

CONSOLIDATED BALANCE SHEET

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

| | 31.03.2014 | 31.12.2013 | 31.03.2013 |
|---|----------------|----------------|----------------|
| ASSETS | | | |
| Tangible fixed assets | 170 149 | 172 487 | 183 769 |
| Investment real estate | 3 556 | 3 556 | 3 556 |
| Intangible assets | 21 763 | 22 281 | 24 979 |
| Financial assets | 575 | 575 | 122 |
| Deferred income tax assets | 9 225 | 8 589 | 6 723 |
| Other fixed assets | 136 | 162 | 155 |
| Total fixed assets | 205 404 | 207 650 | 219 304 |
| Stocks | 105 849 | 102 793 | 110 704 |
| Trade accounts receivable | 113 759 | 99 267 | 110 804 |
| Other short-term accounts receivable | 9 559 | 9 001 | 10 564 |
| Income tax assets | 278 | 305 | 439 |
| Active prepayments and accrued income | 3 125 | 691 | 2 919 |
| Financial assets | 2 184 | 835 | 1 224 |
| Cash and cash equivalents | 108 043 | 93 567 | 28 071 |
| Total current assets | 342 797 | 306 459 | 264 725 |
| TOTAL ASSETS | 548 201 | 514 109 | 484 029 |
| LIABILITIES | | | |
| Share capital | 5 376 | 5 376 | 5 304 |
| Capital from issue of managerial options | 0 | 0 | 1 164 |
| Reserve funds | 184 857 | 179 604 | 163 875 |
| Revaluation capital reserve | 71 777 | 71 695 | 71 628 |
| Capital reserves | 2 082 | 2 127 | 3 612 |
| Retained profit | 82 018 | 69 957 | 51 528 |
| Foreign exchange differences from calculation | -1 579 | -17 | 1 072 |
| Equity attributable to shareholders of the Parent Entity | 344 531 | 328 742 | 298 183 |
| Non-controlling interest | 1 178 | 1 672 | 2 320 |
| Total equity | 345 709 | 330 414 | 300 503 |
| Credits and debt securities | 4 401 | 4 639 | 2 029 |
| Provisions | 18 494 | 18 138 | 16 607 |
| Income from future periods | 7 477 | 7 597 | 7 907 |
| Deferred tax provision | 8 757 | 8 734 | 8 355 |
| Other liabilities | 8 | 24 | 165 |
| Total long-term liabilities | 39 137 | 39 132 | 35 063 |
| Credits and debt securities | 57 862 | 56 277 | 49 302 |
| Trade liabilities | 66 294 | 56 178 | 66 031 |
| Financial liabilities | 922 | 140 | 495 |
| Other short-term liabilities | 18 738 | 17 624 | 17 725 |
| Income tax liabilities | 3 535 | 655 | 831 |
| Income from future periods | 707 | 764 | 1 217 |
| Provisions | 15 297 | 12 925 | 12 862 |
| Total short-term liabilities | 163 355 | 144 563 | 148 463 |
| TOTAL LIABILITIES | 548 201 | 514 109 | 484 029 |

CONSOLIDATED PROFIT AND LOSS ACCOUNT

in thousand PLN

| | 01.01.2014 31.03.2014 | 01.01.2013 31.03.2013 |
|--|--------------------------|--------------------------|
| Sales revenue | 170 778 | 159 633 |
| Cost of sales | 132 002 | 129 740 |
| Gross profit on sales | 38 776 | 29 893 |
| Selling cost | 7 140 | 7 340 |
| General and administrative expenses | 8 915 | 9 743 |
| Core business result | 22 721 | 12 810 |
| Other operating income | 1 024 | 865 |
| Other operating expenses | 906 | 245 |
| Operating result | 22 839 | 13 430 |
| Financial income | 2 301 | 984 |
| Financial expenses | 2 887 | 413 |
| Pre-tax profit | 22 253 | 14 001 |
| Income tax | 4 824 | 2 971 |
| <i>of witch</i> | | |
| <i>current</i> | 5 355 | 2 822 |
| <i>deferred</i> | -531 | 149 |
| Net profit | 17 429 | 11 030 |
| | | |
| <i>attributable to shareholders of the Parent Entity</i> | 17 269 | 10 730 |
| <i>attributable to non-controlling interest</i> | 160 | 300 |
| | | |
| Weighted-average number of shares | 26 881 922 | 26 518 632 |
| Earnings per share | 0,64 | 0,40 |
| Weighted-average diluted number of shares | 26 881 922 | 26 881 922 |
| Diluted earnings per share | 0,64 | 0,40 |
| | | |
| Revenue from sales of products | 154 213 | 139 583 |
| Revenue from sales of goods and materials | 14 357 | 17 152 |
| Other revenues | 2 208 | 2 898 |
| Total sales revenue including | 170 778 | 159 633 |
| <i>of witch</i> | | |
| <i>revenue generated locally</i> | 61 385 | 54 903 |
| <i>revenues from foreign contractors</i> | 109 393 | 104 730 |

CONSOLIDATED CASH FLOW STATEMENT

in thousand PLN

| | For the period from 01.01 to 31.03 | |
|--|------------------------------------|---------------|
| | 2014 | 2013 |
| Net profit | 17 269 | 10 730 |
| Total adjustments: | 5 517 | 2 188 |
| – Profit attributable to the non-controlling shareholders | 160 | 300 |
| – Depreciation | 8 592 | 8 778 |
| – Net foreign exchange (gains) losses | -152 | 309 |
| – Net interest and dividends | 261 | 308 |
| – Income tax on profit before taxation | 5 355 | 2 822 |
| – (Gains) losses from investing activities | -866 | -364 |
| – Change in provisions | 2 751 | 2 213 |
| – Change in stocks | -3 056 | -576 |
| – Change in accounts receivable | -14 143 | -19 393 |
| – Change in liabilities | 13 865 | 12 641 |
| – Change in active prepayments and accrued income | -3 220 | -2 591 |
| – Other adjustments | -1 555 | -109 |
| – Income tax paid | -2 475 | -2 150 |
| Net cash from operating activities | 22 786 | 12 918 |
| Income from sales of tangible and intangible fixed assets | 2 238 | 3 179 |
| Acquisition of tangible and intangible fixed assets | -7 455 | -5 628 |
| Other | -4 410 | -3 672 |
| Net cash from investing activities | -9 617 | -6 121 |
| Proceeds from credits taken | 1 266 | 5 213 |
| Issue of debt securities / shares | 0 | 371 |
| Repayment of credits | 80 | -917 |
| Exchange differences | 186 | -235 |
| Interest paid | -258 | -299 |
| Dividend paid to shareholders | 0 | 0 |
| Other | 36 | -37 |
| Net cash from financing activities | 1 310 | 4 096 |
| Change in cash | 14 479 | 10 893 |
| Change in cash resulting from foreign exchange differences | -3 | 2 |
| Cash at beginning of period | 93 567 | 17 176 |
| Change in net cash | 14 476 | 10 895 |
| Cash at end of period | 108 043 | 28 071 |
| <i>including restricted cash</i> | <i>170</i> | <i>144</i> |

BALANCE SHEET OF STOMIL SANOK SA

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

| | 31.03.2014 | 31.12.2013 | 31.03.2013 |
|--|----------------|----------------|----------------|
| ASSETS | | | |
| Tangible fixed assets | 132 020 | 133 211 | 143 513 |
| Investment real estate | 109 | 109 | 109 |
| Intangible assets | 20 990 | 21 468 | 24 234 |
| Financial assets | 34 437 | 33 569 | 30 600 |
| Deferred income tax assets | 7 326 | 6 775 | 5 494 |
| Other fixed assets | 136 | 162 | 154 |
| Total fixed assets | 195 018 | 195 294 | 204 104 |
| Stocks | 67 328 | 67 607 | 66 794 |
| Trade accounts receivable | 105 761 | 92 746 | 114 737 |
| Other short-term accounts receivable | 9 152 | 7 665 | 8 543 |
| Income tax assets | 0 | 0 | 89 |
| Active prepayments and accrued income | 1 969 | 506 | 1 851 |
| Financial assets | 1 415 | 0 | 0 |
| Cash and cash equivalents | 104 545 | 87 121 | 21 735 |
| Total current assets | 290 170 | 255 645 | 213 749 |
| TOTAL ASSETS | 485 188 | 450 939 | 417 853 |
| LIABILITIES | | | |
| Share capital | 5 376 | 5 376 | 5 304 |
| Capital from issue of managerial options | | | 1 164 |
| Reserve funds | 168 096 | 168 096 | 155 786 |
| Revaluation capital reserve | 67 313 | 67 231 | 67 167 |
| Retained profit | 88 569 | 68 225 | 48 015 |
| Total shareholders' equity | 329 354 | 308 928 | 277 436 |
| Credits and debt securities | 0 | 0 | 0 |
| Provisions | 15 031 | 14 758 | 14 210 |
| Income from future periods | 7 433 | 7 554 | 7 860 |
| Deferred tax provision | 7 027 | 6 985 | 7 302 |
| Total long-term liabilities | 29 491 | 29 297 | 29 372 |
| Credits and debt securities | 48 292 | 47 487 | 41 415 |
| Trade liabilities | 48 392 | 41 786 | 48 050 |
| Financial liabilities | 806 | 0 | 371 |
| Other short-term liabilities | 10 386 | 10 015 | 8 872 |
| Income tax liabilities | 3 535 | 617 | 756 |
| Income from future periods | 671 | 745 | 1 182 |
| Provisions | 14 261 | 12 064 | 10 399 |
| Total short-term liabilities | 126 343 | 112 714 | 111 045 |
| TOTAL LIABILITIES | 485 188 | 450 939 | 417 853 |

PROFIT AND LOSS ACCOUNT OF STOMIL SANOK SA

in thousand PLN

| | 01.01.2014 31.03.2014 | 01.01.2013 31.03.2013 |
|---|----------------------------------|----------------------------------|
| Sales revenue | 145 382 | 130 404 |
| Cost of sales | 113 434 | 108 940 |
| Gross profit on sales | 31 948 | 21 464 |
| Selling cost | 3 912 | 4 010 |
| General and administrative expenses | 5 992 | 5 998 |
| Core business result | 22 044 | 11 456 |
| Other operating income | 940 | 439 |
| Other operating expenses | 821 | 209 |
| Operating result | 22 163 | 11 686 |
| Financial income | 4 118 | 995 |
| Financial expenses | 1 124 | 154 |
| Pre-tax profit | 25 157 | 12 527 |
| Income tax | 4 813 | 2 614 |
| <i>of witch</i> | | |
| <i>current</i> | 5 240 | 2 603 |
| <i>deferred</i> | -427 | 11 |
| Net profit | 20 344 | 9 913 |
| Weighted-average number of shares | 26 881 922 | 26 518 632 |
| Earnings per share | 0,76 | 0,37 |
| Weighted-average diluted number of shares | 26 881 922 | 26 881 922 |
| Diluted earnings per share | 0,76 | 0,37 |
| Revenue from sales of products | 142 778 | 126 991 |
| Revenue from sales of goods and materials | 396 | 515 |
| Other revenues | 2 208 | 2 898 |
| Total sales revenue including | 145 382 | 130 404 |
| <i>of witch</i> | | |
| <i>revenue generated locally</i> | 46 853 | 38 967 |
| <i>revenues from foreign contractors</i> | 98 529 | 91 437 |

CASH FLOW STATEMENT OF STOMIL SANOK SA

in thousand PLN

| | For the period from 01.01 to 31.03 | |
|--|------------------------------------|---------------|
| | 2014 | 2013 |
| Net profit | 20 344 | 9 913 |
| Total adjustments: | 4 477 | 5 143 |
| – Depreciation | 7 419 | 7 508 |
| – Net foreign exchange (gains) losses | -152 | 313 |
| – Net interest and dividends | 104 | -207 |
| – Income tax on profit before taxation | 5 240 | 2 603 |
| – (Gains) losses from investing activities | -862 | -273 |
| – Change in provisions | 2 513 | 1 791 |
| – Change in stocks | 279 | 2 719 |
| – Change in accounts receivable | -13 846 | -16 184 |
| – Change in liabilities | 8 816 | 10 482 |
| – Change in active prepayments and accrued income | -2 183 | -1 914 |
| – Other adjustments | -528 | 172 |
| – Income tax paid | -2 323 | -1 867 |
| Net cash from operating activities | 24 821 | 15 056 |
| Income from sales of tangible and intangible fixed assets | 2 234 | 2 913 |
| Income from financial assets | 0 | 300 |
| Other investing cash inflow | 11 | 0 |
| Acquisition of tangible and intangible fixed assets | -7 098 | -5 200 |
| Outflows for financial assets | -868 | -1 907 |
| Other | -2 560 | -3 922 |
| Net cash from investing activities | -8 281 | -7 816 |
| Proceeds from credits taken | 805 | 4 846 |
| Issue of debt securities / shares | 0 | 371 |
| Exchange differences | 186 | -235 |
| Interest paid | -104 | -93 |
| Dividend paid to shareholders | 0 | 0 |
| Net cash from financing activities | 887 | 4 889 |
| Change in cash | 17 427 | 12 129 |
| Change in cash resulting from foreign exchange differences | -3 | -1 |
| Cash at beginning of period | 87 121 | 9 607 |
| Change in net cash | 17 424 | 12 128 |
| Cash at end of period | 104 545 | 21 735 |
| <i>including restricted cash</i> | 149 | 135 |