

CONSOLIDATED

QUARTERLY REPORT

**of the Impexmetal Capital Group
for the third quarter of 2018**

POLISH FINANCIAL SUPERVISION AUTHORITY

Consolidated quarterly report PSr 2018

(in accordance with § 60.2 and § 62.1 of the Ordinance of the Minister of Finance of 29 March 2018 - Journal of Laws No. 2018, item 757)
for the issuers of securities dealing with production, construction, trade or services

for the third quarter of **2018** financial year covering the period from **1 July 2018 to 30 September 2018**
including condensed consolidated financial statements in line with: **IAS/IFRS**

in: **PLN**

and condensed financial statements in line with: **IAS/IFRS**

in: **PLN**

submitted on: **8 November 2017**

IMPEXMETAL S.A.			
(full name of the issuer)			
IMPEXMET		Metal (met)	
(short name of the issuer)		(sector as classified by WSE)	
03-301	Warszawa		
(postal code)	(place)		
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(street)		(number)	
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525-00-03-551		011135378	
(Tax Identification Number - NIP)		(Statistical number - REGON)	

	in PLN'000		In EUR'000	
SELECTED FINANCIAL DATA	1.01. – 30.09.2018	1.01. – 30.09.2017	1.01. – 30.09.2018	1.01. – 30.09.2017
Data for the interim condensed CONSOLIDATED financial statements				
I. Sales revenue	2 566 590	2 545 049	603 407	597 907
II. Operating profit (loss)	170 619	156 350	40 113	36 731
III. Gross profit (loss) before tax	193 816	151 501	45 566	35 592
IV. Net profit (loss) from continuing operations attributable to equity of the parent	147 569	115 626	34 694	27 164
V. Net profit (loss)	156 527	124 944	36 800	29 353
VI. Net profit (loss) attributable to equity of the parent	149 355	117 091	35 113	27 508
VII. Net cash flows from operating activities	127 794	97 634	30 044	22 937
VIII. Net cash flows from investing activities	(131 203)	(95 098)	(30 846)	(22 341)
IX. Net cash flows from financing activities	(23 966)	9 597	(5 634)	2 255
X. Total net cash flows	(27 375)	12 133	(6 436)	2 850
XI. Number of shares without possessed treasury shares in the amount of 565 335 units as at 30.09.2018 and 10 060 000 units as at 30.09.2017	189 434 665	189 940 000	189 434 665	189 940 000
XII. Net profit (loss) / diluted net profit (loss) of the parent per ordinary share (in PLN/EUR)	0,79	0,62	0,19	0,14
XIII. Weighted average number of shares without possessed treasury shares	189 877 452	190 312 246	189 877 452	190 312 246
XIV. Net profit (loss) / diluted net profit (loss) of the parent per ordinary share/weighted no of shares (in PLN/EUR)	0,79	0,62	0,18	0,14
	2018-09-30	2017-12-31	2018-09-30	2017-12-31
XV. Assets	2 958 578	2 802 770	692 648	671 982
XVI. Long term liabilities	257 797	278 221	60 354	66 705
XVII. Short term liabilities	792 110	724 313	185 445	173 659
XVIII. Equity	1 890 934	1 780 213	442 697	426 817
XIX. Equity attributable to equity holders of the parent	1 598 262	1 494 274	374 178	358 262
XX. Share capital	89 928	94 661	21 054	22 696
XXI. Number of shares without possessed treasury shares in the amount of 565 335 units as at 30.09.2018 and as at 31.12.2017	189 434 665	189 940 000	189 434 665	189 940 000
XXII. Book value / diluted book value per share of the parent (in PLN/EUR)	8,44	7,87	1,98	1,89
data for the interim condensed financial statements				
	1.01. - 30.09.2018	1.01. - 30.09.2017	1.01. - 30.09.2018	1.01. - 30.09.2017
I. Sales revenue	936 379	864 263	220 143	203 041
II. Operating profit (loss)	121 332	89 414	28 525	21 006
III. Gross profit (loss) before tax	131 396	91 175	30 891	21 420
IV. Net profit (loss)	111 305	77 817	26 168	18 281
V. Net cash flows from operating activities	30 066	54 508	7 069	12 806
VI. Net cash flows from investing activities	(48 166)	(16 156)	(11 324)	(3 796)
VII. Net cash flows from financing activities	19 309	(41 621)	4 540	(9 778)
VIII. Total net cash flows	1 209	(3 269)	284	(768)
IX. Number of shares without possessed treasury shares	189 434 665	189 940 000	189 434 665	189 940 000
X. Net profit (loss) / diluted profit (loss) per ordinary share (in PLN/EUR)	0,59	0,41	0,14	0,10
XI. Weighted average number of ordinary shares without possessed treasury shares	189 877 452	190 312 246	189 877 452	190 312 246
XII. Net profit (loss) / diluted profit (loss) of the parent per share / weighted no of shares (in PLN/EUR)	0,59	0,41	0,14	0,10
	2018-09-30	2017-12-31	2018-09-30	2017-12-31
XIII. Assets	1 719 495	1 588 211	402 560	380 784
XIV. Long term liabilities	174 205	207 746	40 784	49 808
XV. Short term liabilities	328 693	228 097	76 952	54 688
XVI. Equity	1 216 597	1 152 368	284 824	276 288
XVII. Share capital	89 928	94 661	21 054	22 696
XVIII. Number of shares without possessed treasury shares	189 434 665	189 940 000	189 434 665	189 940 000
XIX. Book value / diluted book value per one share (in PLN/EUR)	6,42	6,07	1,50	1,45



CONDENSED INTERIM CONSOLIDATED

QUARTERLY REPORT

**of the Impexmetal Capital Group
for the third quarter of 2018**


**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	2 252 523	2 230 592
Revenue from sales of goods and materials	314 067	314 457
Total revenue from sales	2 566 590	2 545 049
Cost of products sold	2 014 217	2 019 767
Value of goods and materials sold	278 610	269 415
Cost of products, goods and materials sold	2 292 827	2 289 182
Gross profit (loss) on sales	273 763	255 867
Selling expenses	57 333	58 409
General and administrative costs	55 129	56 396
Other operating revenue	17 374	18 943
Other operating expenses	8 056	3 655
Operating profit (loss)	170 619	156 350
Financial revenue	31 555	31 107
Financial expenses	21 600	37 647
Share in profit of affiliated entity (*)	13 242	1 691
Profit (loss) before tax	193 816	151 501
Income tax	38 368	27 109
Net profit (loss) from continuing operations	155 448	124 392
Attributable to:		
Equity holders of the parent	147 569	115 626
Minority shareholders	7 879	8 766
Net profit (loss) from discontinued operations	1 079	552
Net profit (loss)	156 527	124 944
Attributable to:		
Equity holders of the parent	149 355	117 091
Minority shareholders	7 172	7 853
Net profit (loss) per share attributable to equity holders of the parent (in PLN)	0,79	0,62
Diluted profit (loss) per ordinary share	0,79	0,62
Net profit (loss) from continuing operations per share attributable to equity holders of the parent (in PLN)	0,78	0,61
Diluted profit (loss) from continuing operations per ordinary share	0,78	0,61
Net profit (loss) from discontinued operations per share attributable to equity holders of the parent (in PLN)	0,01	0,01
Diluted profit (loss) from discontinued operations per ordinary share	0,01	0,01


**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Net profit (loss)	156 527	124 944
Income recognized in capital to be classified on the financial result	4 800	(4 310)
Exchange differences on translation of foreign operations	2 389	(5 976)
Instruments hedging the cash flows	2 763	1 298
Deferred income tax regarding income in capital	(352)	368
Income recognized in capital not to be classified on the financial result	(46 484)	21 516
Profit / loss of financial instruments	(57 388)	26 562
Valuation of pension and similar benefits	-	-
Deferred income tax regarding income recognised in capital	10 904	(5 046)
Income recognized in net capital	(41 684)	17 206
Total comprehensive income	114 843	142 150
Attributable to:		
Equity holders of the parent	107 435	133 413
Minority shareholders	7 408	8 737

**CONSOLIDATED PROFIT AND LOSS ACCOUNT - discontinued operations
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	43	95
Revenue from sales of goods and materials	-	-
Total revenue from sales	43	95
Cost of sold products	49	104
Value of goods and materials sold	-	-
Cost of products, goods and materials sold	49	104
Gross profit (loss) on sales	(6)	(9)
Selling expenses	-	-
General and administrative costs	-	-
Other operating revenue	3 070	2 207
Other operating expenses	1 915	1 592
Operating profit (loss)	1 149	606
Financial revenue	4	95
Financial expenses	74	149
Profit (loss) before tax	1 079	552
Deferred income tax	-	-
Net profit (loss) from discontinued operations	1 079	552
Attributable to:		
Equity holders of the parent	1 786	1 465
Minority shareholders	(707)	(913)


**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 3 months ended 30/09/2018	For 3 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	733 957	733 002
Revenue from sales of goods and materials	96 144	106 587
Total revenue from sales	830 101	839 589
Cost of products sold	657 883	656 273
Value of goods and materials sold	76 535	92 109
Cost of products, goods and materials sold	734 418	748 382
Gross profit (loss) on sales	95 683	91 207
Selling expenses	19 720	19 092
General and administrative costs	19 018	21 770
Other operating revenue	4 703	10 033
Other operating expenses	3 146	(2 642)
Operating profit (loss)	58 502	63 020
Financial revenue	16 816	8 186
Financial expenses	1 341	16 120
Share in profit of affiliated entity (*)	3 791	1 867
Profit (loss) before tax	77 768	56 953
Income tax	15 859	8 398
Net profit (loss) from continuing operations	61 909	48 555
Attributable to:		
Equity holders of the parent	57 608	43 474
Minority shareholders	4 301	5 081
Net profit (loss) from discontinued operations	862	1 307
Net profit (loss)	62 771	49 862
Attributable to:		
Equity holders of the parent	58 518	44 660
Minority shareholders	4 253	5 202
Net profit (loss) per share attributable to equity holders of the parent (in PLN)	0,31	0,24
Diluted profit (loss) per ordinary share	0,31	0,24
Net profit (loss) from continuing operations per share attributable to equity holders of the parent (in PLN)	0,30	0,23
Diluted profit (loss) from continuing operations per ordinary share	0,30	0,23
Net profit (loss) from discontinued operations per share attributable to equity holders of the parent (in PLN)	0,01	0,01
Diluted profit (loss) from discontinued operations per ordinary share	0,01	0,01


**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 3 months ended 30/09/2018	For 3 months ended 30/09/2017
Net profit (loss)	62 771	49 862
Income recognized in capital to be classified on the financial result	13 662	(20 958)
Exchange differences on translation of foreign operations	(1 484)	520
Instruments hedging the cash flows	18 536	(26 959)
Deferred income tax regarding income in capital	(3 390)	5 481
Income recognized in capital not to be classified on the financial result	(14 162)	(14 641)
Profit / loss of financial instruments	(17 484)	(18 075)
Deferred income tax regarding income recognised in capital	3 322	3 434
Income recognized in net capital	(500)	(35 599)
Total comprehensive income	62 271	14 263
Attributable to:		
Equity holders of the parent	57 103	9 505
Minority shareholders	5 168	4 758

**CONSOLIDATED PROFIT AND LOSS ACCOUNT – discontinued operations
FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 3 months ended 30/09/2018	For 3 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	10	38
Revenue from sales of goods and materials	-	-
Total revenue from sales	10	38
Cost of products sold	10	41
Value of goods and materials sold	-	-
Cost of products, goods and materials sold	10	41
Gross profit (loss) on sales	-	(3)
Selling expenses	-	-
General and administrative costs	-	-
Other operating revenue	1 196	1 679
Other operating expenses	327	457
Operating profit (loss)	869	1 219
Financial revenue	3	95
Financial expenses	10	7
Profit (loss) before tax	862	1 307
Deferred income tax	-	-
Net profit (loss) from discontinuing operations	862	1 307
Attributable to:		
Equity holders of the parent	910	1 186
Minority shareholders	(48)	121

**CONSOLIDATED BALANCE SHEET****PREPARED AS AT 30 SEPTEMBER 2018 AND AS AT 31 DECEMBER 2017**

	30/09/2018	31/12/2017
ASSETS		
Non-current assets		
Fixed asset in kind	716 921	644 153
Investment property	141 691	189 597
Intangible assets	13 952	15 064
Goodwill	48 184	48 579
Investments in controlled entities	304 697	279 674
Shares at fair value	69 295	124 950
Long-term bonds	299 807	256 656
Long-term loans	106 756	106 756
Deferred tax assets	2 665	2 739
Receivables and other long-term assets	2 109	1 275
Total non-current assets	1 706 077	1 669 443
Current assets		
Inventories	597 164	598 685
Trade and other receivables	487 674	343 062
Shares at fair value	33	50
Short-term bonds	4 686	2 529
Short-term loans	48 724	41 169
Derivative financial instruments	23 810	33 750
Income tax receivables	37	963
Other assets	7 452	3 990
Cash and cash equivalents	80 826	107 507
Total current assets	1 250 406	1 131 705
Held-for-sale assets (HMN Szopienice S.A. in liquidation)	2 095	1 622
Total assets	2 958 578	2 802 770



CONSOLIDATED BALANCE SHEET – cont.

	30/09/2018	31/12/2017
EQUITY AND LIABILITIES		
Equity		
Share capital	89 928	94 661
Treasury shares (negative value)	(2 226)	(34 690)
Supplementary capital due to issue of shares above their face value	28 867	28 867
Capital related to hedge accounting	14 124	11 949
Capital from revaluation of retirement benefits and similar	(584)	(584)
Capital from revaluation of assets	(25 871)	20 613
Exchange differences on translation of controlled entities	9 861	8 002
Retained earnings, including:	1 484 163	1 365 456
Reserve capital	500 000	125 867
Profit of the equity holders of the parent in the current year	149 355	76 949
Equity attributable to equity holders of the parent	1 598 262	1 494 274
Equity attributable to minority shareholders	292 672	285 939
Total equity	1 890 934	1 780 213
Long-term liabilities and provisions for liabilities		
Loans and bank credit facilities	156 921	174 764
Provisions on liabilities due to retirement and similar benefits	5 654	6 176
Deferred tax liabilities	70 872	76 802
Other long-term provisions	3 767	3 421
Other liabilities including:	11 373	8 745
Other equity and liabilities	9 210	8 313
Total long-term liabilities and provisions	257 797	278 221
Short-term liabilities and provisions for liabilities		
Trade and other liabilities	377 169	318 651
Loans and bank credit facilities	305 801	288 870
Derivative financial instruments	7 815	20 716
Current tax liabilities	18 945	17 338
Provisions on liabilities due to retirement and similar benefits	7 532	9 412
Other short-term provisions	68 655	65 864
Other equity and liabilities	6 193	3 462
Total short-term liabilities and provisions for liabilities	792 110	724 313
Total liabilities	1 049 907	1 002 534
Liabilities related to held-for-sale assets (*)	17 737	20 023
Total equity and liabilities	2 958 578	2 802 770

(*) Discontinued operations of HMN Szopienice S.A. in liquidation.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	Capital attributable to equity holders of the parent										
	Share capita	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to assets revaluation	Total	Exchange differences on translation of foreign operations	Retained profits	Capitals attributable equity holders of the parent	Capitals attributable to minority shareholders	Total
As at 1 January 2018	94 661	(34 690)	28 867	11 949	20 613	(584)	8 002	1 365 456	1 494 274	285 939	1 780 213
Comprehensive income for 9 months of 2018	-	-	-	2 175	(46 484)	-	2 389	149 355	107 435	7 408	114 843
Buyback	-	(1 986)	-	-	-	-	-	-	(1 986)	-	(1 986)
Capital due to consolidation (change of ownership)	-	-	-	-	-	-	(530)	(931)	(1 461)	(675)	(2 136)
Redemption of treasury shares	(4 733)	34 450	-	-	-	-	-	(29 717)	-	-	-
Dividend payment	-	-	-	-	-	-	-	-	-	-	-
As at 30 September 2018	89 928	(2 226)	28 867	14 124	(25 871)	(584)	9 861	1 484 163	1 598 262	292 672	1 890 934

	Capital attributable to equity holders of the parent										
	Share capital	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to assets revaluation	Total	Exchange differences on translation of foreign operations	Retained profits	Capitals attributable equity holders of the parent	Capitals attributable to minority shareholders	Total
As at 1 January 2017	94 661	(25 960)	28 867	(4 180)	7 532	(80)	16 986	1 290 637	1 408 463	292 107	1 700 570
Comprehensive income in 2017	-	-	-	16 129	13 081	(504)	(8 984)	76 949	96 671	(12 487)	84 184
Buyback	-	(8 730)	-	-	-	-	-	-	(8 730)	-	(8 730)
Capital due to consolidation (change of stake's structure)	-	-	-	-	-	-	-	(2 130)	(2 130)	6 588	4 458
Dividend payment	-	-	-	-	-	-	-	-	-	(269)	(269)
As at 31December 2017	94 661	(34 690)	28 867	11 949	20 613	(584)	8 002	1 365 456	1 494 274	285 939	1 780 213

	Capital attributable to equity holders of the parent										
	Share capital	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to assets revaluation	Total	Exchange differences on translation of foreign operations	Retained profits	Capitals attributable equity holders of the parent	Capitals attributable to minority shareholders	Total
As at 1 January 2017	94 661	(25 960)	28 867	(4 180)	7 532	(80)	16 986	1 290 637	1 408 463	292 107	1 700 570
Comprehensive income for 9 months of 2017	-	-	-	778	21 516	-	(5 972)	117 091	133 413	8 737	142 150
Buyback	-	(8 730)	-	-	-	-	-	-	(8 730)	-	(8 730)
Capital due to consolidation (change of stake's structure)	-	-	-	-	-	-	-	-	-	1 074	1 074
Dividend payment	-	-	-	-	-	-	-	-	-	(144)	(144)
As at 30 September 2017	94 661	(34 690)	28 867	(3 402)	29 048	(80)	11 014	1 407 728	1 533 146	301 774	1 834 920

(**) Treasury shares in purchased price, purchased for redemption or further re-sale in the amount of 565 335 units as at 30.09.2018 and 10 060 000 units as at 31.12.2017 and as at 30.09.2017.

**CONSOLIDATED STATEMENT OF CASH FLOWS
 FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Cash flows from operating activities		
Profit (loss) before tax	194 895	152 053
Amortization	48 967	44 934
Profit/loss on financial activities	4 881	(476)
Dividend from profit participation	(8)	-
Profit/loss on investing activities	(33 766)	(14 533)
Changes in working capital:		
(Increase)/decrease in the balance of receivables	(165 427)	(148 675)
(Increase)/decrease in the balance of inventories	(2 423)	(2 544)
(Increase)/decrease in liabilities	100 924	82 863
Provisions and accruals	7 578	1 837
Other items	3 644	(1 350)
Cash generated on operating activities	159 265	114 109
Income tax received/(paid)	(31 471)	(16 475)
Net cash flows on operating activities	127 794	97 634
Cash flows from investing operations		
Proceeds		
Disposal of real fixed assets	6 589	18 556
Disposal of financial assets	44	-
Disposal of bonds	21 000	1 000
Dividends received	8	-
Payment of granted loans	2 985	117
Received interests	6 771	6 431
Payments		
Purchase of fixed assets in kind	(67 474)	(96 105)
Acquisition of subsidiaries	(11 124)	(1 397)
Purchase of financial assets	-	-
Purchase of bonds	(66 502)	(11 000)
Loans granted	(8 500)	(10 000)
Other investing payments	(15 000)	(2 700)
Net cash on investing operations	(131 203)	(95 098)
Cash generated on financial operations		
Proceeds		
Credits and loans	89 019	124 324
Other financial proceeds	5 230	2 126
Payments		
Buyback	(1 986)	(8 730)
Dividends and other payments to owners	-	(144)
Repayment of loans and borrowings	(101 094)	(95 224)
Interest paid	(11 430)	(11 095)
Payments due to financial lease agreements	(1 885)	(1 660)
Other financial payments	(1 820)	-
Net cash on financing operations	(23 966)	9 597
Total net cash flows	(27 375)	12 133
Impact of exchange rate fluctuations on the balance of cash in foreign currencies	632	(1 669)
Change of cash and cash equivalents	(26 743)	10 464
Opening balance of cash and cash equivalents, including:	108 100	93 542
from continuing operations	107 507	93 534
from discontinued operations	593	8
Opening balance of cash in acquired of entities	-	492
Closing balance of cash and cash equivalents, including:	81 357	104 498
from continuing operations	80 826	104 104
from discontinued operations	531	394



**CONSOLIDATED STATEMENT OF CASH FLOWS – discontinued operations
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

Discontinued operations	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Cash flows from operating activities		
Profit (loss) before tax	1 079	552
Adjustments	(3 240)	(2 171)
Net cash flows generated on operating activities	(2 161)	(1 619)
Cash flows from investing activities		
Proceeds	2 299	1 705
Payments	-	-
Net cash flows generated on investing activities	2 299	1 705
Cash flows from financing activities		
Proceeds	-	300
Payments	(200)	-
Net cash flows from financing activities	(200)	300
Change of cash and cash equivalents	(62)	386
Opening balance of cash and cash equivalents	593	8
Closing balance of cash and cash equivalents	531	394



CONDENSED INTERIM

QUARTERLY REPORT

Impexmetal S.A.

for the third quarter of 2018


PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	908 612	837 326
Cost of goods and materials sold	27 767	26 937
Total revenue from sales	936 379	864 263
Cost of products sold	782 689	724 933
Value of goods and materials sold	29 786	30 333
Cost of products, goods and materials sold	812 475	755 266
Gross profit (loss) on sales	123 904	108 997
Selling expenses	27 298	26 189
General and administrative costs	18 711	18 645
Other operating revenue (*)	43 564	25 649
Other operating expenses	127	398
Operating profit (loss)	121 332	89 414
Financial revenue (**)	40 204	99 267
Financial expenses (***)	30 140	97 506
Profit (loss) before tax	131 396	91 175
Income tax	20 091	13 358
Net profit (loss) from continuing operations	111 305	77 817
Discontinued operations		
Net profit (loss) from discontinued operations	-	-
Net profit (loss)	111 305	77 817
Basic/Diluted net profit per ordinary share (in PLN)/ weighted average number of shares	0,59	0,41

(*) Including revenues due to dividend in the period ended on 30.09.2018 in the amount of PLN 41 340 th. and PLN 23 079 th. in the period ended on 30.09.2017.

(**) Including broker activities in the period ended on 30.09.2018 in the amount of PLN 25 909 th. and updated valuation of loss of shares value in the amount of PLN 10 836 th and respectively in 2017 the broker activities was in amount of PLN 91 736 th.

(***) Including broker activity in the period ended 30.09.2018 in the amount of PLN 25 873 th and respectively PLN 91 703 th in 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Net profit (loss)	111 305	77 817
Income recognized in capital to be classified on the financial result	1 394	746
Instruments hedging the cash flows	1 819	783
Deferred income tax regarding income recognized in capital	(425)	(37)
Income recognized in capital not to be classified on the financial result	(46 484)	21 516
Profit/loss on equity instruments	(57 388)	26 562
Revaluation of retirement benefits and similar	-	-
Deferred income tax regarding income recognized in capital	10 904	(5 046)
Income recognized in net capital	(45 090)	22 262
Total comprehensive income	66 215	100 079


**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	For 3 months ended 30/09/2018	For 3 months ended 30/09/2017
Continuing operations		
Revenue from sales of products	303 422	277 875
Cost of goods and materials sold	8 606	8 072
Total revenue from sales	312 028	285 947
Cost of products sold	260 656	240 589
Value of goods and materials sold	9 560	8 946
Cost of products, goods and materials sold	270 216	249 535
Gross profit (loss) on sales	41 812	36 412
Selling expenses	9 396	8 511
General and administrative costs	6 753	7 037
Other operating revenue (*)	13 169	507
Other operating expenses	47	347
Operating profit (loss)	38 785	21 024
Financial revenue (**)	22 597	20 397
Financial expenses (***)	8 463	21 274
Profit (loss) before tax	52 919	20 147
Income tax	9 855	3 949
Net profit (loss) from continuing operations	43 064	16 198
Discontinued operations		
Net profit (loss) from discontinued operations	-	-
Net profit (loss)	43 064	16 198
Basic/Diluted net profit per ordinary share (in PLN)/ weighted average number of shares	0,23	0,09

(*) Including revenues due to dividend in the period ended on 30.09.2018 in the amount of PLN 12 473 th

(**) Including broker activities in the period ended on 30.09.2018 in the amount of PLN 10 637 th. and updated valuation of loss of shares value in the amount of PLN 10 836 th and respectively in 2017 the broker activities was in amount of PLN 91 736 th.

(***) Including broker activity in the period ended 30.09.2018 in the amount of PLN 10 629 th and adjustment valuation of loss shares value in the amount of PLN (3 612) th, and respectively PLN 19 419 th in 2017

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM 1 JULY TO 30 SEPTEMBER 2017 AND FOR 2018, RESPECTIVELY**

	For 3 months ended 30/09/2018	For 3 months ended 30/09/2017
Net profit (loss)	43 064	16 198
Income recognized in capital to be classified on the financial result	8 106	(17 797)
Instruments hedging the cash flows	9 835	(22 486)
Revaluation of retirement benefits and similar	-	-
Deferred income tax regarding income recognized in capital	(1 729)	4 689
Income recognized in capital not to be classified on the financial result	(14 162)	(14 920)
Profit/loss on equity instruments	(17 484)	(18 420)
Revaluation of retirement benefits and similar	-	-
Deferred income tax regarding income recognized in capital	3 322	3 500
Income recognized in net capital	(6 056)	(32 717)
Total comprehensive income	37 008	(16 519)

Figures in PLN '000 unless stated otherwise.



BALANCE SHEET
PREPARED AS AT 30 SEPTEMBER 2018 AND AS AT 31 DECEMBER 2017

	30/09/2018	31/12/2017
ASSETS		
Non-current assets		
Fixed asset in kind	353 742	341 111
Investment property	5 062	5 062
Intangible assets	1 936	2 297
Goodwill	2 122	2 122
Investments in controlled entities	615 752	602 681
Shares at fair value	69 215	124 870
Long-term loans	106 756	106 756
Receivables and other long-term assets	299	72
Total non-current assets	1 154 884	1 184 971
Current assets		
Inventories	294 666	218 108
Trade and other receivables	194 394	107 339
Shares at fair value	-	-
Short-term loans	48 710	41 464
Derivative financial instruments	20 780	32 167
Income tax receivables	-	-
Other assets	2 621	1 931
Cash and cash equivalents	3 440	2 231
Total current assets	564 611	403 240
TOTAL ASSETS	1 719 495	1 588 211

**BALANCE SHEET – cont.**

	30/09/2018	31/12/2017
EQUITY AND LIABILITIES		
Equity		
Share capital	89 928	94 661
Treasury shares (negative value)	(2 226)	(34 690)
Supplementary capital due to issue of shares above their face value	28 576	28 576
Capital related to hedge accounting	10 112	8 718
Capital from revaluation of assets available to sell	(26 495)	19 989
Capital from revaluation of retirement benefits and similar	30	30
Retained earnings, including:	1 116 672	1 035 084
Reserve capital	500 000	125 867
Net profit of the current year	111 305	73 884
Total equity	1 216 597	1 152 368
Long-term liabilities and provisions for liabilities		
Loans and bank credit facilities	124 782	135 889
Debt securities	-	16 000
Provisions on liabilities due to retirement and similar benefits	2 092	2 092
Deferred tax liabilities	45 413	53 223
Other liabilities	353	315
Other equity	1 565	227
Total long-term liabilities and provisions	174 205	207 746
Short-term liabilities and provisions for liabilities		
Trade and other liabilities	209 854	145 648
Loans and bank credits	81 204	38 659
Derivative financial instruments	6 502	20 978
Debt securities	16 000	7 000
Current income tax receivables	11 560	11 582
Provisions on liabilities due to retirement and similar benefits	1 472	1 369
Other short-term provisions	891	2 796
Other equity	1 210	65
Total short-term liabilities and provisions for liabilities	328 693	228 097
Total liabilities	502 898	435 843
TOTAL EQUITY	1 719 495	1 588 211



**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY**

	Share capital	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to revaluation of retirements benefits and similar	Retained earnings	Total equity
As at 1 January 2018	94 661	(34 690)	28 576	8 718	19 989	30	1 035 084	1 152 368
Comprehensive income for 9 months of 2018	-	-	-	1 394	(46 484)	-	111 305	66 215
Buyback	-	(1 986)	-	-	-	-	-	(1 986)
Redemption of treasury shares	(4 733)	34 450	-	-	-	-	(29 717)	-
As at 30 September 2018	89 928	(2 226)	28 576	10 112	(26 495)	30	1 116 672	1 216 597

	Share capital	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to revaluation of retirements benefits and similar	Retained earnings	Total equity
As at 1 January 2017	94 661	(25 960)	28 576	(2 592)	6 908	296	961 200	1 063 089
Comprehensive income for 12 months of 2017	-	-	-	11 310	13 081	(266)	73 884	98 009
Buyback	-	(8 730)	-	-	-	-	-	(8 730)
As at 31 December 2017	94 661	(34 690)	28 576	8 718	19 989	30	1 035 084	1 152 368

	Share capital)	Treasury shares (*)	Supplementary capital due to issue of shares above their face value	Capital related to hedge accounting	Capital due to revaluation of assets available to sell	Capital due to revaluation of retirements benefits and similar	Retained earnings	Total equity
As at 1 January 2017	94 661	(25 960)	28 576	(2 592)	6 908	296	961 200	1 063 089
Comprehensive income for 9 months of 2017	-	-	-	746	21 516	-	77 817	100 079
Buyback	-	(8 730)	-	-	-	-	-	(8 730)
As at 30 September 2017	94 661	(34 690)	28 576	(1 846)	28 424	296	1 039 017	1 154 438

(*)Treasury shares in purchased price, purchased for redemption or further re-sale in the amount of 7 424 000 units as at 30.09.2016 and 7 210 000 units as at 31.12.2015 and 30.09.2015.

Figures in PLN '000 unless stated otherwise.



STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 1 JANUARY TO 30 SEPTEMBER 2018 AND FOR 2017, RESPECTIVELY

	For 9 months ended 30/09/2018	For 9 months ended 30/09/2017
Cash flows from operating activities		
Profit (loss) before tax	131 396	91 175
Amortization	28 443	26 177
Profit/loss on financial activities	4 414	(1 430)
Dividend from profit participation	(41 340)	(23 079)
Profit/loss on investing activities	(15 420)	(6 782)
Changes in working capital:		
(Increase)/decrease in the balance of trade receivables	(67 808)	(61 796)
(Increase)/decrease in the balance of inventories	(76 558)	3 313
(Increase)/decrease in liabilities	80 679	37 086
Provisions and accruals	4 974	3 046
Other	(1 270)	(1 771)
Cash generated on operating activities	47 510	65 939
Income tax received/(paid)	(17 444)	(11 431)
Net cash flows on operating activities	30 066	54 508
Cash flows from investing operations		
Proceeds		
Disposal of real fixed assetss	830	1 015
Disposal of subsidiary	-	-
Disposal of financial assets	-	8 876
Dividend received	22 074	20 750
Disposal of bonds	-	-
Repayment of granted loans	3 185	10 117
Retained interests	1 958	2 609
Payments		
Purchase of fixed assets in kind	(41 489)	(38 076)
Purchase of subordinated entites	(2 236)	(1 397)
Purchase of financial assets	(8 988)	-
Granted loans	(8 500)	(20 050)
Other	(15 000)	-
Net cash flows on investing operations	(48 166)	(16 156)
Cash flows from financing operations		
Proceeds		
Credit and loans	42 526	61 800
Subsidies received	3 330	-
Payments		
Buyback	(1 986)	(8 730)
Payments of credits and loans	(11 539)	(84 048)
Redemption of debt securities	(7 000)	(5 000)
Payment of liabilities arising from financial leases	(196)	(159)
Interests paid	(4 006)	(5 484)
Return of unused down payment	(1 820)	-
Net cash flows from financing operations	19 309	(41 621)
Total net cash flows	1 209	(3 269)

Figures in PLN '000 unless stated otherwise.



Impexmetal S.A.

Additional information to the Condensed interim semi-annual report for the period from 1 January till 30 September 2016

Impact of exchange rate fluctuations on the balance of cash in foreign currencies	-	-
Change of cash and cash equivalents	1 209	(3 269)
Opening balance of cash and cash equivalents	2 231	3 561
Closing balance of cash and cash equivalents	3 440	292
- limited availability	3 004	-