

POLISH FINANCIAL SUPERVISION AUTHORITY

CURRENT REPORT NO 19/2017

Name of entity:

**Fabryka Obrabiarek RAFAMET S.A.
in Kuźnia Raciborska**

Date of submittal:

11-09-2017

Subject:

Preliminary information on revenue from RAFAMET S.A. sales for the first half of 2017.

Message:

The Issuer Board informs that after preliminary evaluation of RAFAMET S.A. financial results for the first half of 2017 by the independent auditor, the anticipated net income of the Capital Group amounted to - 1.541 thousand PLN against 1.361 thousand PLN accumulated during the similar period in the year 2016 and since the information is valuable to the Capital Group, the Board has deemed it significant.

The financial result was influenced by the strengthening of the local currency in relation to long-term production-commercial contracts of the Capital Group subsidiaries for the day 30.06.2017 (1 EUR = 4,2265 PLN) in comparison to 31.12.2016 (1 EUR = 4,4240 PLN), as well as creation of reserves for unused employee leave of absence and increase of notarial deed for retirement benefits and jubilee awards paid in the amount of 500.000,00 PLN specified in the Company Collective Agreement. Moreover, the financial result was influenced by a decrease in revenue period by circa 700.000,00 PLN due to completed and shipped machine tools waiting for the final installation (decision by purchasers).

The analysis of the contract executions and pre-contractual design tasks after 30.06.2017 and the evaluation based on the knowledge and experience of the Issuer Board allow for the assumption that by the end of 2017 the financial results of the Company and the Capital Group will be positive.

Legal basis:

Article 17, Item 1 MAR– confidential information.

Vice President

Maciej Michalik

President

E. Longin Wons