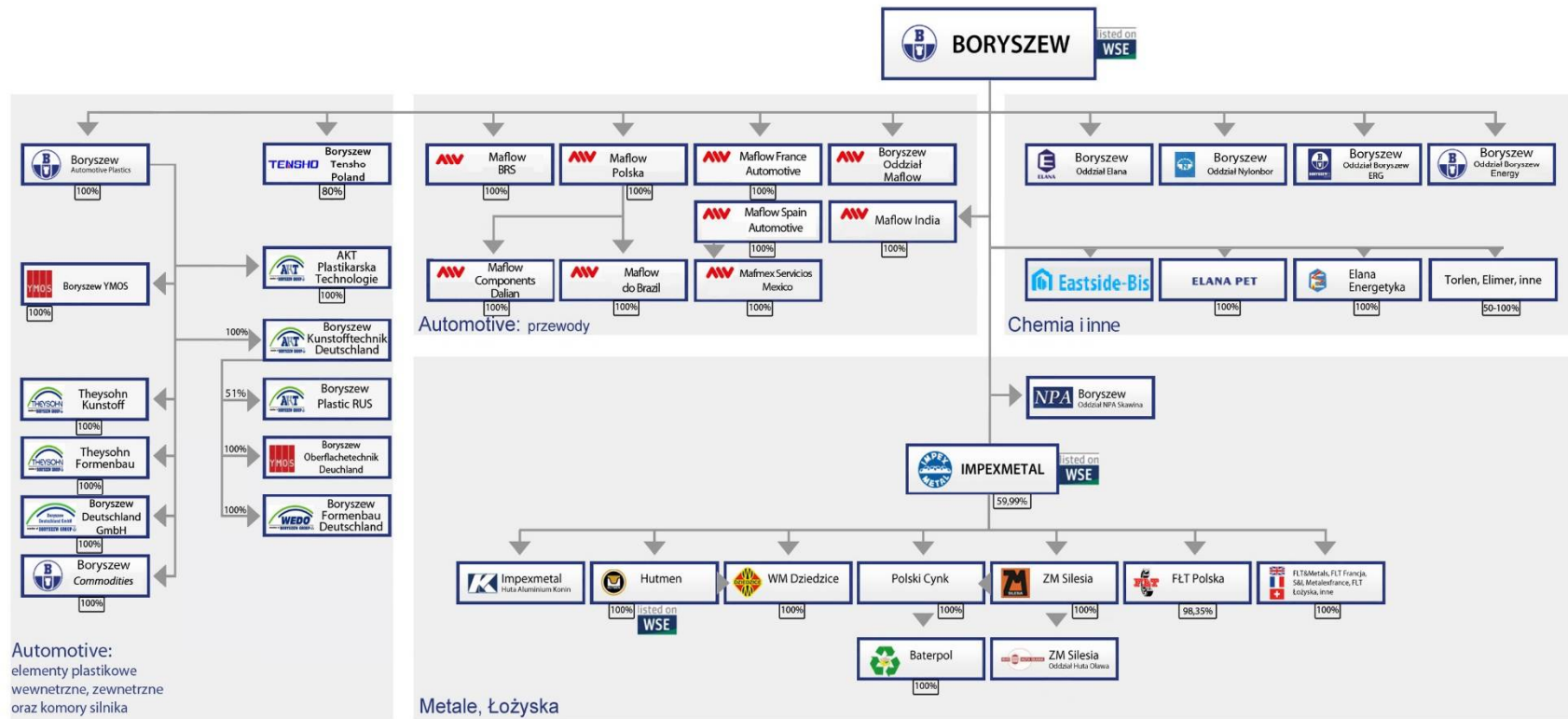
(amounts expressed in PLN '000 unless specified otherwise)

Boryszew Kunststofftechnik Deutschland GmbH	Germany	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
BRS YMOS GmbH	Germany	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Oberflächentechnik GmbH	Germany	100	100	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Deutschland GmbH	Germany	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
AKT Plastikarska Technologie	The Czech Republic	100	100	Boryszew Automotive Plastics Sp. z o.o.	Automotive
Boryszew Plastic RUS Sp. z o.o.	Russia	51	51	Boryszew Kunststofftechnik Deutschland GmbH	Automotive
Boryszew Tensho Poland Sp. z o.o.	Ostaszewo	80	80	Boryszew S.A.	Automotive
Impexmetal S.A.	Warsaw	59.99	59.99	Boryszew SA	Metals
Hutmen S.A.	Warsaw	73.78	100.00	Impexmetal S.A., Impex – invest, SPV Impexmetal, SPV Boryszew 3, Boryszew S.A.	Metals
Walcownia Metali Dziedzice S.A.	Czechowice-Dziedzice	46,01	100.00	Hutmen S.A. , Impexmetal S.A., Boryszew S.A.	Metals
Huta Metali Nieżelaznych Szopienice S.A. w likwidacji	Katowice	37,06	61.77	Polski Cynk Sp. z o.o.	Other
ZM Silesia S.A.	Katowice	59.99	100.00	Impexmetal S.A.	Metals
Baterpol S.A.	Katowice	59.99	100.00	Polski Cynk Sp. z o.o.	Metals
Polski Cynk Sp. z o.o.	Katowice	59.99	100.00	Impexmetal S.A., ZM Silesia S.A.	Metals
FŁT Polska Sp. z o.o.	Warsaw	59.00	100.00	Impexmetal S.A.	Metals
FLT Bearings Ltd.	Great Britain	59.00	100.00	FLT France SAS	Metals
FLT France SAS	France	59.00	100.00	FŁT Polska Sp. z o.o.	Metals
FLT Wälzlager GmbH,	Germany	59.00	100.00	FŁT Polska Sp. z o.o.	Metals
FLT & Metals s.r.l.,	Italy	59.00	100.00	FŁT Polska Sp. z o.o.	Metals
FLT (Wuxi) Trading Co. Ltd,	China	59.00	100.00	FŁT Polska Sp. z o.o.	Metals
FLT & Metals Ltd.	Great Britain	59.99	100.00	Impexmetal S.A.	Metals
S & I S.A. w likwidacji	Switzerland	59.99	100.00	Impexmetal S.A.	Other
SPV Lakme Investment Sp. z o.o.	Warsaw	55.81	100.00	Impexmetal S.A.	Other
Impex – Invest Sp. z o.o.	Warsaw	59.99	100.00	Impexmetal S.A.	Other
Eastside Capital Investments Sp. z o.o.	Warsaw	86.00	100.00	Boryszew SA ,Impexmetal S.A.	Other
Symonvit Ltd w likwidacji	Cyprus	59.99	100.00	Impexmetal S.A.	Metals
Baterpol Recycler Sp. z o.o.	Wrocław	59.99	100.00	Polski Cynk Sp. z o.o.	Metals
ZM Nieruchomości Sp. z o.o. w likwidacji	Katowice	59.99	100.00	ZM SILESIA S.A.	Metals
Baterpol Recycler Sp. z o.o. Spółka komandytowa w likwidacji	Wrocław	59.99	100.00	Baterpol Recycler Sp. z o.o. , HMN Szopienice S.A. w likwidacji	Metals
Surowce Hutmen S.A. Sp. Komandytowa (limited partnership)	Wrocław	59.99	100.00	Hutmen SA, Baterpol SA, FLT Polska Sp. z o.o.	Metals
SPV Impexmetal Sp. z o.o.	Warsaw	59.99	100.00	Impexmetal SA, ZUO Sp. zo.o., BAP Sp. z o.o.	Metals
Metal Zinc Sp. z o.o. w likwidacji	Katowice	59.99	100.00	ZM Silesia SA	Metals
Eastside BIS Sp. z o.o.	Warsaw	86.00	100.00	Eastside Capital Investments Sp. z o.o.	Other
Zakład Utylizacji Odpadów Sp. z o.o.,	Konin	35,98	59.97	Impexmetal S.A.	Metals



(amounts expressed in PLN '000 unless specified otherwise)

SIMPLIFIED ORGANIZATION CHART OF BORYSZEW GROUP WITH AGGREGATE HOLDINGS IN INDIVIDUAL ENTITIES AS AT 31.03.2017





12. EFFECTS OF GROUP STRUCTURAL CHANGES SINCE THE START OF THE YEAR, INCLUDING BUSINESS COMBINATIONS, ACQUISITION OR DISPOSAL OF SUBSIDIARIES AND LONG TERM INVESTMENTS, RESTRUCTURING AND DISCONTINUED OPERATIONS

No significant changes of the formal and/or legal structure of the Boryszew Capital Group took place in Q1 ' 2017 or after the balance sheet date, other than purchase of shares in Hutmen S.A..

13. MANAGEMENT BOARD VIEW ON THE FEASIBILITY OF EARLIER PUBLISHED FORECAST RESULTS FOR THE CURRENT YEAR

The percentage of achievement of the prognosis for 2017, published in the Current Report no. 6/2017 dated Mar. 29, 2017 after Q1 ' 2017 equals to respectively: EBITDA (23.8%), Net profit (25.6%).

In the opinion of the Management Board of Boryszew S.A. no grounds exist to change the forecast annual results published in this Report.

14. SHAREHOLDERS HOLDING, DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES, AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF THE COMPANY AS AT THE DATE OF SUBMITTING THE REPORT

The table below shows the shareholders holding more than 5% of the Company's initial capital and the total number of votes, as upon the date when this Report was accepted for publication.

Shareholders	Number of shares	% of capital	Number of votes	% of votes
Roman Krzysztof Karkosik	152 814 120	63.67%	151 654 285	63.189%
including: subsidiaries	24 818 412	10.34%	24 818 412	10.341%
Nationale – Nederlanden Otwarty Fundusz Emerytalny (**)	14 773 261	6.16%	14 773 261	6.156%
Others	72 412 619	30,17%	73 572 454	30,655%
Total:	240 000 000	100.00%	240 000 000	100.000%

(*) Mr Roman Krzysztof Karkosik with subsidiaries (as per notification of 13 October 2016).

(**) Nationale – Nederlanden Otwarty Fundusz Emerytalny (as per notification of 11 January 2017).

15. CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT PACKGES OF COMPANY'S SHARES IN THE PERIOD SINCE SUBMISSION OF THE PREVIOUS QUATERLY REPORT – SHARE IN VOTES DURING GENERAL ASSEMBLY OF THE COMPANY

On 11 January 2017 the Company was notified by Nationale-Nederlanden Open Pension Fund, that Nationale-Nederlanden Open Pension Fund has bought shares of Boryszew S.A. in a transaction at the Warsaw Stock Exchange in Warsaw, settled on 4 January 2017, by which it increased the number of the Company's shares held above 5% of votes at the General Meeting of the Company's Shareholders. The Company informed about this notification in its current report no. 2/2017.

No other changes of the structure of ownership of any significant packages of the Company's shares took place in the period since the previous quarterly report was submitted.

16. OSOBY MANAGERS AND SUPERVISORS OF THE COMPANY – CHANGES IN THE NUMBER OF OWNED SHARS OR SHARE OPTIONS IN THE PERIOD SINCE SUBMISSION OF THE PREVIOUS QUARTERLY REPORT

Specification of ownership of Boryszew S.A. shares or rights by Company's Management Board.



Management Board of Boryszew S.A.	Shares held as at the date of publication of the previous quarterly report	Changes in share holding purchase / (sale)	Shares held as at the date of publication of this report
Aleksander Baryś	3 000	-	3 000

No other members of the Management Board or the Supervisory Board of Boryszew S.A. hold the Company's shares or share options.

17. PROCEEDINGS BEFORE A COURT, ARBITRATION BODY OR PUBLIC ADMINISTRATION AUTHORITY

As on the date of preparation of this report, Boryszew S.A. and other companies of Boryszew Capital Group were not a party to any litigation proceedings before any court, whichever body competent in conducting arbitration procedures or whichever body of public administration, where the total value of such amounts in litigation would amount to at least 10% of Boryszew S.A. equity.

18. ONE OR MORE SIGNIFICANT TRANSACTIONS CONCLUDED BY THE COMPANY OR ITS SUBSIDIARY WITH RELATED ENTITIES

Transactions between subsidiaries mainly include commercial transactions concluded between companies of the Capital Group with regard to sale or purchase of traded goods and products of typical, conventional nature for the Group's operations, concluded as arm's length transactions.

TRANSACTIONS OF NON-TRADE NATURE BETWEEN RELATED PARTIES:

LOANS GRANTED BY BORYSZEW S.A.

Company	Date of agreement	Repayment date	Loan amount as per the agreement	Amount to be repaid	Currency	Amount to be repaid as translated into PLN	Interest
Theysohn Kunststoff GmbH	30.08.2011	31.12.2017	400 000	400 000	EUR	1 687 920	3M EURIBOR + margin
Boryszew Kunststofftechnik Deutschland GmbH	01.09.2011	31.12.2017	3 000 000	2 249 652	EUR	9 493 082	3M EURIBOR + margin
	02.08.2011	31.12.2017	14 500 000	14 371 899	EUR	60 646 540	3M EURIBOR + margin
	10.12.2012	31.12.2017	2 400 000	2 150 000	EUR	9 072 570	3M EURIBOR + margin
	10.07.2013	31.12.2017	10 000 000	10 000 000	EUR	42 198 000	3M EURIBOR + margin
	21.08.2014	31.12.2017	10 000 000	7 060 426	EUR	29 793 585	3M EURIBOR + margin
	31.08.2016	31.12.2017	2 800 000	310 000	EUR	1 308 138	3M EURIBOR + margin
	03.11.2016	30.11.2017	512 000	200 000	EUR	843 960	3M EURIBOR + margin
	24.11.2014	31.12.2017	6 500 000	6 500 000	PLN	6 500 000	WIBOR 3M + margin
Boryszew Oberflächentechnik	09.12.2016	30.04.2017	3 000 000	3 000 000	EUR	12 659 400	3M EURIBOR + margin



Boryszew Capital Group
Condensed consolidated interim report for quarter I 2017 prepared according
to IAS 34 adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Deutschland GmbH	19.12.2016	30.06.2017	3 000 000	3 000 000	EUR	12 659 400	3M EURIBOR + margin
	29.03.2017	30.06.2017	3 300 000	2 100 000	EUR	8 861 580	3M EURIBOR + margin
BRS YMOS GmbH	17.01.2013	31.12.2017	500 000	500 000	EUR	2 109 900	3M EURIBOR + margin
	13.03.2015	31.12.2017	150 000	150 000	EUR	632 970	3M EURIBOR + margin
	07.06.2016	31.12.2017	460 000	460 000	EUR	1 941 108	3M EURIBOR + margin
	27.06.2016	31.12.2017	240 000	240 000	EUR	1 012 752	3M EURIBOR + margin
Boryszew Deutschland	02.07.2014	31.12.2017	1 000 000	1 000 000	EUR	4 219 800	3M EURIBOR + margin
	22.09.2014	31.12.2017	10 000 000	6 349 000	EUR	26 791 510	3M EURIBOR + margin
Boryszew Automotive Plastics Sp. z o.o.	03.09.2015	31.12.2017	8 000 000	834 733	PLN	834 733	WIBOR 3M + margin
	23.09.2015	31.12.2017	2 800 000	2 800 000	EUR	11 815 440	WIBOR 3M + margin
	27.01.2017	31.12.2017	325 350	325 350	PLN	325 350	WIBOR 3M + margin
Polish Wind Holding	14.09.2015	31.12.2017	1 100 000	1 100 000	PLN	1 100 000	WIBOR 3M + margin
	20.12.2016	31.12.2017	550 000	550 000	PLN	550 000	WIBOR 3M + margin
Boryszew HR Service Sp. z o.o.	10.02.2016	29.02.2017	170 000	35 895	EUR	151 470	EURIBOR 1M + margin
MAFMEX S. de R.L. de C.V.	18.11.2015	30.06.2020	689 772	689 772	EUR	2 910 700	EURIBOR 1M + margin
	19.02.2016	30.06.2020	1 695 000	1 695 000	EUR	7 152 561	EURIBOR 1M + margin
	14.09.2016	30.06.2020	1 046 712	1 046 712	EUR	4 416 915	EURIBOR 1M + margin
	16.12.2016	30.06.2020	568 516	568 516	EUR	2 399 023	EURIBOR 1M + margin
	23.12.2016	31.12.2022	448 337	448 337	EUR	1 891 891	EURIBOR 1M + margin
Maflow Polska Sp. z o.o.	14.06.2016	31.12.2019	1 000 000	1 000 000	EUR	4 219 800	EURIBOR 1M + margin
	22.11.2016	31.12.2019	1 000 000	150 050	EUR	633 181	EURIBOR 1M + margin
Total to be repaid					PLN	270 833 280	

The sum of the abovementioned loans granted by Boryszew SA does not include the interest accrued as at 31.03.2017.



LOANS GRANTED BY IMPEXMETAL S.A.

On 17 March 2017 Impexmetal S.A. granted a loan to ZM SILESIA S.A. based in Katowice in the amount of PLN 10 000 000, with repayment on 30 September 2017.

The interest was determined on the arm's length basis.

EXTENSION OF REPAYMENT DATE FOR LOANS GRANTED BY IMPEXMETAL S.A.

On 31 March 2017 Impexmetal S.A. extended the repayment date of the following loans granted to Boryszew S.A. until 31 March 2018:

- loan of PLN 30 000 000 granted on 16 June 2015,
- loan of PLN 100 000 000 granted on 2 July 2015,
- loan of PLN 3 000 000 granted on 7 September 2015,
- loan of PLN 5 000 000 granted on 17 July 2014.

ACQUISITION OF BONDS ISSUED BY BORYSZEW S.A.

- On 2 December 2017 Hutmen S.A. based in Warsaw acquired 15 A5 series registered bonds with nominal value of PLN 1 000 000.00 each. The total nominal value of bonds issued in this series was PLN 15 000 000.00. Bonds redemption date: 31 December 2017.
- On 2 January 2017 S&I S.A. based in St. Sulpice, Switzerland, acquired 1 A6 series registered bond with nominal value of PLN 1 000 000.00. The total nominal value of bonds issued in this series was PLN 1 000 000.00. Bonds redemption date: 31 December 2017.

The bonds mentioned above were acquired on the arm's length basis.

ACQUISITION OF BONDS ISSUED BY SPV BORYSZEW 3 SPÓŁKA Z O.O.

On 2 July 2017 Hutmen S.A. based in Warsaw acquired 5 registered E series registered bond issued by SPV Boryszew 3 Sp. z o.o. with total nominal value of PLN 5 000 000. Bond redemption date: 31 December 2017.

The bonds mentioned above were acquired on the arm's length basis. These bonds replace G series registered bonds issued by SPV Boryszew 3 Sp. z o.o. on 31 December 2015 and acquired by Hutmen S.A.

ACQUISITION OF BONDS ISSUED BY UNIBAX SP. Z O.O.

On 15 March 2017, Boryszew S.A. acquired 1 AW2 series registered bond with a nominal value of PLN 700 000.00, issued by Unibax Sp. z o.o. based in Toruń. Bonds redemption date: 31 December 2018. The bonds mentioned above were acquired on the arm's length basis.

CHANGED DATE OF REPURCHASE OF BONDS ISSUED BY UNIBAX SP. Z O.O.

The date of repurchase of 20 inscribed bonds (10 bonds series EB1 and 10 bonds series EB2) with total face value of PLN 51,235,000.00, subscribed to by Eastside – Bis Spółka z o.o. on November 15, 2016, has been prolonged to 31 July 2017.



(amounts expressed in PLN '000 unless specified otherwise)

19. INFORMATION OF SURETIES AGAINST LOANS AND BORROWING OR ON GUARANTEES GRANTED BY THE COMPANY OR ITS SUBSIDIARIES – IN TOTAL TO ONE ENTITY OR SUBSIDIARY, IF TOTAL VALUE OF SURETIES OR GUARANTIES IS AT 10% OF COMPANY'S EQUITY OR MORE

SURETIES GRANTED BY BORYSZEW S.A.

Entity for which guarantee or surety was issued	Commencement date of guarantee or surety	Subject of liability	Value of guarantee in its currency	Value of guarantee in its currency	Value of guarantee	Expiry date of guarantee
			EUR	USD	PLN	
Torlen Sp. z o.o.	12.02.2010	Surety regarding trade liabilities, granted to Polytrade GmbH	520 180		2 195 056	indefinite validity
	24.02.2011	Surety regarding trade liabilities, granted to MB Barter & Trading SA	800 000		3 375 840	indefinite validity
Boryszew Kunststofftechnik Deutschland GmbH	06.09.2012	Guarantee granted to Deutsche Leasing International GmbH valid from 02.01.2013	890 000		3 755 622	02.05.2018
	31.01.2013	Guarantee granted to Commerzbank	5 000 000		21 099 000	indefinite validity
	20.04.2013	Guarantee granted to Hewlett-Packard International Plc.	150 000		632 970	30.04.2018
	23.07.2013	Guarantee issued as security for loans granted by GE Capital Bank AG	992 373		4 187 616	30.08.2021
	04.10.2013	Guarantee issued as security for repayment to ALD AutoLeasing D GmbH	750 000		3 164 850	01.07.2017
	11.12.2013	Guarantee granted to Hewlett-Packard International Plc.	297 500		1 255 391	28.02.2018
	12.03.2014	Guarantee granted to Hewlett-Packard International Plc.	297 500		1 255 391	28.02.2019
	06.06.2014	Guarantee granted to Hewlett-Packard International Plc.	297 500		1 255 391	31.05.2019
	25.09.2014	Guarantee granted to Hewlett-Packard International Plc.	267 750		1 129 851	31.05.2019
	22.01.2015	Guarantee granted to Hewlett-Packard International Plc.	100 000		421 980	31.08.2019
	31.01.2017	Guarantee granted to DNB Bank Polska SA	15 000 000		63 297 000	30.11.2017



Boryszew Capital Group
Condensed consolidated interim report for quarter I 2017 prepared according
to IAS 34 adopted by the European Union

(amounts expressed in PLN '000 unless specified otherwise)

Theysohn Kunststoff GmbH / Theysohn Formenbau GmbH	28.02.2012	Guarantee issued as security for loans granted by Deutsche Bank AG to Theysohn Formenbau and Theysohn Kunststoff	640 000		2 700 672	indefinite validity
Boryszew Oberflächentechnik Deutschland GmbH	26.01.2016	Guarantee for Bank Gospodarstwa Krajowego	21 838 000		92 151 992	31.12.2026
	27.03.2017	Helag Electronic GmbH	200 000		843 960	31.12.2017
Boryszew Plastic RUS	11.07.2013	Guarantee granted to ZAO Hewlett-Packard AO		200 000	789 100	indefinite validity
	27.08.2013	Guarantee granted to RB Leasing Ltd.	449 600		1 897 222	15.06.2019
	30.04.2014	Guarantee granted to ZAO Hewlett-Packard AO		100 000	394 550	indefinite validity
	13.02.2017	Guarantee granted to Volvo Group Trucks Operations	5 000 000		21 099 000	indefinite validity
BRS YMOS GmbH	27.05.2015	Guarantee granted to Wurth Leasing GmbH & Co. KG	309 812		1 307 345	30.11.2020
	15.03.2016	Wurth Leasing GmbH	354 902		1 497 615	15.03.2022
Boryszew Tensho Poland Sp. z o.o.	10.12.2015	Guarantee granted to PGE Obrót S.A.			300 000	indefinite validity
	14.03.2017	Guarantee for liabilities on account of the issue of bonds			41 000 000	indefinite validity
SPV Lakme Investment Sp. z o.o.	19.02.2015	Guarantee granted to ACG 3 Sp. z o.o.			70 000	indefinite validity
Maflow BRS s.r.l.	01.01.2017	Guarantee granted to Evercompounds S.p.A. in respect of repayment of commercial debt	1 000 000		4 219 800	31.12.2017
	01.01.2017	Guarantee granted to Arkema	100 000		421 980	31.12.2017
	01.01.2017	Guarantee granted to CORDTECH INTERNATIONAL SAS	300 000		1 265 940	31.12.2017
	01.01.2017	Guarantee granted to Mehler Engineered Products GmbH for repayment of commercial debts	400 000		1 687 920	31.12.2017
	01.01.2017	Guarantee granted to Softer Spa for repayment of commercial debts	250 000		1 054 950	31.12.2017
	26.04.2016	Banka IFIS	750 000		3 164 850	no time limit
Maflow France Automotive S.A.S.	26.07.2016	Guarantee against a Leasing agreement in favour of Natixs Lease	377 000		1 590 865	no time limit
Maflow do Brasil Ltda,	01.10.2016	Guarantee granted to Schrader International	100 000		421 980	01.10.2017
Boryszew Commodities	19.12.2016	Borealis AG	375 000		1 582 425	31.12.2017
	8.02.2016	BSB Recycling GmbH	2 500 000		10 549 500	31.12.2017
	19.12.2016	Trinseo Europe GmbH	400 000		1 687 920	31.12.2017
	19.12.2016	WMK Plastics GmbH	200 000		843 960	31.12.2017



(amounts expressed in PLN '000 unless specified otherwise)

	30.05.2016	Guarantee granted to Basell Sales and Marketing Company B.V.	1 500 000		6 329 700	31.12.2017
BAP Group companies - customers of Volkswagen AG	16.12.2016	Volkswagen AG	20 000 000		84 396 000	no time limit
Elana Energetyka	01.12.2015	PGE Obrót S.A.			3 000 000	till expiry of obligations
Impexmetal S.A.	01.02.2017	Office of the Marshall of Wielkopolskie Province			5 814 361	31.12.2018
Alchemia S.A.	01.01.2017	Arcelormittal Poland S.A.	6 000 000		25 318 800	31.12.2017
Total guarantees and sureties granted by Boryszew SA			88 407 117	300 000	424 428 363	

No other company of the Capital Group gave any backings or guarantees with value in excess of 10% of total Boryszew S.A. equity.

20. CZYNNIKI FACTORS WHICH MAY INFLUENCE COMPANY'S RESULTS DURING AT LEAST THE NEXT QUARTER

External factors, which may determine the consolidated results of successive quarters, include:

- Global economic situation, including in particular the situation in key sectors of the company's business (automotive and construction) and main markets (the European Union, including Germany);
- Demand for new cars, in particular the products of the VW Group, which is the key customer of the Boryszew Capital Group;
- The quotation level of metals and foreign currency exchange rates which determine the level of working capital and effectiveness of sales for export and for the domestic market. The lower prices for metals may generate additional demand for these products of our Capital Group, which have cheaper substitutes. An example are copper pipes for installations and zinc sheets for roof covers;
- The costs of raw materials, including in particular the price for scrap metal and amounts of bonuses for metals;
- The PLN rates of exchange against foreign currencies; due to a significant share of export sales, which determine the levels of margins in PLN;
- The price of oil and consequently, oil-derived products of organic chemistry – plastics and plastic components used in production of injection systems in cars;
- The cost of power supply media which play a decisive role in the high energy-consuming processing of metals.

The internal factors of importance for the business results of our Group in future periods include:

- Effects of investments in expansion, including in particular investments of Impexmetal S.A. whose production capability in 2017 will reach 100 thousand tons/year.
- Effects of successive investments, subject to in-house examination, including the next stage of development of production capabilities in Aluminium Konin plant.

Effects of received subsidies for projects in NPA Skawina (Multiex – an innovative technology for production of functional products based on aluminium) and in Group member companies which apply for certificates of energy-efficiency (while certificates).



21. OTHER INFORMATION CONSIDERED BY THE ISSUER AS SIGNIFICANT FOR THE ASSESSMENT OF ITS SITUATION

No other information, beyond that presented in this consolidated report for Q1 ' 2017 is identified by the Company as significant for assessment of its situation in Human Resources, Property, Finance, Company's financial result and changes thereof, and information of importance for assessment of its capability to fulfil its commitments.

**CONDENSED QUARTERLY REPORT
BORYSZEW S.A.
FOR Q1 '2017**



**STATEMENT OF COMPREHENSIVE INCOME**

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Revenues from sales	384 104	381 565
Cost of sales	324 958	338 930
Gross profit on sales	59 146	42 635
Selling costs	7 148	9 022
General and administrative expenses	26 290	15 097
Other operating revenue	5 384	7 639
Other operating expenses	6 807	5 341
Operating income	24 285	20 814
Financial revenues	4 105	4 330
Financial expenses	15 415	23 134
Financial profit/loss	(11 310)	(18 804)
Profit before taxation	12 975	2 010
Income tax	2 934	457
Net profit	10 041	1 553
Earnings per share		
Weighted average number of shares	232 170 000	233 170 000
Earnings per one share (PLN)	0.04	0.01
Number of shares entitled to dividend	232 170 000	233 170 000
Net profit	10 041	1 553
Earnings recognised in equity		
Earnings recognised in equity, to be transferred to income statement		
Measurement of DDS financial assets	-	(1 523)
Hedge accounting	(2 348)	(1 573)
<i>Income tax</i>	446	588
Earnings recognised in equity, not to be transferred to income statement		
Employee benefit capital reserve	-	-
<i>Income tax</i>	-	-
Total earnings recognised in equity	(1 902)	(2 508)
Total comprehensive income	8 139	(955)

**STATEMENT OF FINANCIAL POSITION**

	As at 31.03.2017	As at 31.12.2016
ASSETS		
Non-current assets		
Property, plant and equipment	272 406	260 785
Investment property	144	144
Intangible assets	27 418	25 915
Investments in subsidiaries and associates	378 504	364 938
Financial assets	17 666	19 036
Deferred tax assets	1 011	-
Long-term receivables	347 717	354 721
Other assets	13 814	14 191
Total non-current assets	1 058 680	1 039 730
Current assets		
Inventory	141 098	134 259
Trade receivables and other receivables	356 373	318 893
Short-term financial assets	30 141	27 108
Derivative financial instruments	276	1 609
Other assets	7 588	6 261
Cash and cash equivalents	56 057	60 932
Total current assets	591 533	549 062
Total assets	1 650 213	1 588 792



(amounts expressed in PLN '000 unless specified otherwise)

LIABILITIES AND EQUITY	As at 31.03.2017	As at 31.12.2016
Equity		
Share capital	248 906	248 906
Treasury shares	(49 518)	(49 518)
Share premium	112 346	112 346
Hedge accounting reserve	(1 858)	44
Reserve on translating employee payables	77	77
Retained earnings	265 933	255 892
Total equity	575 886	567 747
Long-term liabilities and provisions		
Bank credits, loans, bonds	135 919	136 334
Lease liabilities	69 301	67 832
Payables on perpetual usufruct of investment land	61	61
Deferred tax provision	2 103	2 453
Employee benefit provisions	2 471	2 482
Other provisions	5 155	5 156
Other liabilities	3 024	3 151
Long-term liabilities and provisions - total	218 034	217 469
Short-term liabilities and provisions		
Bank credits, loans, bonds	488 502	450 170
Lease liabilities	29 851	27 569
Trade payables and other liabilities	312 893	311 333
Derivative financial instruments	494	-
Current tax liabilities	4 300	-
Employee benefit provisions	9 265	8 097
Other provisions	1 694	1 694
Other liabilities	9 294	4 713
Short-term liabilities and provisions - total	856 293	803 576
Total liabilities	1 074 327	1 021 045
Total equity and liabilities	1 650 213	1 588 792

**CASH FLOW STATEMENT**

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Cash flows from operating activities		
Profit before taxation	12 975	2 010
Adjustments for (+/-)	(12 772)	21 568
Amortisation and depreciation	6 878	8 884
Profit/loss on financial activity (including interest on financial liabilities)	4 725	4 873
Change in receivables	(35 874)	(15 346)
Change in inventories	(6 839)	9 635
Change in liabilities	1 560	17 755
Change in provisions and accruals as well as prepayments	4 660	(4 399)
Other items	12 120	166
Income tax paid	(2)	-
Net cash from operating activities	203	23 578
Cash flows from investment activities		
Proceeds from disposal of shares	-	11 892
Redemption of bonds	(1 663)	-
Payments for property, plant and equipment	(18 485)	(14 207)
Payment for acquisition of shares in capital group entities	(13 566)	-
Long term borrowings granted	-	(17 154)
Other capital expenditure	-	(2 449)
Net cash from investing activities	(33 714)	(21 918)
Cash flows from financial activities		
Proceeds from credit and loan facilities	40 389	21 977
Repayment of credit and loan facilities	(2 256)	(12 075)
Repayment of borrowings	(216)	(945)
Interest paid on loans, bonds...	(3 836)	(4 873)
Payment of liabilities under finance lease agreements	(5 445)	(2 950)
Net cash from financing activities	28 636	1 134
Net change in cash	(4 875)	2 794
Cash opening balance	60 932	22 731
Cash closing balance	56 057	25 525



(amounts expressed in PLN '000 unless specified otherwise)

STATEMENT OF CHANGES IN EQUITY

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Retained earnings	Total equity
As at 01.01.2017	248 906	(49 518)	112 346	44	-	77	255 892	567 747
Valuation of hedge instruments	-	-	-	(1 902)	-	-	-	(1 902)
Profit for Q1 '2017	-	-	-	-	-	-	10 041	10 041
Total comprehensive income for Q1 '2017	-	-	-	(1 902)	-	-	10 041	8 139
As at 31.03.2017	248 906	(49 518)	112 346	(1 858)	-	77	265 933	575 886

	Share capital	treasury shares	Share premium	Hedge accounting	Revaluation reserve	Profit/Loss on restatement of employee benefits	Retained earnings	Total equity
As at 01.01.2016	248 906	(44 411)	112 346	(2 312)	(135)	(42)	252 185	566 537
Valuation of hedge instruments	-	-	-	(1 274)	-	-	-	(1 274)
Valuation of assets available for sale	-	-	-	-	(1 234)	-	-	(1 234)
Profit for Q1 '2016	-	-	-	-	-	-	1 553	1 553
Total comprehensive income for Q1 '2016	-	-	-	(1 274)	(1 234)	-	1 553	(955)
As at 31.03.2016	248 906	(44 411)	112 346	(3 586)	(1 369)	(42)	253 738	565 582



(amounts expressed in PLN '000 unless specified otherwise)

OPERATING SEGMENTS

01.01.2017 -31.03. 2017	Chemical products	Automotive	Metals	Other	Exclusions between segments	Total
Revenues from sales	55 915	180 789	89 645	59 575	(1 820)	384 104
Segment selling costs	45 310	144 151	81 133	55 748	(1 384)	324 958
Gross sales result for the segment	10 605	36 638	8 512	3 827	(436)	59 146
General, administrative and sales expenses	7 506	18 553	3 200	4 615	(436)	33 438
Other operating profit/loss	320	(5 255)	352	3 160	-	(1 423)
Segment profit/loss	3 419	12 830	5 664	2 372	-	24 285
Segment assets	221 968	509 293	162 314	784 112	(27 474)	1 650 213
Segment liabilities	72 132	610 501	105 780	308 675	(27 468)	1 069 620

01.01.2016 -31.03. 2016	Chemical products	Automotive	Metals	Other	Exclusions between segments	Total
Revenues from sales	51 993	153 212	72 751	105 734	(2 125)	381 565
Segment selling costs	42 414	133 172	64 282	101 108	(2 046)	338 930
Gross sales result for the segment	9 579	20 040	8 469	4 626	(79)	42 635
General, administrative and sales expenses	8 867	9 159	3 146	3 027	(80)	24 119
Other operating profit/loss	(156)	696	(120)	1 879	(1)	2 298
Segment profit/loss	556	11 577	5 203	3 478	-	20 814
Segment assets	221 758	417 017	147 310	840 810	(76 496)	1 550 399
Segment liabilities	83 475	545 403	101 330	331 105	(76 496)	984 817



REVENUES FROM SALE BY DESTINATION MARKET

	01.01.2017 - 31.03. 2017	01.01.2016 - 31.03. 2016
Domestic sales	136 453	110 806
Sales to EU countries	230 666	250 826
Sales to other European countries	3 948	9 632
Export outside Europe	13 037	10 301
Total revenues from sale	384 104	381 565

SIGNATURES:

This report was signed at the Company's registered office on 15 May 2017.

Jarosław Michniuk – President of the Management Board _____

Aleksander Baryś – Member of the Management Board _____

Mikołaj Budzanowski – Member of the Management Board _____

Cezary Pyszkowski – Member of the Management Board _____

Piotr Szeliga – Member of the Management Board _____

Elżbieta Słaboń – Chief Accountant _____