



GRUPA PBG

**CURRENT REPORT FILED WITH
THE POLISH FINANCIAL SUPERVISION AUTHORITY**

DATE: February 21st 2017

Subject: [Preliminary, estimated and unaudited consolidated financial data of the Rafako Group for 2016](#)

Text of the report:

Current Report No. 5/2017

The Management Board of RAFAKO S.A. of Racibórz, entered in the business register of the National Court Register under No. 0000034143, (the “**Company**”) announces that following the completion, on February 21st 2017, of financial data aggregation and review for the purposes of the 2016 consolidated financial statements, it has decided to publish selected preliminary consolidated financial data of the Rafako Group for 2016 as the data differs from the consolidated performance figures reported for previous periods.

As at the date of this Current Report, the Company estimated the following preliminary unaudited items of the consolidated statement of profit or loss of the Rafako Group:

- sales revenue for 2016: PLN 1,862.5m (up by PLN 312.4m on 2015),
- gross profit for 2016: PLN 119.0m (down by PLN 8.1m on 2015),
- net profit from continuing operations for 2016: PLN 11.3m (down by PLN 22.7m on 2015).

In the Management Board’s opinion, the lower consolidated net profit earned by the Rafako Group in 2016 is largely a consequence of the following material factors directly relating to the Company’s business:

- a) the Management Board’s decision to adjust the valuation of long-term contracts as at December 31st 2016 following a periodic analysis of costs incurred to perform the contracts and a revision of assumptions regarding future revenue and costs relating to the contracts,
- b) closing of the Voluntary Redundancy Programme for the Company employees, announced in Current Report No. 32/2016 of November 16th 2016, and recognition of a provision for the Company’s liabilities to the employees who participated in the Programme, announced in Current Report No. 1/2016 of January 31st 2017. As announced before, the final amount of liabilities arising in connection with the Programme will be PLN 7.7m and is fully accounted for in the Company’s 2016 results.

In view of the above factors, the Company has also estimated the following preliminary unaudited items of its separate statement of profit or loss:

- sales revenue for 2016: PLN 727.1m (down by PLN 262.2m on 2015),
- gross profit for 2016: PLN 13.6m (down by PLN 68.9m on 2015),
- net loss from continuing operations for 2016: PLN 61.5m (down by PLN 88.1m from the 2015 net profit).

The selected consolidated and separate financial data presented above is preliminary and may differ from the final data which will be published in the 2016 full-year report, to be released on March 21st 2017. The financial data is subject to audit by an independent auditor.

Legal basis: Art. 17.1 of the Market Abuse Regulation – Inside information

Agnieszka Wasilewska-Semail, President of the Management Board
Jarosław Dusiło, Vice President of the Management Board