



**CAPITAL GROUP OF GRUPA KĘTY S.A.**

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THREE QUARTERS OF 2015  
ENDED ON 30 SEPTEMBER 2015 PREPARED PURSUANT TO THE INTERNATIONAL  
FINANCIAL REPORTING STANDARDS**

**Consolidated quarterly report QSr 3/2015**

(Pursuant to § 82 Clause 2 and § 83 Clause 3 of the Minister of Finance's Ordinance of 19 February 2009 – Journal of Laws No. 33 item 259, as amended) for issuers of securities involved in production, construction, trade or provision of services for three quarters of the financial year 2015 covering the period from 01.01.2015 to 30.09.2015, comprising the interim condensed consolidated financial statements pursuant to IAS 34 in the Polish currency (PLN) and the interim condensed financial statements pursuant to IAS 34 in the Polish currency (PLN).

22 October 2015

(delivery date)

<b>GRUPA KĘTY SPÓŁKA AKCYJNA</b>	
(Issuer's full name)	
<b>KĘTY</b>	<b>Metal (met)</b>
<small>(Issuer's short name)</small>	<small>(sector according to the WSE classification / industry)</small>
<b>32-650</b>	<b>Kęty</b>
<small>(postal code)</small>	<small>(town/city)</small>
<b>Kościuszki</b>	<b>111</b>
<small>(street)</small>	<small>(building number)</small>
<b>33 844 60 00</b>	<b>33 845 30 93</b>
<small>(telephone number)</small>	<small>(fax number)</small>
<b>kety@grupakety.com</b>	<b>www.grupakety.com</b>
<small>(e-mail)</small>	<small>(website)</small>
<b>549-000-14-68</b>	<b>070614970</b>
<small>(Tax ID Number - NIP)</small>	<small>(Statistical ID Number - REGON)</small>

## SELECTED FINANCIAL FIGURES

Figures concerning the consolidated financial statements pursuant to the IFRS				
ITEMS OF THE INCOME STATEMENT, COMPREHENSIVE INCOME AND CASH FLOW STATEMENT	in '000' PLN		in '000' EUR	
	3 quarters of 2015	3 quarters of 2014	3 quarters of 2015	3 quarters of 2014
Net sales revenue	1 501 968	1 340 615	361 180	321 067
Profit on operating activities	194 975	191 148	46 886	45 778
Profit before tax	183 981	175 903	44 242	42 127
Net profit	158 110	145 616	38 021	34 874
Net profit (loss) attributable to the parent's shareholders	158 110	145 616	38 021	34 874
Total net income (loss)	152 136	144 641	36 584	34 640
Total net income (loss) attributable to the parent's shareholders	152 136	144 641	36 584	34 640
Net cash flow from operating activities	165 976	183 022	39 912	43 832
Net cash flow from investing activities	-159 925	-73 416	-38 457	-17 583
Net cash flow from financing activities	-649	-121 520	-156	-29 103
Total net cash flow	5 402	-11 914	1 299	-2 853
Net earnings of the parent's shareholders per an ordinary share (in PLN/EUR)	16.79	15.54	4.04	3.72
Diluted net earnings of the parent's shareholders per an ordinary share (in PLN/EUR)	16.77	15.52	4.03	3.72
<b>BALANCE SHEET ITEMS</b>	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
Total assets	1 973 377	1 797 508	465 573	421 723
Liabilities and provisions for liabilities	746 198	594 276	176 048	139 426
Long-term liabilities	165 490	107 118	39 044	25 132
Short-term liabilities	580 708	487 158	137 005	114 295
Equity of the parent's shareholders	1 227 179	1 203 232	289 525	282 296
Share capital	67 505	67 352	15 926	15 802
Number of shares	9 441 988	9 393 538	9 441 988	9 393 538
Book value per share (in PLN/EUR)	129.97	128.09	30.66	30.05
Diluted book value per share (in PLN/EUR)	129.91	127.67	30.65	29.95
Dividend per share – declared or paid (in PLN/EUR)	0.00	14.41	0.00	3.38
Figures concerning the separate financial statements pursuant to the IFRS				
ITEMS OF THE INCOME STATEMENT, COMPREHENSIVE INCOME AND CASH FLOW STATEMENT	in '000' PLN		in '000' EUR	
	3 quarters of 2015	3 quarters of 2014	3 quarters of 2015	3 quarters of 2014
Net sales revenue	635 005	521 869	152 700	124 984
Profit on operating activities	144 672	115 132	34 789	27 573
Profit before tax	143 502	111 417	34 508	26 684
Net profit	138 723	109 835	33 359	26 305
Total net income	134 528	114 857	32 350	27 507
Net cash flow from operating activities	189 000	118 786	45 449	28 448
Net cash flow from investing activities	-52 479	-16 828	-12 620	-4 030
Net cash flow from financing activities	-116 019	-96 811	-27 899	-23 185
Total net cash flow	20 502	5 147	4 930	1 233
Earnings per ordinary share (in PLN/EUR)	14.73	11.72	3.54	2.81
Diluted earnings per ordinary share (in PLN/EUR)	14.71	11.70	3.54	2.80
<b>BALANCE SHEET ITEMS</b>	<b>30.09.2015</b>	<b>31.12.2014</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
Total assets	1 002 195	974 701	236 445	228 680
Liabilities and provisions for liabilities	281 193	260 039	66 341	61 009
Long-term liabilities	79 969	73 429	18 867	17 228
Short-term liabilities	201 224	186 610	47 474	43 782
Equity	721 002	714 662	170 104	167 671
Share capital	67 505	67 352	15 926	15 802
Number of shares	9 441 988	9 393 538	9 441 988	9 393 538
Book value per share (in PLN/EUR)	76.36	76.08	18.02	17.85
Diluted book value per share (in PLN/EUR)	76.33	75.83	18.01	17.79
Dividend per share – declared or paid (in PLN/EUR)	0.00	14.41	0.00	3.38

The above financial figures for three quarters of 2015 and of 2014 were translated into EUR as follows:

- assets and liabilities – at the average exchange rate of the National Bank of Poland (NBP) as at 30.09.2015 – 4.2386 PLN/EUR and as at 31.12.2014 – 4.2623 PLN/EUR;

- the items of the income statement, of the statement of comprehensive income and of the cash flow statement – at the exchange rate being an arithmetic mean of the exchange rates of the NBP for the last two days of each month: 3 quarters of 2015 - 4.1585 PLN/EUR; 3 quarters of 2014 – 4.1755 PLN/EUR.

I. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS.....	3
INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT .....	3
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	4
INTERIM CONDENSED CONSOLIDATED BALANCE SHEET .....	5
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY.....	7
INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT .....	8
COMPLEMENTARY INFORMATION AND EXPLANATIONS .....	10
1. General information .....	10
2. Group composition .....	11
3. Basis for the preparation of the interim condensed consolidated financial statements .....	12
4. Significant accounting principles (policy) .....	12
5. Areas of estimates .....	12
6. Seasonal nature of operations .....	13
7. Information on business segments .....	13
8. Cash and cash equivalents .....	15
9. Dividends paid and proposed for payment.....	15
10. Income tax expense .....	16
11. Property, plant and equipment .....	16
11.1. Purchase and sale .....	16
11.2. Impairment losses .....	16
12. Revaluation write-downs for goodwill .....	16
13. Short-term receivables.....	16
14. Inventories.....	17
15. Provisions and accruals .....	17
16. Interest-bearing bank loans and lease obligations .....	18
17. Equity securities.....	19
18. Trade and other liabilities .....	20
19. Explaining the reasons for material changes in items of revenue and costs .....	21
20. Discontinued operations.....	21
21. Business combinations.....	21
22. Investments in associates.....	22
23. Objectives and principles of financial risk management.....	22
24. Capital management .....	22
25. Contingent liabilities .....	23
26. Contractual liabilities related to the purchase of property, plant and equipment.....	23
27. Derivative financial instruments.....	23
28. Shareholding structure and transactions with the management staff .....	24
28.1. Shareholding structure .....	24
28.2. Transactions with Members of the Management Board.....	24
28.3. The costs of the remunerations of the Group's top management.....	24
28.4. Participation of the top management in the employee shares programme .....	25
29. Shares issue and capital increase.....	25
30. Fair value measurement techniques (fair value hierarchy) .....	25
31. Earnings per share.....	26
32. Events after the reporting period.....	26
II. INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS.....	27
INTERIM CONDENSED INCOME STATEMENT .....	27
INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME .....	28
INTERIM CONDENSED BALANCE SHEET.....	29
INTERIM CONDENSED CASH FLOW STATEMENT.....	30
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY .....	31
COMPLEMENTARY INFORMATION AND EXPLANATIONS .....	32
1. General information .....	32
2. Basis for the preparation of the interim condensed separate financial statements .....	32
3. Significant accounting principles (policy) .....	32

**Complementary information and explanations to these interim consolidated financial statements form their integral part**

4. Areas of estimates .....	32
5. Seasonal nature of operations .....	33
6. Information on business segments .....	33
7. Investments in subsidiaries.....	33
8. Changes in the Company's organisational structure .....	33
9. Cash and cash equivalents .....	33
10. Dividends paid and proposed for payment.....	33
11. Income tax expense .....	34
12. Property, plant and equipment .....	34
12.1. Purchase and sale .....	34
13. Trade and other receivables.....	34
14. Inventories.....	35
15. Provisions and accruals .....	35
16. Interest-bearing bank loans .....	36
17. Share options for the management staff.....	36
18. Trade and other liabilities .....	37
19. Explaining the reasons for material changes in items of revenue and costs .....	37
20. Financial instruments.....	38
21. Objectives and principles of financial risk management.....	38
22. Capital management .....	38
23. Contingent liabilities and assets .....	38
24. Contractual liabilities related to the purchase of property, plant and equipment.....	39
25. Related party transactions .....	39
25.1. Transactions with Members of the Management Board.....	40
25.2. Remunerations of the Company's top management .....	40
25.3. Participation of the top management in the employee shares programme .....	40
26. Issue of shares.....	41
27. The methods of the measurement at fair value of financial instruments disclosed at fair value (fair value hierarchy).....	41
28. Earnings per share.....	41
29. Impairment losses for interests.....	42
30. Events after the reporting period.....	42

## I. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2015 (not audited)	3 months ended on 30.09.2014 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Total operating income, including:</b>		<b>542 765</b>	<b>1 513 837</b>	<b>493 747</b>	<b>1 351 048</b>
Sales revenue	7	541 101	1 501 968	489 019	1 340 615
Other operating income		1 664	11 869	4 728	10 433
Change of inventories of finished goods and work in progress		3 140	11 379	16 477	23 947
Cost of manufacturing products for own needs		2 789	8 482	2 387	7 766
<b>Total operating costs, including:</b>		<b>(468 197)</b>	<b>(1 338 723)</b>	<b>(430 990)</b>	<b>(1 191 613)</b>
Depreciation/Amortisation		(23 876)	(67 305)	(21 383)	(61 040)
Materials, energy and the value of sold trade goods and materials		(327 531)	(933 288)	(301 000)	(821 925)
External services		(42 930)	(118 155)	(37 133)	(103 240)
Taxes and charges		(3 310)	(10 187)	(3 088)	(9 005)
Employee benefits		(65 092)	(193 908)	(59 899)	(175 647)
Other operating costs		(5 458)	(15 880)	(8 487)	(20 756)
<b>Profit on operating activities</b>		<b>80 497</b>	<b>194 975</b>	<b>81 621</b>	<b>191 148</b>
Finance income		260	693	426	1 200
Finance costs		(3 717)	(11 433)	(5 359)	(16 445)
Share of net profit of entities accounted for using the equity method		(2)	(254)	0	0
<b>Profit before tax</b>		<b>77 038</b>	<b>183 981</b>	<b>76 688</b>	<b>175 903</b>
Income tax expense	10	(11 617)	(25 871)	(14 478)	(30 287)
<b>Net profit on continuing operations</b>		<b>65 421</b>	<b>158 110</b>	<b>62 210</b>	<b>145 616</b>
Attributable to non-controlling shareholders		0	0	0	0
<b>Attributable to the parent's shareholders</b>		<b>65 421</b>	<b>158 110</b>	<b>62 210</b>	<b>145 616</b>
Net earnings per share for the parent's shareholders (in PLN)	31				
Basic		6.85	16.79	6.63	15.54
Diluted		6.85	16.77	6.63	15.52

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2015 (not audited)	3 months ended on 30.09.2014 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Net profit for the period</b>	<b>65 421</b>	<b>158 110</b>	<b>62 210</b>	<b>145 616</b>
<b>Other comprehensive income*:</b>	<b>(2 890)</b>	<b>(5 974)</b>	<b>1 361</b>	<b>(975)</b>
Cumulative translation adjustment	2	(86)	(165)	(6 563)
Valuation of cash flow hedging instruments	(3 442)	(5 733)	517	3 224
Result from cash flow hedge	(7)	(1 245)	1 124	3 244
Income tax related to other comprehensive income	557	1 090	(115)	(880)
<b>Comprehensive income for the period</b>	<b>62 531</b>	<b>152 136</b>	<b>63 571</b>	<b>144 641</b>
Comprehensive income attributable to:				
Non-controlling shareholders	0	0	0	0
<b>Parent's shareholders</b>	<b>62 531</b>	<b>152 136</b>	<b>63 571</b>	<b>144 641</b>

*\*All items of other comprehensive income, when certain conditions are met in further periods, will be reclassified to profit or losses.*

## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET

ASSETS	Note	30.09.2015 (not audited)	31.12.2014 (audited)
<b>I. Non-current assets</b>		<b>1 100 059</b>	<b>1 016 520</b>
Property, plant and equipment	11	904 597	851 945
Intangible assets		63 093	52 839
Goodwill	12	17 561	17 561
Investment properties		12 572	12 398
Interests in entities measured using the equity method	22	0	240
Other investments		11	11
Other receivables		6 742	7 252
Advance payments for the purchase of property, plant and equipment		30 599	10 190
Deferred income tax assets		64 884	64 084
<b>II. Current assets</b>		<b>873 318</b>	<b>780 988</b>
Inventories	14	333 013	308 483
Current tax receivables		3 644	2 162
Trade and other receivables	13	463 450	401 896
Short-term investments		69	87
Derivative financial instruments	27	1 310	1 930
Cash and cash equivalents	8	71 832	66 430
<b>Total assets</b>		<b>1 973 377</b>	<b>1 797 508</b>



## INTERIM CONDENSED CONSOLIDATED BALANCE SHEET (cont.)

EQUITY AND LIABILITIES	Note	30.09.2015 (not audited)	31.12.2014 (audited)
<b>I. Equity</b>		<b>1 227 179</b>	<b>1 203 232</b>
Share capital		67 505	67 352
Share premium	29	22 043	14 512
Capital from the issue of non-registered shares	29	0	1 601
Capital from share based payments		13 045	11 244
Result from cash flow hedging transactions		194	1 438
Capital from the valuation of hedging instruments		(5 119)	(475)
Capital from the valuation of property, plant and equipment		3 174	3 174
Retained earnings		1 153 945	1 131 908
Cumulative translation adjustment		(27 608)	(27 522)
<b>Equity attributable to the parent's shareholders</b>		<b>1 227 179</b>	<b>1 203 232</b>
Equity of non-controlling shareholders		0	0
<b>II. Long-term liabilities</b>		<b>165 490</b>	<b>107 118</b>
Liabilities due to borrowings and finance lease	16	76 256	23 307
Other liabilities		2 078	1 981
Provisions	15	2 664	760
Provisions due to employee benefits	15	5 799	5 799
Subsidies		37 399	38 897
Deferred income tax liability		41 294	36 374
<b>III. Short-term liabilities</b>		<b>580 708</b>	<b>487 158</b>
Liabilities due to borrowings and finance lease	16	254 298	211 855
Income tax liabilities		10 540	10 191
Trade and other liabilities	18	286 949	237 653
Provisions and accruals	15	18 780	22 844
Derivative financial instruments	27	8 053	2 523
Subsidies		2 088	2 092
<b>Total equity and liabilities</b>		<b>1 973 377</b>	<b>1 797 508</b>

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to the parent's shareholders

	Share capital	Share premium	Non-registered capital from the issue of shares	Capital from share based payments	Result from cash flow hedging transactions	Capital from the valuation of hedging instruments	Capital from the valuation of property, plant and equipment	Retained earnings	Cumulative translation adjustment	Equity of the parent's shareholders	Equity of non-controlling shareholders	Total equity
<b>Equity as of 1 January 2015</b> (audited)	67 352	14 512	1 601	11 244	1 438	(475)	3 174	1 131 908	(27 522)	1 203 232	0	1 203 232
Comprehensive income for the period:	0	0	0	0	(1 244)	(4 644)	0	158 110	(86)	152 136	0	152 136
<i>Net profit for the period</i>	0	0	0	0	0	0	0	158 110	0	158 110	0	158 110
<i>Other comprehensive income</i>	0	0	0	0	(1 244)	(4 644)	0	0	(86)	(5 974)	0	(5 974)
Share based payments	0	0	0	1 801	0	0	0	0	0	1 801	0	1 801
Dividend payment	0	0	0	0	0	0	0	(136 073)	0	(136 073)	0	(136 073)
Issue of shares	153	7 531	(1 601)	0	0	0	0	0	0	6 083	0	6 083
<b>Equity as of 30 September 2015</b> (not audited)	67 505	22 043	0	13 045	194	(5 119)	3 174	1 153 945	(27 608)	1 227 179	0	1 227 179
<b>Previous year</b>												
<b>Equity as of 1 January 2014</b> (audited)	67 138	4 563	3 479	10 230	(835)	(623)	3 382	1 058 788	(20 744)	1 125 378	0	1 125 378
Comprehensive income for the period:	0	0	0	0	2 994	2 594	0	145 616	(6 563)	144 641	0	144 641
<i>Net profit for the period</i>	0	0	0	0	0	0	0	145 616	0	145 616	0	145 616
<i>Other comprehensive income</i>	0	0	0	0	2 994	2 594	0	0	(6 563)	(975)	0	(975)
Share based payments	0	0	0	811	0	0	0	0	0	811	0	811
Dividend payment	0	0	0	0	0	0	0	(93 815)	0	(93 815)	0	(93 815)
Issue of shares	106	4 975	1 603	0	0	0	0	0	0	6 684	0	6 684
<b>Equity as of 30 September 2014</b> (not audited)	67 244	9 538	5 082	11 041	2 159	1 971	3 382	1 110 589	(27 307)	1 183 699	0	1 183 699

Complementary information and explanations to these interim consolidated financial statements form their integral part

## INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT

Cash flow statement	9 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2014 (not audited)
Cash flow from operating activities		
<b>Profit before tax</b>	<b>183 981</b>	<b>175 903</b>
Adjustments:	69 854	69 941
Share of net profit of entities accounted for using the equity method	254	0
Depreciation/Amortisation	67 305	61 040
Creation/(reversal) of revaluation write-downs	176	64
Profit from net currency translation differences	(1 246)	315
(Profit) / loss from the sale of property, plant and equipment	(64)	(397)
Interest and share of profits	3 448	4 926
Proceeds/(expenses) related to hedging instruments charged to equity	(1 244)	3 244
Share based payments	1 801	811
Valuation of currency forwards/futures	415	0
Negative goodwill	(613)	0
Other items (net)	(378)	(62)
<b>Cash flow from operating activities before the change of working capital</b>	<b>253 835</b>	<b>245 844</b>
Change in inventories	(24 530)	(45 432)
Change in net receivables	(61 044)	(53 845)
Change in short-term liabilities, except for loans	27 259	62 663
Change in provisions	(2 160)	(2 313)
Change in deferred income	(1 502)	(1 568)
<b>Net cash generated from operating activities</b>	<b>191 858</b>	<b>205 349</b>
Tax paid	(25 882)	(22 327)
<b>Net cash from operating activities</b>	<b>165 976</b>	<b>183 022</b>
Cash flow from investing activities		
(+) Proceeds:	403	892
Sale of intangible assets and property, plant and equipment	385	892
Other proceeds	18	0
(-) Expenses:	(160 328)	(74 308)
Acquisition of intangible assets and property, plant and equipment	(148 126)	(69 734)
Expenditure on acquisitions of other entities	(12 202)	(4 163)
Acquisition of shares in an associate	0	(330)
Other expenses	0	(81)
<b>Net cash from investing activities</b>	<b>(159 925)</b>	<b>(73 416)</b>
Cash flow from financing activities		
(+) Proceeds:	165 895	66 313

**Complementary information and explanations to these interim consolidated financial statements form their integral part**

CAPITAL GROUP OF GRUPA KĘTY S.A.  
Consolidated Financial Statements for the period from 1 January 2015 to 30 September 2015 (in '000' PLN)

Net proceeds from the issue of shares	7 685	6 684
Proceeds from borrowings	158 208	59 629
Proceeds from the issue of debt securities	2	0
(-) Expenses:	(166 544)	(187 833)
Dividends and other payments to owners	(101 029)	(93 808)
Repayments of borrowings	(61 987)	(88 928)
Redemption of debt securities	(1)	0
Finance lease rentals	(116)	(71)
Interest	(3 411)	(5 026)
<b>Net cash from financing activities</b>	<b>(649)</b>	<b>(121 520)</b>
<b>Total net cash flow:</b>	<b>5 402</b>	<b>(11 914)</b>
- change in cash due to currency translation differences	0	0
<b>Cash and cash equivalents at the beginning of the period</b>	<b>66 430</b>	<b>75 121</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>71 832</b>	<b>63 207</b>

## COMPLEMENTARY INFORMATION AND EXPLANATIONS

### 1. General information

These interim condensed consolidated financial statements of Grupa Kęty S.A. cover the period of 9 months ended on 30.09.2015 and provide comparative data with regard to the period of 9 months ended on 30.09.2014.

The said financial statements were not reviewed or audited by the certified auditor. The statement of comprehensive income and the income statement as well as the notes to the statement of comprehensive income and to the income statement contain additional data for the period of 3 months ended on 30.09.2015 and comparable data for the period of 3 months ended on 30.09.2014. The data were not reviewed or audited by the certified auditor.

The Capital Group of Grupa Kęty S.A. ('the Group') comprises the parent company, namely Grupa Kęty S.A. ('the parent', 'the parent company', 'the Company') and its subsidiaries (see note 2).

Grupa Kęty S.A. is incorporated in Poland with its registered office located in Kęty, at ul. Kościuszki 111; it is entered into the Register of Entrepreneurs under No. **KRS 0000121845**;

It was assigned its tax identification number (**NIP**): **549-000-14-68** as well as its statistical number (**REGON**): **070614970**.

The parent company is listed under No. **ISIN PLKETY000011** at Warsaw Stock Exchange and classified in the metal sector.

The effective period of the operation of the parent company as well as of the entities included in the Capital Group is indefinite.

The Group's basic range of activity includes manufacturing, trade and the rendering of services related to the processing of aluminium and its alloys; the production and sale of aluminium systems for the construction industry and activities related to their assembly; the production of materials for plastic and paper packaging, including trade, supply, marketing and other brokerage.

## 2. Group composition

The Group comprises Grupa Kęty S.A. as well as the following subsidiaries:

Company name	Registered office	Core business	Parent company	Stake in the basic capital as at 30.09.2015	Stake in the basic capital as at 31.12.2014	Date of control take-over	Reporting segment
Alupol Packaging S.A.	Tychy, Poland	Production of and trade in plastic packaging	Grupa Kęty S.A.	100,00%	100,00%	04/1998	FPS
Aluprof S.A.	Bielsko-Biała, Poland	Manufacture of construction woodwork	Grupa Kęty S.A.	100,00%	100,00%	06/1998	ASS
Alutech Sp. z o.o. w likwidacji	Kęty, Poland	Production, trade and provision of services	Grupa Kęty S.A.	100,00%	100,00%	03/1999	Other
Dekret Centrum Rachunkowe Sp. z o.o.	Kęty, Poland	Accounting and bookkeeping services	Grupa Kęty S.A.	100,00%	100,00%	09/1999	Other
Alu Trans System Sp. z o.o.	Wrocław, Poland	Production activity	Grupa Kęty S.A.	100,00%	100,00%	04/2000	Other
Aluprof Hungary Kft.	Dunakeshi, Hungary	Sale of aluminium systems	Aluprof S.A.	100,00%	100,00%	07/2000	ASS
Metalplast-Stolarka Sp. z o.o.	Goeszów, Poland	Production and assembly of woodwork	Grupa Kęty S.A.	100,00%	100,00%	07/2000	BSS
Alupol LLC	Borodianka, Ukraine	Manufacture of aluminium profiles	Grupa Kęty S.A.	100,00%	100,00%	12/2004	EPS
Aluprof Deutschland GmbH	Schwanewede, Germany	Sale of aluminium systems	Aluprof S.A.	100,00%	100,00%	02/2005	ASS
Aluprof System Romania SRL	Bucharest, Romania	Sale of aluminium systems	Aluprof S.A.	100,00%	100,00%	05/2005	ASS
Aluprof System Czech s.r.o.	Ostrava, Czech Republic	The sale of window and door joinery from aluminium and PVC	Aluprof S.A.	100,00%	100,00%	05/2005	ASS
Aluprof UK Ltd.	Altrincham, UK	Sale of aluminium systems	Aluprof S.A.	100,00%	100,00%	05/2006	ASS
ROMB S.A.	Złotów, Poland	Production and provision of services	Aluprof S.A.	100,00%	100,00%	04/2007	BAS
Alupol Packaging Kęty Sp. z o.o.	Kęty, Poland	Production of and trade in plastic packaging	Alupol Packaging S.A.	100,00%	100,00%	05/2009	FPS
Aluform Sp. z o.o.	Tychy, Poland	Production and trade	Grupa Kęty S.A.	100,00%	100,00%	06/2009	EPS
Aluprof System Ukraina Sp. z o.o.	Kiev, Ukraine	Trade – sale of steel systems	Aluprof S.A.	100,00%	100,00%	11/2009	ASS
Aluprof Serwis Sp. z o.o.	Bielsko-Biała, Poland	Logistics and transport	Aluprof S.A.	100,00%	100,00%	01/2012	ASS
Grupa Kęty Italia s.r.l.	Milan, Italy	Trading intermediation	Grupa Kęty S.A.	100,00%	100,00%	5/2014	EPS
Marius Hansen Facader A/S	Viborg, Denmark	Production and assembly of woodwork	Aluprof S.A.	100,00%	100,00%	6/2014	ASS
Aluprof System USA, Inc	Wilmington, USA	Distribution of aluminium systems for the building industry	Aluprof S.A.	100,00%	100,00%	7/2014	ASS
Alupol Films Sp. z o.o.	Kęty, Poland	Production and trade	Alupol Packaging Kęty Sp. z o.o.	100,00%	100,00%	12/2014	FPS
Aluprof Schelfhaut N.V.	Dendermonde, Belgium	Sale of aluminium systems	Aluprof S.A.	100,00%	-	6/2015	ASS

As of the balance sheet date and previous balance sheet date, the Group's share in the total number of votes in subsidiaries equalled the Group's share in the equity of these entities. Associates are described in note 22.

### **3. Basis for the preparation of the interim condensed consolidated financial statements**

These interim condensed consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ('IFRS'), including IAS 34.

IFRS comprise standards and interpretations adopted by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC').

These interim condensed consolidated financial statements have been prepared with regard to the Polish zloty (PLN) and all values, unless otherwise specified, are provided in thousands of PLN.

These interim condensed consolidated financial statements have been prepared based on the going concern assumption for the Group's companies in the foreseeable future.

These interim condensed consolidated financial statements were approved for publication on 13 August 2015.

As of the day of the approval of these financial statements for publication, there are no circumstances implying any threats to the continuation of the activity by the Group's companies.

These interim condensed consolidated financial statements do not comprise all the information and disclosures required in the annual consolidated financial statements and they should be read together with the Group's consolidated financial statements for the year ended on 31 December 2014.

The Management Board of Grupa Kęty S.A. hereby declares that, according to their best knowledge, these interim condensed consolidated financial statements and comparable data were prepared according to the Group's accounting principles in force and they present a true and fair view of the financial standing, assets and financial result of the Group.

### **4. Significant accounting principles (policy)**

Accounting principles (policy) applied for the preparation of these interim condensed consolidated financial statements are consistent with the ones applied for the preparation of the annual consolidated financial statements of the Group for the year ended on 31 December 2014,

In these interim condensed consolidated financial statements, the significant judgments of the Management Board as regards the accounting principles (policy) applied by the Group and the main sources of uncertainty estimates were the same as those described in the Consolidated Financial Statements for 2014.

From 1 January 2015, the Group must apply the following standards and interpretations:

- Annual improvements to IFRSs – 2011-2013 Cycle, introducing small amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*, IFRS 3 *Business Combinations*, IFRS 13 *Fair Value Measurement* and IAS 40 *Investment Property*.
- IFRIC 21 *Levies*.

By the date of the publication of these financial statements, the application of the aforementioned amendments has been approved by the European Union.

The application of the aforementioned amendments did not materially affect the Group's accounting policy or these financial statements.

### **5. Areas of estimates**

The main accounting estimates and the assumptions adopted have been provided in the applicable notes to the financial statements:

- estimates concerning revaluation write-downs for inventories are presented in note 14
- estimates and assumptions concerning revaluation write-downs for receivables are presented in note 13
- estimates concerning revaluation write-downs for goodwill are presented in note 12
- estimates concerning provisions and accruals are presented in note 15
- estimates concerning the deferred income tax asset are presented in note 10
- estimates concerning the valuation of the impairment of assets in Ukraine
- estimates concerning the measurement of the fair value of held assets and liabilities

As regards the estimates concerning the valuation of long-term construction contracts, the Group applies the percentage of completion method for the settlement of long-term contracts. The application of this method requires the Group to estimate the proportion of the works already completed to the total budgeted costs. If the percentage of completion was higher by 5% than the percentage estimated by the Company, the revenue for the period would increase by 3,523 thousand PLN (9 months of 2014: 5,558 thousand PLN). If the actual

costs of construction contracts in progress as at the balance sheet date at the time of their completion were higher than the budgeted costs by 1%, gross result would decrease by 965 thousand PLN (30 September 2014: 1,177 thousand PLN).

In the period, there were no other changes in estimates, except for the ones described in the above items.

## 6. Seasonal nature of operations

Due to the breakdown into segments providing services to various customer markets, the following seasonal variations may be observed.

The Flexible Packaging Segment records bigger demand prior to the main holidays i.e. Christmas and Easter, with a minimally higher turnover in the second half of each year (up to 11%).

The Extruded Products Segment (historically from a few to 23% higher sales in the second half of the year), the Aluminium Systems Segment (historically from a dozen or so to 50% higher sales in the second half of the year) and the Building Accessories Segment (historically from a dozen or so to 54% higher sales in the second half of the year) generate the biggest sales in the second half of the year, which is related to the cycle of works in the building industry that is one of more significant markets of customers for these Segments. The Building Services Segment is partially subject to the same factors as the EPS and the ASS, i.e. the cycle of works in the building industry, and the number of implemented contracts.

The seasonality of the sale of the Capital Group – due to the importance of particular segments, the sale in the second half of the year was higher by ca. 11 to 27% (based on historical figures for the last 6 years).

## 7. Information on business segments

The Capital Group's operations comprise five basic operating areas and are divided into:

- Extruded Products Segment (EPS)
- Flexible Packaging Segment (FPS)
- Aluminium Systems Segment (ASS)
- Building Accessories Segment (BAS)
- Building Services Segment (BSS)

The detailed description of the types of operating segments, assigning companies to particular segments and the information on basic economic figures for particular segments have been included in item 4 of the report on the operations of the Issuer's Capital Group published on 17 March 2015 with the consolidated financial statements for 2014.

As compared to the previous annual financial statements, no changes had place as regards the principles of identifying reporting segments.

The Segment's results are assessed on the basis of revenues, EBIT, EBITDA and capital expenditure. EBIT is operating profit. EBITDA is operating profit less amortization/depreciation, and reversal and establishment of impairment losses for non-current assets.

The Group's financing and income tax are managed at the level of the whole Group and are not allocated to operating segments.



CAPITAL GROUP OF GRUPA KĘTY S.A.  
Consolidated Financial Statements for the period from 1 January 2015 to 30 September 2015 (in '000' PLN)

Basic economic figures for the Issuer's segments:

**9 months of 2015:**

Group's business segments	FPS	EPS	ASS	BAS	BSS	Other	Eliminations	Total
Income statement								
Sale	320 286	645 292	608 352	33 365	82 047	20 056	(207 430)	1 501 968
- outside the Group	320 229	476 926	594 048	22 146	76 389	12 230	0	1 501 968
- to other segments	57	168 366	14 304	11 219	5 658	7 826	(207 430)	0
Operating profit (EBIT)	60 553	42 262	97 466	(491)	950	(7 146)	1 381	194 975
Depreciation/Amortisation	13 721	33 556	13 874	3 258	1 292	1 610	(6)	67 305
EBITDA	74 274	75 818	111 340	2 767	2 242	(5 536)	1 375	262 280
Balance sheet								
Segment's assets	558 108	661 768	573 921	60 035	100 082	412 071	(392 608)	1 973 377
Segment's trade liabilities	69 923	44 151	121 586	3 127	25 153	4 411	(85 071)	183 280
Unallocated liabilities (joint)						562 759	159	562 918
Total liabilities	69 923	44 151	121 586	3 127	25 153	567 170	(84 912)	746 198
Other								
Capital expenditure on non-current assets	27 674	54 374	47 892	2 310	496	1 327	(0)	134 073

**Third quarter of 2015:**

Group's business segments	FPS	EPS	ASS	BAS	BSS	Other	Eliminations	Total
Income statement								
<b>Sale</b>	109 167	228 490	240 339	13 353	28 013	6 753	(85 014)	541 101
- outside the Group	109 138	164 502	230 877	9 499	23 047	4 038	0	541 101
- to other segments	29	63 988	9 462	3 854	4 966	2 715	(85 014)	0
Operating profit (EBIT)	20 985	19 789	42 434	(87)	854	(1 097)	(2 381)	80 497
Depreciation/Amortisation	4 685	11 599	5 468	1 107	436	582	(1)	23 876
EBITDA	25 670	31 388	47 902	1 020	1 290	(515)	(2 382)	104 373
Other								
Capital expenditure on non-current assets	7 982	15 434	22 336	577	452	759	(0)	47 540

**9 months of 2014:**

Group's business segments	FPS	EPS	ASS	BAS	BSS	Other	Eliminations	Total
Income statement								
Sale	293 780	537 973	512 472	34 555	104 747	21 857	(164 769)	1 340 615
- outside the Group	292 694	402 828	502 573	23 589	104 154	14 777	0	1 340 615
- to other segments	1 086	135 145	9 899	10 966	593	7 080	(164 769)	0
Operating profit (EBIT)	56 146	41 481	95 126	2 786	2 377	(5 998)	(770)	191 148
Depreciation/Amortisation	13 327	29 618	12 137	3 012	1 320	1 633	(7)	61 040
EBITDA	69 473	71 099	107 263	5 798	3 697	(4 365)	(777)	252 188
Balance sheet								
Segment's assets	470 830	653 565	493 218	59 706	89 135	413 270	(391 082)	1 788 642
Segment's trade liabilities	51 910	54 471	104 192	4 495	27 384	6 406	(74 372)	174 486
Unallocated liabilities (joint)						424 460	5 997	430 457
Total liabilities	51 910	54 471	104 192	4 495	27 384	430 866	(68 375)	604 943
Other								
Capital expenditure on non-current assets	23 508	20 222	17 766	1 608	124	2 749	0	65 977

**Third quarter of 2014:**

Group's business segments	FPS	EPS	ASS	BAS	BSS	Other	Eliminations	Total
<b>Income statement</b>								
Sale	99 978	199 823	208 246	14 452	26 813	7 101	(67 394)	489 019
- outside the Group	99 848	144 291	203 631	10 192	26 492	4 565	0	489 019
- to other segments	130	55 532	4 615	4 260	321	2 536	(67 394)	0
Operating profit (EBIT)	21 417	17 854	42 488	1 127	(346)	(808)	(111)	81 621
Depreciation/Amortisation	4 520	10 611	4 225	1 019	440	570	(2)	21 383
EBITDA	25 937	28 465	46 713	2 146	94	(238)	(113)	103 004
<b>Other</b>								
Capital expenditure on non-current assets	19 038	7 896	4 670	627	24	1 314	0	33 569

- the item 'Other' contains figures for the units responsible for the centrally managed areas (IT, finances, PR and IR, risk management, equity investments, HR) and figures of companies not organizationally grouped in core business segments such as Alu Trans System Sp. z o.o., Alutech Sp. z o.o. w likwidacji and Dekret Centrum Rachunkowe Sp. z o.o.

- the segment's assets comprise: non-current assets (except for shares and interests in subsidiaries which are reclassified to 'Other' item), inventories, trade and other receivables (except for public law receivables) and derivative financial instruments.

- the item 'Eliminations' in the income statement contains inter-segmental sale. It is mainly the sale of aluminium profiles from the EPS to the ASS. In the balance sheet, it is mainly the elimination of shares and interests of the parent company in subsidiaries as well as inter-segmental receivables and liabilities.

Transaction prices applied in transactions between operating segments are determined on market terms, as in the case of transactions with unrelated parties.

## 8. Cash and cash equivalents

Cash at bank bears interest at variable interest rates; the level of such rates depends on the interest rate of one-day bank term deposits. Short-term term deposits are made for periods of various lengths from one day to one month depending on the Group's current demand for cash and bear interest at applicable interest rates.

Fair value of cash and cash equivalents is presented in the table below.

	<b>30.09.2015</b> (not audited)	<b>31.12.2014</b> (audited)
Bank deposits (current accounts) and short-term deposits	69 671	64 817
Cash in hand	60	115
Other cash	2 101	1 498
<b>Cash recognised in the balance sheet</b>	<b>71 832</b>	<b>66 430</b>

As at 30 September 2015, the Group held unused granted credit resources amounting to 176,522 thousand PLN (as at 31 December 2014: 180,842 thousand PLN).

## 9. Dividends paid and proposed for payment

The result for the period and consolidated result are not distributed.

Grupa Kęty S.A. allocated for the dividend for 2014 the amount of 136,073 thousand PLN (14.41 PLN per share for 9,441,988 entitled shares).

16 July 2015 was the day of determining the right to dividend. Pursuant to the resolution of the General Meeting of Shareholders, the dividend will be paid in two instalments:

- 5 August – 10.70 PLN per share;

- 4 December – 3.71 PLN per share.

In 2014, from the profit for 2013, Grupa Kęty S.A. paid the dividend amounting to 93,808 thousand PLN (10 PLN per share).

## 10. Income tax expense

Main components of tax deduction are as follows:

<b>Income tax structure</b>	<b>3 months ended on 30.09.2015 (not audited)</b>	<b>9 months ended on 30.09.2015 (not audited)</b>	<b>3 months ended on 30.09.2014 (not audited)</b>	<b>9 months ended on 30.09.2014 (not audited)</b>
Current tax	(12 513)	(25 028)	(10 277)	(24 710)
Deferred income tax	896	(843)	(4 201)	(5 577)
<b>Income tax recognised in the income statement</b>	<b>(11 617)</b>	<b>(25 871)</b>	<b>(14 478)</b>	<b>(30 287)</b>

## 11. Property, plant and equipment

### 11.1. Purchase and sale

Purchase and sale transactions related to property, plant and equipment are presented below.

	<b>9 months ended on 30.09.2015 (not audited)</b>	<b>9 months ended on 30.09.2014 (not audited)</b>
Acquisition of property, plant and equipment	134 073	65 977
Net value of sold property, plant and equipment	461	361
Profit (loss) on the sale of property, plant and equipment	78	438

### 11.2. Impairment losses

In the period of 9 months of 2015, the Group reversed revaluation write-downs for property, plant and equipment amounting to 975 thousand PLN (9 months of 2014 – reversal: 5 thousand PLN). In the aforementioned periods, the Group did not establish revaluation write-downs for property, plant and equipment.

## 12. Revaluation write-downs for goodwill

In the period of 9 months of 2015 and in the period of 9 months of 2014, due to the lack of indicators of impairment, the Group did not write down goodwill from consolidation.

## 13. Short-term receivables

	<b>30.09.2015 (not audited)</b>	<b>31.12.2014 (audited)</b>
Trade receivables	430 535	363 058
Public law receivables (except for the income tax)	3 561	7 065
Down payments (trade-related) for suppliers	4 516	4 307
Receivables from employees	237	164
Prepaid expenses	2 103	2 167
Valuation of construction contracts	17 930	13 547
Settlements related to transactions hedging the aluminium price	2 157	6 136
Other receivables	2 411	5 452
<b>Net receivables</b>	<b>463 450</b>	<b>401 896</b>

In the period of 9 months of 2015, the Group established revaluation write-downs for receivables amounting to 219 thousand PLN (in the period of 9 months of 2014: establishment of write-downs amounting to 5,631 thousand PLN). The created revaluation write-downs have been disclosed in 'Other operating costs'. Fair values of the aforementioned receivables do not differ substantially from their book values.

## 14. Inventories

	30.09.2015 (not audited)	31.12.2014 (audited)
Materials	134 327	124 863
Work in progress	103 107	93 962
Finished products	86 259	84 025
Trade goods	9 320	5 633
<b>TOTAL</b>	<b>333 013</b>	<b>308 483</b>

In the period of 9 months of 2015, the Group established revaluation write-downs for inventories amounting to 278 thousand PLN (in the period of 9 months of 2014: reversal of write-downs amounting to 72 thousand PLN). The amount was recognised in 'Other operating costs'.

## 15. Provisions and accruals

In the reporting period, the Group decreased the result from the revaluation of deferred income tax liabilities and assets by 843 thousand PLN. In addition, in the period, the Group introduced the following changes in the value of provisions:

	As at 01.01.2015	Increases	Utilisation	Currency translation differences	As at 30.09.2015
<b>Long-term provisions</b>	<b>6 559</b>	<b>1 904</b>	<b>0</b>	<b>0</b>	<b>8 463</b>
provision for jubilee bonuses and retirement benefits	5 799	0	0	0	5 799
costs of warranty repairs	760	1 904	0	0	2 664
<b>Short-term provisions and accruals:</b>	<b>22 844</b>	<b>14 074</b>	<b>(18 106)</b>	<b>(32)</b>	<b>18 780</b>
provision for jubilee bonuses and retirement benefits	1 462	0	0	0	1 462
provision for the costs of unused holiday	5 002	4 737	(5 002)	0	4 737
costs of annual bonus	12 020	6 877	(12 020)	4	6 881
environmental protection costs	344	410	(344)	0	410
costs of warranty repairs	50	0	(50)	0	0
costs of damages	2 560	0	0	0	2 560
costs of auditing financial statements	206	19	(208)	0	17
other	1 200	2 031	(482)	(36)	2 713

	As at 01.01.2014	Increases	Utilisation	Currency translation differences	As at 30.09.2014
<b>Long-term provisions</b>	<b>4 558</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4 558</b>
provision for jubilee bonuses and retirement benefits	3 724	0	0	0	3 724
costs of warranty repairs	834	0	0	0	834
<b>Short-term provisions and accruals:</b>	<b>19 584</b>	<b>12 153</b>	<b>(14 351)</b>	<b>(115)</b>	<b>17 271</b>
provision for jubilee bonuses and retirement benefits	1 224	0	0	0	1 224
provision for the costs of unused holiday	3 699	3 703	(3 063)	0	4 339
costs of annual bonus	8 871	7 670	(8 848)	2	7 695
environmental protection costs	707	239	(707)	0	239
costs of damages	2 560	0	0	0	2 560
for costs of auditing financial statements	256	0	(169)	0	87
other	2 267	541	(1 564)	(117)	1 127

## 16. Interest-bearing bank loans and lease obligations

The table below demonstrates the changes in the balances of particular loans in the reporting period.

### Long-term loans:

Borrower	Lender	Loan currency	31.12.2014	Increases (decreases)	30.09.2015
Grupa Kęty S.A.	BGŻ BNP Paribas	PLN	20 904	6 592	27 496
Alupol Packaging S.A.	Bank PKO BP	PLN	2 306	(2 306)	0
Aluprof S.A.	BGŻ BNP Paribas	PLN	0	12 615	28 615
Alupol Packaging Kęty Sp. z o.o.	BGŻ BNP Paribas	PLN	0	20 130	20 130
<b>Total loans</b>			<b>23 210</b>	<b>37 031</b>	<b>76 241</b>
Aluprof Romania	Liabilities due to finance lease	RON	97	(82)	15
<b>Total lease</b>			<b>97</b>	<b>(82)</b>	<b>15</b>
<b>Total long-term loans and lease</b>			<b>23 307</b>	<b>36 949</b>	<b>76 256</b>

CAPITAL GROUP OF GRUPA KĘTY S.A.  
Consolidated Financial Statements for the period from 1 January 2015 to 30 September 2015 (in '000' PLN)

**Short-term loans:**

Borrower	Lender	Loan currency	31.12.2014	Increases (decreases)	30.09.2015
Grupa Kęty S.A.	Bank PKO BP	PLN, EUR, USD	1 682	(911)	771
Grupa Kęty S.A.	BGŻ BNP Paribas	PLN, EUR	18 553	(1 605)	16 948
Grupa Kęty S.A.	ING Bank Polska	EUR, PLN	9	(6)	3
Grupa Kęty S.A.	Bank PeKaO S.A.	EUR, USD, CHF	71 645	(24 036)	47 609
Grupa Kęty S.A.	Bank Societe Generale	PLN, EUR	15 768	(2 142)	13 626
Alupol Packaging S.A.	Bank PKO BP	PLN, EUR	6 380	(2 546)	3 834
Alupol Packaging S.A.	BGŻ BNP Paribas	PLN	5 117	814	5 931
Alupol Packaging S.A.	Bank PKO BP	PLN	3 748	(2 763)	985
Alupol Packaging Kęty Sp. z o.o.	Bank PKO BP	PLN	4 206	24 166	28 372
Alupol Films Sp. z o.o.	Bank PEKAO S.A.	PLN	0	78	78
Aluprof S.A.	PEKAO S.A.	PLN, EUR, USD	27 267	(3 829)	23 438
Aluprof S.A.	Societe Generale S.A.	GBP, USD, EUR	1 456	2 442	3 898
Aluprof S.A.	BGŻ BNP Paribas	PLN, EUR	499	37 632	22 131
Aluprof S.A.	BPH S.A.	EUR	7 619	7 222	14 841
Aluprof S.A.	PKO BP	EUR	0	2 119	2 119
Metalplast Stolarka Sp. z o.o.	Bank PEKAO S.A.	PLN, EUR, USD	12 659	(2 099)	10 560
Metalplast Stolarka Sp. z o.o.	BGŻ BNP Paribas	PLN	9 816	(5 077)	4 739
Metalplast Stolarka Sp. z o.o.	ING Bank Polska	PLN, USD	21 393	20 667	42 060
Alu Trans System Sp. z o.o.	PKO BP	PLN	3 947	2 360	6 307
ROMB S.A.	Bank PKO BP	PLN	0	799	799
ROMB S.A.	BGŻ BNP Paribas	PLN	0	5 000	5 000
<b>Total loans</b>			<b>211 764</b>	<b>58 285</b>	<b>254 049</b>
Aluprof Romania	Liabilities due to finance lease	RON	8	117	125
MHF A/S	Liabilities due to finance lease	DKK	83	41	124
<b>Total lease</b>			<b>91</b>	<b>158</b>	<b>249</b>
<b>Total short-term loans and lease</b>			<b>211 855</b>	<b>58 443</b>	<b>254 298</b>

All loans bear interest at Wibor/Euribor rates plus the bank's margin (%).

Loans repayments resulted from the repayment schedule. Borrowings are related to the management of the Group's liquidity.

## 17. Equity securities

The details of the programme and the principles for measuring the programme costs are described in the consolidated financial statements for 2014.

The Group recognises the programme related costs proportionally to the period of acquiring rights to options.

Tabular compilation of information about the options for the management staff:

As at 30-09-2015	First part of the 2009 programme	Second part of the 2009 programme	Third part of the 2009 programme	First part of the 2012 programme	Second part of the 2012 programme	Third part of the 2012 programme	First part of the 2015 programme
Number of granted options	91 600	91 600	91 600	61 500	61 500	61 500	60 000
Number of options expired due to the failure to comply with the condition of being employed for three years from the programme launch date	0	0	0	0	0	0	0
Number of options which do not meet non-market parameters: C and D	22 900	22 900	45 800	35 341	15 670	34 732	0
Number of options assumed for valuation	68 700	68 700	45 800	26 159	45 830	26 768	60 000
Programme launch date	30 September 2009	30 September 2010	23 September 2011	24 September 2012	24 September 2013	8 September 2014	11 September 2015
Date of acquiring rights to options	30 September 2012	30 September 2013	30 September 2014	30 September 2015	30 September 2016	30 September 2017	30 September 2018
Programme termination date	30 September 2015	30 September 2016	30 September 2017	30 September 2018	30 September 2019	30 September 2020	30 September 2021
Total programme period	36 months	36 months	36 months	36 months	36 months	37 months	37 months
The remaining period to acquire rights	Period ended	Period ended	Period ended	Period ended	12 months	24 months	36 months
Option exercise price	66.54 PLN per share	117.63 PLN per share	125.57 PLN per share	117.10 PLN per share	117.10 PLN per share	117.10 PLN per share	306.11 PLN per share

On 23 April 2015, the General Meeting of Shareholders of Grupa Kęty S.A. adopted a new programme of the issue of shares for employees for the years 2015-2023. The programme comprises 180,000 shares and is divided, as in the case of previous programmes, into three parts. Particular parts of the programme will be launched in 2015 and in further years. The first part of the programme was launched on 11 September 2015. Fair value of the first part of the programme is 3,272 thousand PLN.

## 18. Trade and other liabilities

	30.09.2015 (not audited)	31.12.2014 (audited)
<b>Short-term liabilities:</b>	<b>286 949</b>	<b>237 653</b>
Trade liabilities towards non-related parties	183 280	175 158
Liabilities due to the purchase of property, plant and equipment	12 298	20 924
Dividend liabilities	35 043	0
<b>Total financial liabilities (under IFRS 7)</b>	<b>230 621</b>	<b>196 082</b>
Public law liabilities (except for income tax liabilities)	33 328	21 466
Down payments (trade-related) from customers	6 741	4 968
Remuneration liabilities	11 573	10 345
Other liabilities	4 686	4 792
<b>Total non-financial liabilities</b>	<b>56 328</b>	<b>41 571</b>

Principles and conditions of the payment of the aforementioned financial liabilities:  
Trade liabilities do not bear interest and are usually settled within 30-60 days. Other liabilities do not bear interest and their average payment period is one month.

## 19. Explaining the reasons for material changes in items of revenue and costs

In the period of the first 9 months of 2015 as compared to the period of the first 9 months of 2014, material changes in particular items of revenue and costs had place in the following areas:

- the increase in sales revenue by 161,353 thousand PLN results from the increase in the sale volume in the core segments and changes in prices of the basic raw material, i.e. aluminium, and exchange rates;
- the increase in other operating income by 1,436 thousand PLN is related mainly to the recognition of negative goodwill amounting to 613 thousand PLN;
- the increase in depreciation costs by 6,265 thousand PLN results from the Group's expenditure on property, plant and equipment;
- the increase in the costs of materials by 111,363 thousand PLN results from the increase in sale and related increase in output as well as from changes in prices of the basic raw material, i.e. aluminium, and exchange rates;
- the increase in the costs of external services by 14,915 thousand PLN results from the increase in output and sale and the related increase in the purchases of services from subcontractors and cooperating parties;
- the increase in the costs of employee benefits by 18,261 thousand PLN results mainly from the increase in sale, the increase in remunerations and the increase in employment in the Group;
- the decrease in other operating costs by 4,876 thousand PLN results mainly from the costs of breakdowns amounting to 3,456 thousand PLN that the Group incurred in 2014;
- the decrease in finance costs by 5,012 thousand PLN results mainly from lesser depreciation of Ukrainian hryvnia and resulting smaller negative currency translation differences in the Group's companies operating in Ukraine.

## 20. Discontinued operations

In the period of 9 months of 2015 and in the period of 9 months of 2014, the Group did not discontinue any significant operations.

## 21. Business combinations

In June 2015, a subsidiary Aluprof S.A. established its subsidiary in Belgium. On 30 June 2015, the new company acquired from another entity a business involving trade in aluminium systems.

The purpose of the acquisition of the said business is to increase the sale of aluminium systems in Benelux countries and in northern France.

The acquired business was carried out under Schelfhaut brand. In 2014, this business generated sales revenue of ca. 25,447 thousand PLN and net result of 1,387 thousand PLN.

The temporary settlement of the fair value of all identified assets and liabilities as of the date of taking control of the enterprise was as follows:

Assets and liabilities	Fair value of acquired assets and liabilities (in '000' PLN)
Property, plant and equipment	221
Inventories	3 814
Schelfhaut brand	9 000
Database of customers	4 100
Deferred income tax liability	(4 320)
Acquired net assets	12 815
Total acquisition price (paid cash)	12 202
Negative goodwill (bargain purchase gain)	613

The main intangible asset resulting from the acquisition comprises Schelfhaut brand with the fair value of 9,000 thousand PLN and the database of customers with the fair value of 4,100 thousand PLN.



The Group assumed three-years' useful life for the brand and three-years' useful life for the database of customers. As a result of the acquisition of Schelfhaut brand, it was combined with Aluprof brand to form Aluprof-Schelfhaut brand.

As at the date of these financial statements, the process of settling the transaction of the acquisition of the business in Belgium has not been finalised yet; as a result, presented components have temporary value. The above settlement is of temporary nature, as the Group is still analysing the valuations prepared by an appraiser and acquired assets and liabilities. The termination of the said analysis may result in changes in reported values.

The costs of the business acquisition charged to the result amounted to 422 thousand PLN.

The control take-over increased the Group's other operating income in the period of 9 months of 2015 by 613 thousand PLN and sales revenue by 4,822 thousand PLN.

## 22. Investments in associates

There were no investments in associates in the reporting period.

As at 30.09.2015, the Group held 45.5% of shares in Aluprof USA LLC with its registered office in New York. The

Company name	Place of business	Core business	Parent's name	Shares in the basic capital as at		Profit (loss) allocated to non-controlling interests as at	Accumulated value of non-controlling interests as at		Segment
				30-09-2015	31-12-2014		30-09-2015	31-12-2014	
Aluprof USA LLC	USA	Distribution of aluminium systems	Aluprof System USA	45.5%	45.5%	(254)	0	240	ASS

shares purchase transaction has been described in the annual consolidated financial statements for 2014.

## 23. Objectives and principles of financial risk management

The objectives and principles of financial risk management did not change as compared to those published in the last annual financial statements.

## 24. Capital management

The main aim of the Group's capital management process is to maintain safe equity ratios which would support the Group's operating activities and increase shareholder value.

The Group manages the capital structure and, as a result of changes in economic conditions, amends it. To retain or adjust the capital structure, the Group may change the payment of dividend to shareholders, return the capital to shareholders or issue new shares. In the presented periods, no changes were introduced to objectives, principles and processes in this area.

The Group monitors equity using the leverage ratio which is the ratio of net debt to total equity increased with net debt. According to the Group's principles, the ratio should be lower than 50%. The Group's net debt includes interest-bearing borrowings, trade and other liabilities, less cash and cash equivalents. Equity comprises equity attributable to the parent's shareholders less reserve capitals for unrealised net gains.

	30.09.2015 (not audited)	31.12.2014 (audited)
Interest-bearing lease and loans	330 554	235 162
Trade and other liabilities	289 027	239 634
Less cash and cash equivalents	(71 832)	(66 430)
Net debt	547 749	408 366
Equity	1 227 179	1 203 232
Equity and net debt	1 774 928	1 611 598
<b>Leverage ratio</b>	<b>30.86%</b>	<b>25.34%</b>

## 25. Contingent liabilities

Item	30.09.2015 (not audited)	31.12.2014 (audited)
Bank guarantee for LC Corp Sky Tower concerning the proper performance of the contract*	0	3 593
Performance bond granted by Aluprof S.A.**	69 845	0
Building bank guarantees granted by Metalplast Stolarka sp. z o.o.***	30 465	43 899
<b>Total granted guarantees</b>	<b>100 310</b>	<b>47 492</b>

\* The Group executed construction works in Sky Tower skyscraper in Wrocław. The guarantee expired on 31.01.2015.

\*\* The Group signed a contract on the deliveries of aluminium facades for a facility in the USA. To ensure the proper performance of the contract, the Group issued, through Euler Hermes, a performance bond. The bond will expire on 30.11.2016.

\*\*\*Building guarantees are related to the proper implementation of construction services contracts, and their validity dates depend on the terms and conditions of particular contracts. Apart from aforementioned liabilities, there are no other contingent liabilities.

## 26. Contractual liabilities related to the purchase of property, plant and equipment

The table below presents liabilities related to the purchase of property, plant and equipment by segments. The amounts will be allocated to the construction of production halls and the purchase of new plant and machinery.

Contractual liabilities related to the purchase of property, plant and equipment by segments	30.09.2015 (not audited)	31.12.2014 (audited)
Extruded Products Segment	11 864	8 203
Flexible Packaging Segment*	107 911	7 220
Aluminium Systems Segment	10 226	6 296
Building Services Segment	27	2
Building Accessories Segment	588	691
Other	2 180	314
<b>TOTAL</b>	<b>132 796</b>	<b>22 726</b>

\*The contractual obligations of the Flexible Packaging Segment amounting to 61,629 thousand PLN are related to the construction of a new plant of Alupol Films sp. z o.o. in 'Krakowski Park Technologiczny' Special Economic Zone.

## 27. Derivative financial instruments

Financial assets	Hierarchy level	30.09.2015 (not audited)	31.12.2014 (audited)
Currency forwards hedging cash flows	2	1 244	1 568
Futures for the purchase of aluminium hedging cash flows	2	66	362
<b>TOTAL FINANCIAL ASSETS</b>		<b>1 310</b>	<b>1 930</b>
Financial liabilities		30.09.2015 (not audited)	31.12.2014 (audited)
Currency forwards hedging cash flows	2	2 023	560
Futures for the purchase of aluminium hedging cash flows	2	5 978	1 963
IRS's hedging interest rates	2	52	0
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>8 053</b>	<b>2 523</b>

In comparison to the principles described in the most recent annual financial statements, the Group did not introduce any changes in the methods of qualifying and evaluating financial instruments. In the reporting period, the Company entered into IRS's hedging interest rates of overdraft facilities.

The fair value of futures, forwards and IRS's is calculated on the basis of the present net value of the future cash flows related to these contracts, quoted market prices of forwards calculated with the application of present interest rates. Forwards/futures and derivative instruments which cannot be classified as hedging instruments are recognised as instruments held for trading.

Fair value of currency forwards is determined by reference to the present forward rates for contracts with similar maturity.

The valuation is based on market valuations of identical transactions in commercial banks.

## 28. Shareholding structure and transactions with the management staff

### 28.1. Shareholding structure

The shareholding structure of Grupa Kęty S.A. is as follows:

Entity	Number of shares 30-09-2015	Interest in capital	Number of shares 31-12-2014	Interest in capital
Aviva OFE Aviva BZ WBK	1 691 276	17.91%	1 691 276	18.00%
ING OFE	1 610 534	17.06%	1 610 534	17.15%
OFE PZU "Złota Jesień"	921 000	9.75%	921 000	9.80%
PTE Allianz Polska	499 748	5.29%	499 748	5.32%
Others	4 719 430	49.99%	4 670 980	49.73%
<b>Total</b>	<b>9 441 988</b>	<b>100%</b>	<b>9 393 538</b>	<b>100%</b>

### 28.2. Transactions with Members of the Management Board

In the period, the Group did not conduct any transactions with members of the Management Board apart from those described below.

### 28.3. The costs of the remunerations of the Group's top management

Management Board:	9 months of 2015	9 months of 2014
Costs of short-term employee benefits	1 232	1 160
Costs of the provision for annual bonuses and other benefits	1 131	1 160
<b>Total costs of remunerations of the members of the Management Board</b>	<b>2 363</b>	<b>2 320</b>
The valuation of the costs of options for treasury shares due when the programme is implemented*	781	359
<b>Total payments to the members of the Management Board</b>	<b>3 144</b>	<b>2 679</b>

\* The details of the programme are described in note 17. If the market conditions for the allocation of options are not fulfilled, despite the recognition of the costs of the programme, eligible persons will not acquire the right to subscribe for shares.

By top management, the Group means management boards of subsidiaries and proxies of the parent company.

Remunerations and benefits under the options programme due to the members of the Management Board, top management and members of the Company's Supervisory Board are as follows:

	9 months of 2015	9 months of 2014
Management Board of the parent company*	3 144	2 679
Top management*	5 406	6 136
Supervisory Board	436	416
<b>Total</b>	<b>8 986</b>	<b>9 231</b>

\* The presented remunerations cover the costs of provisions for annual bonuses for the management staff and share options costs recognised in the income statement. The details of the share options programme are

described in note 17. Pursuant to the principles of the programme and IFRS 2, the costs of share options constitute the valuation of the options programme as at the date of its launch. The costs of options are recognised in the income statement on a straight line basis throughout the validity period of the programme, i.e. 36 months. According to IFRS 2, the costs presented in such a way constitute the cost of remunerations for the Company, but do not reflect the value of possible benefits that employees may obtain in the future on this account. Employees' possible benefits depend on the level of share prices in the future as compared to the acquisition price resulting from the conditions for particular parts of the options programme.

#### 28.4. Participation of the top management in the employee shares programme

As described in detail in note 17, the Group has implemented an options programme for the management staff.

In the reporting period, the Management Board acquired, exercising options for shares from the third part of the 2009 programme, 30,450 shares at the price of 125.57 per share.

In addition, after meeting the programme conditions, the members of the Management Board will acquire, under the terms and conditions of the programme, the right to purchase up to 27,280 options from the first part of the 2012 programme, up to 27,280 options from the second part of the 2012 programme, up to 27,280 options from the third part of the 2012 programme, and 15,000 options from the first part of the 2015 programme. The costs of related benefits recognised in the income statement for 9 months of 2015 amounted to 781 thousand PLN (359 thousand PLN for 9 months of 2014).

The options for shares of Grupa Kęty S.A. were also granted to members of the top management.

In the reporting period, the members of the top management, exercising options for shares from the third part of the 2009 programme, acquired 18,000 shares at the price of 125.27 per share.

In addition, after meeting the programme conditions, the members of the top management will acquire the right to purchase up to 34,220 options from the first part, up to 34,220 options from the second part and up to 34,220 options from the third part of the 2012 programme.

The costs of options for the top management charged to the result amounted in the period of 9 months of 2015 to 845 thousand PLN (446 thousand PLN in the period of 9 months of 2014).

In the reporting period, members of the top management did not subscribe for any shares of Grupa Kęty S.A.

## 29. Shares issue and capital increase

In the reporting period, eligible persons subscribed for 48,450 series F shares issued as part of the programme for the management staff at the issue price of 125.57 PLN per share. The aforementioned shares were registered in the National Court Register on 9 July 2015.

Below, we present the method of recognising proceeds from employee-related issues of shares.

Shares	Number of shares	Acquisition year	Value ('000' PLN)	Amount charged to share capital	Amounts charged to share premium
Series E shares – the 2006 programme	13 375	2013	1 669	33	1 636
Series F shares – the 2009 programme	85 200	2013	6 547	213	6 334
Series F shares – the 2009 programme	9 000	2014	1 059	23	1 036
Series E shares – the 2006 programme	4 350	2014	543	11	532
Series F shares – the 2009 programme	43 200	2014	5 082	108	4 974
Series F shares – the 2009 programme	12 750	2014	1 601	32	1 569
Series F shares – the 2009 programme	48 450	2015	6 083	121	5 962
<b>TOTAL</b>	<b>216 325</b>		<b>22 584</b>	<b>541</b>	<b>22 043</b>

## 30. Fair value measurement techniques (fair value hierarchy)

The Group measures at fair value investment properties and derivative financial instruments.

The carrying amount of investment properties is based on fair values determined on the basis of the valuation conducted by a qualified independent expert experienced in the valuation of investment properties. The approach applied by the expert was based on compared market prices of rents in accordance with the income method and straight capitalisation of gross revenue technique. Fair value of investment properties is classified at the so-called 'Level 3'.

The fair value of futures and forwards is calculated on the basis of the present net value of future cash flows related to these contracts, quoted market prices of forwards calculated with the application of the present interest rates.

Fair value of currency forwards is determined by reference to the present forward rates for contracts with similar maturity.

As compared to the previous financial year, the Group did not change the method of measuring derivatives. Derivatives are recognised as assets when their measurement is positive, and as liabilities when their measurement is negative. Gains and losses due to changes in the fair value of derivatives which do not meet the principles of hedge accounting are recognised in the financial result for the reporting year.

In the case of determining fair value on the basis of market quotations, it is classified at the so-called 'Level 1'. In the case of derivatives held by the Group, fair value is determined on the basis of other inputs that are observable either directly or indirectly. As a result, the value is classified at the so-called 'Level 2' of the fair value hierarchy.

Fair value hierarchy	Fair value hierarchy level	30.09.2015 (not audited)	31.12.2014 (audited)
<b>Assets</b>			
Investment properties	3	12 572	12 398
Hedging derivatives	2	1 310	1 930
<b>TOTAL ASSETS</b>		<b>13 882</b>	<b>14 328</b>
<b>Liabilities</b>			
Hedging derivatives	2	8 053	2 523
<b>TOTAL LIABILITIES</b>		<b>8 053</b>	<b>2 523</b>

## 31. Earnings per share

Below, we present the data related to net earnings and the number of shares used to calculate basic and diluted earnings per share:

	9 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Net profit attributable to the parent's shareholders</b>	158 110	145 616
Weighted average number of ordinary shares assumed for the calculation of earnings per ordinary share	9 415 545	9 371 889
Weighted average number of ordinary shares assumed for the calculation of diluted earnings per ordinary share*	9 428 905	9 385 069
Basic earnings per ordinary share from the basic profit for the period attributable to the parent's shareholders (in PLN)	16.79	15.54
Diluted earnings per share from the basic profit for the period attributable to the parent's shareholders (in PLN)	16.77	15.52

Eligible employees subscribed for shares in the period. Eligible employees subscribed for 48,450 series F shares from the third part of the 2009 programme at 125.57 PLN per share.

The average market price for the Company's share in the period of 9 months of 2015 was 307.74 PLN. The closing price as at 30.09.2015 amounted to 290.00 PLN.

The potential number of ordinary shares associated with the employee options programme increasing the number of shares and assumed for the calculation of diluted earnings per share is 13,360 shares.

## 32. Events after the reporting period

Except for the aforementioned events, after the reporting period, there were no significant events which should be included in the consolidated financial statements.

## II. INTERIM CONDENSED SEPARATE FINANCIAL STATEMENTS

### INTERIM CONDENSED INCOME STATEMENT

	Note	3 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2015 (not audited)	3 months ended on 30.09.2014 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Total operating income, including:</b>		<b>225 236</b>	<b>767 670</b>	<b>202 016</b>	<b>640 027</b>
Sales revenue		223 938	635 005	191 418	521 869
Other operating income		1 298	8 594	4 098	5 775
Dividends		0	124 071	6 500	112 383
<b>Change of inventories of finished goods and work in progress</b>		<b>(8 036)</b>	<b>(13 074)</b>	<b>8 133</b>	<b>11 572</b>
<b>Cost of manufacturing products for own needs</b>		<b>1 041</b>	<b>3 867</b>	<b>1 092</b>	<b>3 920</b>
<b>Total operating costs, including:</b>		<b>(205 003)</b>	<b>(613 791)</b>	<b>(195 793)</b>	<b>(540 387)</b>
Depreciation/Amortisation		(7 688)	(22 855)	(7 964)	(22 235)
Materials, energy and the value of sold trade goods and materials		(143 445)	(432 507)	(135 172)	(354 099)
External services		(32 381)	(86 527)	(28 502)	(78 053)
Taxes and charges		(1 440)	(4 565)	(1 438)	(4 057)
Employee benefits		(19 707)	(63 172)	(18 860)	(58 362)
Other operating costs		(342)	(4 165)	(3 857)	(23 581)
<b>Profit on operating activities</b>		<b>13 238</b>	<b>144 672</b>	<b>15 448</b>	<b>115 132</b>
Finance income		610	807	(339)	213
Finance costs		(208)	(1 977)	(2 199)	(3 928)
<b>Profit before tax</b>		<b>13 640</b>	<b>143 502</b>	<b>12 910</b>	<b>111 417</b>
Income tax expense	11	(2 853)	(4 779)	(1 304)	(1 582)
<b>Net profit on continuing operations</b>		<b>10 787</b>	<b>138 723</b>	<b>11 606</b>	<b>109 835</b>
Net earnings per share for the period (in PLN)					
Basic earnings per share	28	1.13	14.73	1.24	11.72
Diluted earnings per share	28	1.13	14.71	1.24	11.70

In the reporting period, the Company did not discontinue any operations.

## INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2015 (not audited)	3 months ended on 30.09.2014 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Net profit for the period</b>	<b>10 787</b>	<b>138 723</b>	<b>11 606</b>	<b>109 835</b>
<b>Other comprehensive income*, including:</b>	<b>(1 898)</b>	<b>(4 195)</b>	<b>1 596</b>	<b>5 022</b>
Valuation of cash flow hedging instruments	(1 697)	(3 005)	692	3 932
Result from cash flow hedge	(524)	(1 761)	1 035	1 837
Income tax related to other comprehensive income	323	571	(131)	(747)
<b>Comprehensive income for the period</b>	<b>8 889</b>	<b>134 528</b>	<b>13 202</b>	<b>114 857</b>

*\*All items of other comprehensive income, when certain conditions are met in further periods, will be reclassified to profit or losses.*

## INTERIM CONDENSED BALANCE SHEET

ASSETS	Note	30.09.2015 (not audited)	31.12.2014 (audited)
<b>I. Non-current assets</b>		<b>737 883</b>	<b>711 907</b>
Property, plant and equipment		328 400	310 318
Intangible assets		6 261	6 483
Shares and interests		393 481	395 032
Advance payments for property, plant and equipment		9 741	74
<b>II. Current assets</b>		<b>264 312</b>	<b>262 794</b>
Inventories	14	64 597	106 380
Trade and other receivables	13	177 077	153 945
Derivative financial instruments	20	341	674
Cash and cash equivalents	9	22 297	1 795
<b>Total assets</b>		<b>1 002 195</b>	<b>974 701</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>		<b>721 002</b>	<b>714 662</b>
Share capital		67 505	67 352
Share premium	26	22 043	14 512
Non-registered capital from the issue of shares	26	0	1 601
Capital from the valuation of property, plant and equipment		3 174	3 174
Capital from share based payments		13 045	11 244
Capital from the valuation of hedging instruments		(3 124)	(690)
Result from cash flow hedge		(989)	772
Retained earnings		619 348	616 697
<b>II. Long-term liabilities</b>		<b>79 969</b>	<b>73 429</b>
Liabilities related to loans	16	27 496	20 904
Provisions due to employee benefits	15	1 761	1 761
Subsidies		32 276	33 320
Deferred income tax liability		18 436	17 444
<b>III. Short-term liabilities</b>		<b>201 224</b>	<b>186 610</b>
Liabilities related to loans	16	80 457	109 157
Income tax liabilities		2 917	1 639
Trade and other liabilities	18	105 350	63 537
Provisions and accruals	15	6 881	9 330
Derivative financial instruments	20	4 198	1 526
Subsidies		1 421	1 421
<b>Total equity and liabilities</b>		<b>1 002 195</b>	<b>974 701</b>



## INTERIM CONDENSED CASH FLOW STATEMENT

	9 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>143 502</b>	<b>111 417</b>
<b>Adjustments:</b>	<b>24 743</b>	<b>33 803</b>
Depreciation/Amortisation	22 855	22 235
Revaluation write-downs for interests in subsidiaries	2 317	6 760
(Profit)/loss from net currency translation differences	(1 215)	391
Change in realised result from transactions hedging the price of aluminium charged to equity	(1 761)	1 837
(Profit) / loss from the sale of property, plant and equipment	(33)	(230)
Interest	1 473	2 346
Share based payments	1 035	472
Other items (net)	72	(8)
<b>Cash flow from operating activities before the change of working capital</b>	<b>168 245</b>	<b>145 220</b>
Change in inventories	41 783	(25 789)
Change in net receivables	(24 733)	(32 387)
Change in short-term liabilities, except for loans	9 135	32 426
Change in provisions	(2 449)	(614)
Change in subsidies	(1 044)	(1 066)
<b>Net cash generated from operating activities</b>	<b>190 937</b>	<b>117 790</b>
Tax refunded/(paid)	(1 937)	996
<b>Net cash from operating activities</b>	<b>189 000</b>	<b>118 786</b>
Cash flow from investing activities		
<b>(+) Proceeds:</b>	<b>118</b>	<b>306</b>
Sale of intangible assets and property, plant and equipment	118	306
<b>(-) Expenses:</b>	<b>(52 597)</b>	<b>(17 134)</b>
Acquisition of intangible assets and property, plant and equipment	(52 597)	(17 092)
Acquisition of subsidiaries	0	(42)
<b>Net cash from investing activities</b>	<b>(52 479)</b>	<b>(16 828)</b>
Cash flow from financing activities		
<b>(+) Proceeds:</b>	<b>34 332</b>	<b>28 604</b>
Net proceeds from the issue of shares	7 685	6 684
Proceeds from borrowings	26 647	21 920
<b>(-) Expenses:</b>	<b>(150 351)</b>	<b>(125 415)</b>
Dividends	(101 029)	(93 808)
Repayments of borrowings	(47 686)	(29 276)
Interest	(1 636)	(2 331)
<b>Net cash from financing activities</b>	<b>(116 019)</b>	<b>(96 811)</b>
<b>Total net cash flow:</b>	<b>20 502</b>	<b>5 147</b>
change in cash due to currency translation differences	0	0
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1 795</b>	<b>3 347</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>22 297</b>	<b>8 494</b>

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Non-registered capital from the issue of shares	Capital from the valuation of property, plant and equipment	Capital from share based payments	Capital from the valuation of hedging instruments	Result from cash flow hedge	Retained earnings	Total equity
<b>Equity as of 1 January 2015</b> (audited)	<b>67 352</b>	<b>14 512</b>	<b>1 601</b>	<b>3 174</b>	<b>11 244</b>	<b>(690)</b>	<b>772</b>	<b>616 697</b>	<b>714 662</b>
Comprehensive income for the period:	0	0	0	0	0	(2 434)	(1 761)	138 723	<b>134 528</b>
<i>Net profit for the period</i>	0	0	0	0	0	0	0	138 723	<b>138 723</b>
<i>Other comprehensive income</i>	0	0	0	0	0	(2 434)	(1 761)	0	<b>(4 195)</b>
Share based payments	0	0	0	0	1 801	0	0	0	<b>1 801</b>
Issue of shares	153	7 531	(1 601)	0	0	0	0	0	<b>6 083</b>
Dividends	0	0	0	0	0	0	0	(136 072)	<b>(136 072)</b>
<b>Equity as of 30 September 2015</b> (not audited)	<b>67 505</b>	<b>22 043</b>	<b>0</b>	<b>3 174</b>	<b>13 045</b>	<b>(3 124)</b>	<b>(989)</b>	<b>619 348</b>	<b>721 002</b>
<b>Previous year</b>									
<b>Equity as of 1 January 2014</b> (audited)	<b>67 138</b>	<b>4 563</b>	<b>3 479</b>	<b>3 382</b>	<b>10 230</b>	<b>(1 604)</b>	<b>(835)</b>	<b>612 715</b>	<b>699 068</b>
Comprehensive income for the period:	0	0	0	0	0	3 185	1 837	109 835	<b>114 857</b>
<i>Net profit for the period</i>	0	0	0	0	0	0	0	109 835	<b>109 835</b>
<i>Other comprehensive income</i>	0	0	0	0	0	3 185	1 837	0	<b>5 022</b>
Share based payments	0	0	0	0	811	0	0	0	<b>811</b>
Issue of shares	106	4 975	1 603	0	0	0	0	0	<b>6 684</b>
Dividends	0	0	0	0	0	0	0	(93 815)	<b>(93 815)</b>
<b>Equity as of 30 September 2014</b> (not audited)	<b>67 244</b>	<b>9 538</b>	<b>5 082</b>	<b>3 382</b>	<b>11 041</b>	<b>1 581</b>	<b>1 002</b>	<b>628 735</b>	<b>727 605</b>

## COMPLEMENTARY INFORMATION AND EXPLANATIONS

### 1. General information

Grupa KĘTY S.A. ('the Company') is a joint-stock company incorporated in Poland with its registered office located in Kęty, at ul. Kościuszki 111.

These interim condensed separate financial statements of Grupa Kęty S.A. cover the period of 9 months ended on 30.09.2015 and provide comparative data with regard to the period of 9 months ended on 30.09.2014. The said financial statements were reviewed by the certified auditor.

The Company is entered into the Register of Entrepreneurs under No. **KRS 0000121845** and was assigned its tax identification number (**NIP**): **5490001468**.

The Company's business statistical number (**REGON**) is: **070614970**.

The Company is listed under No. **ISIN PLKETY000011** at Warsaw Stock Exchange and classified in the metal sector.

The Company's activities include production, trade and the provision of services related to the processing of aluminium and its alloys. In addition, the Company is engaged in the trade, supply, marketing and other intermediation activities.

### 2. Basis for the preparation of the interim condensed separate financial statements

These interim condensed separate financial statements have been prepared in accordance with the International Financial Reporting Standards adopted by the European Union ('IFRS'), including IAS 34.

IFRS comprise standards and interpretations adopted by the International Accounting Standards Board ('IASB') and the International Financial Reporting Interpretations Committee ('IFRIC'). These interim condensed separate financial statements have been prepared with regard to the Polish zloty (PLN) and all values, unless otherwise specified, are provided in thousands of PLN. These interim condensed separate financial statements have been prepared based on the going concern assumption for the Company in the foreseeable future. As of the day of the approval of these financial statements for publication, there are no circumstances implying any threats to the continuation of the Company's activity.

These interim condensed separate financial statements do not comprise all the information and disclosures required in the annual financial statements and they should be read together with the Company's financial statements for the year ended on 31 December 2014.

These interim condensed separate financial statements were approved for publication on 22 October 2015.

The Management Board of Grupa Kęty S.A. hereby declares that, according to their best knowledge, these interim condensed separate financial statements and comparable data were prepared according to the Company's accounting principles in force and they present a true and fair view of the financial standing, assets and financial result of the Company.

### 3. Significant accounting principles (policy)

Accounting principles (policy) applied for the preparation of these interim condensed separate financial statements are consistent with the ones applied for the preparation of the annual financial statements of the Company for the year ended on 31 December 2014.

### 4. Areas of estimates

The changes in the estimates are described in notes 12, 13, 14, 15 and 25. Apart from the changes mentioned in above items, there were no other changes in estimates.

## 5. Seasonal nature of operations

The Company's core objects comprise the production of aluminium profiles. The biggest sales related to that are generated in the second half of the year (historically the sale in the second half of the year is higher than the sale in the first half of the year by a few to even 23%). It is related to the cycle of works in the building industry that accounts for a considerable share of serviced markets of customers in this Segment.

## 6. Information on business segments

As at the balance sheet date, the Company did not have any internal operating segments. The information about operating segments of the Capital Group is provided in the consolidated financial statements.

## 7. Investments in subsidiaries

There were no investments in subsidiaries in the period.

## 8. Changes in the Company's organisational structure

There were no major changes in the Company's organisational structure in the period.

## 9. Cash and cash equivalents

For the purpose of the preparation of the interim condensed cash flow statement, cash and cash equivalents are composed of the following items:

	30.09.2015 (not audited)	31.12.2014 (audited)
Bank deposits (current accounts) and short-term deposits	22 297	1 795
<b>Cash recognised in the balance sheet and in the cash flow statement</b>	<b>22 297</b>	<b>1 795</b>

As at 30 September 2015, Grupa Kęty S.A. had unused granted credit funds amounting to 73,376 thousand PLN with regard to which all conditions precedent had been complied with (75,574 thousand PLN as at 31 December 2014).

## 10. Dividends paid and proposed for payment

The result for the period is not distributed.

Grupa Kęty S.A. allocated for the dividend for 2014 the amount of 136,072 thousand PLN (14.41 PLN per share for 9,441,988 entitled shares).

16 July 2015 was the day of determining the right to dividend. Pursuant to the resolution of the General Meeting of Shareholders, the dividend will be paid in two instalments:

- 5 August – 10.70 PLN per share;

- 4 December – 3.71 PLN per share.

In 2014, from the profit for 2013, Grupa Kęty S.A. paid the dividend amounting to 93,808 thousand PLN (10 PLN per share).

## 11. Income tax expense

The main components of the tax deduction for continuing operations in the income statement are as follows:

	3 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2015 (not audited)	3 months ended on 30.09.2014 (not audited)	9 months ended on 30.09.2014 (not audited)
Current income tax				
Current income tax deduction recognised in the income statement	(2 859)	(3 215)	(960)	(2 170)
Deferred income tax:				
Recognition (reversal) of tax losses	0	(140)	0	(350)
Related to the establishment and reversal of temporary differences	6	(1 424)	(344)	938
<b>Tax deduction recognised in the income statement</b>	<b>(2 853)</b>	<b>(4 779)</b>	<b>(1 304)</b>	<b>(1 582)</b>

## 12. Property, plant and equipment

### 12.1. Purchase and sale

Purchase and sale transactions related to property, plant and equipment are presented below.

	9 months of 2015	9 months of 2014
Acquisition of property, plant and equipment	39 901	14 471
Net value of sold property, plant and equipment	83	76
Profit (loss) on the sale of property, plant and equipment	33	230
The value of liquidated property, plant and equipment due to their faster using up	72	85

The acquisition of a profiles extrusion press is the main item of acquired property, plant and equipment.

In these periods, the Company did not establish any impairment losses for property, plant and equipment.

## 13. Trade and other receivables

	30.09.2015 (not audited)	31.12.2014 (audited)
Short-term receivables		
Trade receivables from related parties	67 220	50 640
Trade receivables from other entities	105 703	91 811
Down payments (trade-related) for suppliers – related parties	0	991
Down payments (trade-related) for suppliers	595	1 110
Receivables from employees	20	15
Settlements related to transactions hedging the aluminium price	2 157	6 136
Receivables due to the subscription of the Company's shares	0	1 601
Other receivables	1 382	1 641
<b>Net receivables</b>	<b>177 077</b>	<b>153 945</b>

In the period of 9 months of 2015, the Company established revaluation write-downs for receivables amounting to 881 thousand PLN (in the period of 9 months of 2014: 12,416 thousand PLN). The Company

recognises created revaluation write-downs for receivables in 'Other operating costs'. In the period of 9 months of 2015, the Company reversed revaluation write-downs for receivables amounting to 1,566 thousand PLN (in the period of 9 months of 2014, the Company reversed revaluation write-downs for receivables amounting to 486 thousand PLN). The reversal of the revaluation write-downs resulted from the receipt of the payment subject to write-downs. The reversal of revaluation write-downs was presented in 'Other operating income' or in 'Finance income' as received interest complying with the nature of receivables. Fair value of receivables is similar to their book value.

## 14. Inventories

	30.09.2015 (not audited)	31.12.2014 (audited)
Materials	16 782	45 531
Work in progress	28 690	34 976
Finished products	19 125	25 873
<b>TOTAL</b>	<b>64 597</b>	<b>106 380</b>

In the period of 9 months of 2015, the Company reversed revaluation write-downs for inventories amounting to 95 thousand PLN; and, in the period of 9 months of 2014, the Company did not reverse or establish revaluation write-downs for inventories.

## 15. Provisions and accruals

In the period, the Company established, for result deterioration, the deferred income tax liability amounting to 1,395 thousand PLN. Changes in provisions and accruals:

	As at 31.12.2014	Increases	Utilisation	As at 30.09.2015
<b>Provisions and accruals</b>	<b>11 091</b>	<b>5 893</b>	<b>(8 342)</b>	<b>8 642</b>
the long-term part of the provision for jubilee bonuses and retirement benefits	1 761	0	0	1 761
short-term provision for jubilee bonuses and retirement benefits	558	0	0	558
provision for the costs of unused holiday	1 652	1 595	(1 652)	1 595
costs of annual bonus	6 311	3 888	(6 311)	3 888
environmental protection costs	344	410	(344)	410
costs of damages	430	0	0	430
provision for the costs of auditing financial statements	35	0	(35)	0

	As at 31.12.2013	Increases	Utilisation	As at 30.09.2014
<b>Provisions and accruals</b>	<b>8 974</b>	<b>5 956</b>	<b>(6 570)</b>	<b>8 360</b>
the long-term part of the provision for jubilee bonuses and retirement benefits	1 334	0	0	1 334
short-term provision for jubilee bonuses and retirement benefits	640	0	0	640
provision for the costs of unused holiday	1 339	1 490	(1 339)	1 490
costs of annual bonus	4 504	4 227	(4 504)	4 227
environmental protection costs	692	239	(692)	239
costs of damages	430	0	0	430
provision for the costs of auditing financial statements	35	0	(35)	0

## 16. Interest-bearing bank loans

The table below presents changes in the balances of particular loans in the period of 9 months of 2015.

Loan	Lender	Loan currency	31.12.2014	Increase (decrease)	30.09.2015
Long-term	BGŻ BNP Paribas	PLN	20 904	6 592	27 496
Short-term loan	Bank PKO BP	PLN, EUR, USD	1 682	(911)	771
Short-term loan	BGŻ BNP Paribas	PLN, EUR	18 553	(1 605)	16 948
Short-term loan	ING Bank Polska	EUR, PLN	9	(6)	3
Short-term loan	Bank PeKaO S.A.	EUR, USD, CHF	71 645	(24 036)	47 609
Short-term loan	Bank Societe Generale	PLN, EUR	15 768	(2 142)	13 626
Short-term cash loan	Alutech Sp. z o.o.	PLN	1 500	0	1 500
<b>Total loans</b>			<b>130 061</b>	<b>(22 108)</b>	<b>107 953</b>

All loans bear interest at Wibor/Euribor rates plus the bank's margin (%).

Loans repayments resulted from the repayment schedule. The borrowings are related to the Company's liquidity management.

## 17. Share options for the management staff

The details of the programme and the principles for measuring the programme costs are described in the annual financial statements for 2014. The Group recognises the programme related costs proportionally to the period of acquiring rights to options.

Tabular compilation of information about the options for the management staff:

As at 30-06-2015	First part of the 2009 programme	Second part of the 2009 programme	Third part of the 2009 programme	First part of the 2012 programme	Second part of the 2012 programme	Third part of the 2012 programme	First part of the 2015 programme
Number of granted options	91 600	91 600	91 600	61 500	61 500	61 500	60 000
Number of options expired due to the failure to comply with the condition of being employed for three years from the programme launch date	0	0	0	0	0	0	0
Number of options which do not meet non-market parameters: C and D	22 900	22 900	45 800	35 341	15 670	34 732	0
Number of options assumed for valuation	68 700	68 700	45 800	26 159	45 830	26 768	60 000
Number of options assumed for valuation and granted to employees of Grupa Kęty S.A.	39 450	39 450	26 300	15 032	26 336	15 382	27 000
Number of options assumed for valuation and granted to employees of subsidiaries	29 250	29 250	19 500	11 127	19 494	11 386	33 000
Programme launch date	30 September 2009	30 September 2010	23 September 2011	24 September 2012	24 September 2013	8 September 2014	11 September 2015
Date of acquiring rights to options	30 September 2012	30 September 2013	30 September 2014	30 September 2015	30 September 2016	30 September 2017	30 September 2018

Programme termination date	30 September 2015	30 September 2016	30 September 2017	30 September 2018	30 September 2019	30 September 2020	30 September 2021
Total programme period	36 months	36 months	36 months	36 months	36 months	37 months	37 months
The remaining period to acquire rights	Period ended	Period ended	Period ended	Period ended	12 months	24 months	36 months
Option exercise price	66.54 PLN per share	117.63 PLN per share	125.57 PLN per share	117.10 PLN per share	117.10 PLN per share	117.10 PLN per share	306.11 PLN per share

On 23 April 2015, the General Meeting of Shareholders of Grupa Kęty S.A. adopted a new programme of the issue of shares for employees for the years 2015-2023. The programme comprises 180,000 shares and is divided, as in the case of previous programmes, into three parts. Particular parts of the programme will be launched in 2015 and in further years. The first part of the programme was launched on 11 September 2015. Fair value of the first part of the programme is 3,272 thousand PLN.

## 18. Trade and other liabilities

	30.09.2015 (not audited)	31.12.2014 (audited)
Trade liabilities towards related parties	8 477	6 039
Trade liabilities towards non-related parties	41 612	41 411
Down payments (trade-related) from customers	490	805
Public law liabilities (except for income tax liabilities)	13 781	7 458
Remuneration liabilities	3 962	3 157
Securities	5	4
Liabilities due to the purchase of property, plant and equipment	1 146	4 130
Dividend liabilities	35 043	0
Other	834	533
<b>TOTAL SHORT-TERM LIABILITIES</b>	<b>105 350</b>	<b>63 537</b>

## 19. Explaining the reasons for material changes in items of revenue and costs

In the period of 9 months of 2015 as compared to the period of 9 months of 2014, material changes in particular items of revenue and costs had place in the following areas:

- **Sales revenue** – an increase in sales revenue by 113,136 thousand PLN – related mainly to the increase in the amount of sold products by ca. 7% as well as in exchange rates and aluminium prices.
- **Other operating income** – an increase in other operating income by 2,819 thousand PLN – related mainly to the reversal of revaluation write-downs for receivables amounting to 1,566 thousand PLN.
- **Dividend income** – an increase in dividend income by 11,688 thousand PLN in the period is related to the results of subsidiaries in 2014 and the distribution of profit in these companies.
- **External services** – an increase in the costs of external services by 8,474 thousand PLN is related to the increase of the number of services acquired from cooperating parties due to the increase in the sale and due to the increase in the volume of the sale of more processed products.
- **Costs of materials and energy** – an increase in the costs of materials and energy by 78,408 thousand PLN is related to the quantitative increase in the sale of aluminium products and the resulting increase in raw materials consumption. The increase in aluminium prices (aluminium is the basic raw material consumed by the Company) is the main reason for the increase in the costs of materials consumption. As estimated by the Company, the quotations of the average aluminium price in the period of 9 months of 2015 as compared to the period of 9 months of 2014 decreased by ca. 6% against the simultaneous increase in the USD exchange rate by ca. 21% and the increase in processing premiums for the raw materials by ca. 12%.
- **Costs of employee benefits** – an increase in the costs of employee benefits by 4,810 thousand PLN results from increased employment and the increase in remunerations in the period of 9 months of 2015.
- **Other operating costs** – a decrease in other operating costs by 19,416 thousand PLN – related to the lower value of revaluation write-downs for receivables and lower value of revaluation write-downs for interests in Alupol Ukraina.



## 20. Financial instruments

Financial assets	30.09.2015 (not audited)	31.12.2014 (audited)
Currency forwards hedging cash flows	341	312
Futures for the purchase of aluminium hedging cash flows	0	362
<b>TOTAL FINANCIAL ASSETS</b>	<b>341</b>	<b>674</b>
Financial liabilities	30.09.2015 (not audited)	31.12.2014 (audited)
Currency forwards hedging cash flows	31	30
Futures for the purchase of aluminium hedging cash flows	4 115	1 496
IRS's hedging interest rates of loans	52	0
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>4 198</b>	<b>1 526</b>

## 21. Objectives and principles of financial risk management

The objectives and principles of financial risk management are described in the annual financial statements for 2014 published on 17 March 2015. No changes had place in the objectives and principles of risk management as compared to the ones described in the financial statements for 2014.

## 22. Capital management

The capital is managed at the level of the Capital Group of Grupa Kęty S.A.

## 23. Contingent liabilities and assets

Item	30.09.2015 (not audited)	31.12.2014 (audited)
Bank guarantee for LC Corp Sky Tower concerning the proper performance of the contract*	0	3 593
<b>Total granted guarantees</b>	<b>0</b>	<b>3 593</b>

\* The Company executed construction works in Sky Tower skyscraper in Wrocław. The guarantee expired on 31.01.2015.

In addition, the Company received or granted guarantees and sureties presented in the table below.

For:	Purpose	Amount	Maturity
Aluprof S.A.	Security for a working capital loan	5 000	31-03-2016
Metalplast Stolarka sp. z o.o., Aluprof, Alupol, Alupol Packaging	Limit for the hedging of forwards and futures	22 000	31-10-2015

Guarantees and sureties received from subsidiaries

From:	Purpose	Amount	Maturity
Aluprof S.A.	Loan security	5 000	31-06-2016

In addition:

- Grupa Kęty S.A., Alupol Packaging S.A., Aluprof S.A., Alutrans sp. z o.o., Alupol Packaging Kęty sp. z o.o. and Romb S.A. entered into an agreement with PKO BP S.A. concerning an overdraft facility up to the total amount of 80 million PLN. All the companies being parties to this agreement are jointly and severally liable for the liabilities related to this loan. The amounts of the said loan utilised by other companies as at the balance sheet date amounted to 40,856 thousand PLN. The agreement is valid until 30.09.2016.
- Grupa Kęty S.A., Alupol Packaging S.A., Aluprof S.A., Alupol Packaging Kęty sp. z o.o. and Metalplast Stolarka sp. z o.o. entered into an agreement with PeKaO S.A. concerning a credit limit in the current account up to the total amount of 130 million PLN. All the companies being parties to this agreement are jointly and

severally liable for the liabilities related to this loan. The amounts of the said loan utilised by other companies as at the balance sheet date amounted to 38,414 thousand PLN. The agreement is valid until 31.10.2015.

- Grupa Kęty S.A. and Metalplast Stolarka sp. z o.o. entered into an agreement with ING S.A. concerning an overdraft facility up to the total amount of 50 million PLN. All the companies being parties to this agreement are jointly and severally liable for the liabilities related to this loan. The amount of the said loan utilised by Metalplast Stolarka as at the balance sheet date amounted to 42,559 thousand PLN. The agreement is valid until 30.05.2016.
- Grupa Kęty S.A., Aluprof S.A., Alupol Packaging S.A., Metalplast Stolarka Sp. z o.o., Alupol Packaging Kęty Sp. z o.o., Alupol Films Sp. z o.o. and ROMB S.A. entered into an agreement with BGŻ BNP Paribas Polska S.A. concerning an overdraft facility up to the total amount of 100 million PLN. All the companies being parties to this agreement are jointly and severally liable for the liabilities related to this loan. The amount of the said loan utilised by the companies as at the balance sheet date amounted to 45,197 thousand PLN. The agreement is valid until 01.06.2016.
- Grupa Kęty S.A. and Metalplast Stolarka sp. z o.o. entered into an agreement with BGŻ BNP Paribas Polska S.A. concerning a guarantee facility up to the total amount of 20 million PLN, and Grupa Kęty S.A. granted its surety for the said agreement. As at the balance sheet date, Metalplast Stolarka issued guarantees under this agreement amounting to 7,529 thousand PLN. The agreement will be valid until the expiry of the guarantees and the last guarantees under this agreement expire in 2023.
- Grupa Kęty S.A. guaranteed bills of exchange securing the guarantee line agreement with the value of 20,000 thousand PLN concluded by Metalplast-Stolarka Sp. z o.o and Euler-Hermes. As at the balance sheet date, the value of issued guarantees amounted to 1,240 thousand PLN. The guarantees are valid until 28.02.2018.
- Grupa Kęty S.A. assumed liability for Euler-Hermes guarantees issued to customers of Metalplast-Stolarka Sp. z o.o. As at the balance sheet date, the value of issued guarantees amounted to 2,367 thousand PLN. The guarantees are valid until 11.04.2017.
- Grupa Kęty S.A., Metalplast Stolarka sp. z o.o., Alupol Packaging S.A., Aluform Sp. z o.o., Aluprof S.A. and Alupol Packaging Kęty Sp. z o.o. entered into an agreement with PeKaO S.A. concerning a guarantee facility up to the total amount of 35 million PLN, and Grupa Kęty S.A. granted its surety for the said agreement. As at the balance sheet date, Metalplast Stolarka issued guarantees under this agreement amounting to 12,879 thousand PLN. The agreement is valid until 31.10.2025.

## 24. Contractual liabilities related to the purchase of property, plant and equipment

As at 30 September 2015, the Company committed itself to incur expenditure on property, plant and equipment amounting to 11,742 thousand PLN (as at 31 December 2014, the investment obligations amounted to 2,905 thousand PLN). The amounts are allocated to the purchase of new machines and plant.

## 25. Related party transactions

Transactions within the Capital Group for the period from 1 January 2015 to 30 September 2015 and as at 30 September 2015.

Related party	Sale	Purchases	Receivables	Liabilities	Dividends
Aluprof S.A.	155 260	2 671	60 682	782	71 000
Alupol Packaging S.A.	531	0	236	0	40 000
Alutech sp. z o.o. w likwidacji	13	0	0	0	0
Alu Trans System Sp. z o.o.	4 948	63	2 493	22	0
Dekret Sp. z o.o.	577	1 042	70	278	69
Aluprof Hungary Sp. z o.o.	558	244	56	97	0
Metalplast Stolarka Sp. z o.o.	3 536	292	1 573	26	0
Alupol Ukraina Sp. z o.o.	1 956	4 626	0	815	0
Romb S.A.	734	3	196	0	0
Aluform Sp. z o.o.	1 203	36 299	257	6 429	13 002
Alupol Packaging Kęty Sp. z o.o.	6 065	13	1 657	4	0
Aluprof System Czechy sro	0	289	0	28	0
Grupa Kęty Italia srl	0	977	0	0	0
<b>Total</b>	<b>175 381</b>	<b>46 519</b>	<b>67 220</b>	<b>8 481</b>	<b>124 071</b>

Apart from the aforementioned transactions, in the period of 9 months of 2015, the Company did not carry out any other related party transactions.

The transactions with the Management Board and the Supervisory Board are described in note 28 to the interim condensed consolidated financial statements. There were no other significant related party transactions apart from the aforementioned transactions and balances.

### 25.1. Transactions with Members of the Management Board

In the period, the Company did not conduct any transactions with members of the Management Board apart from those described below.

### 25.2. Remunerations of the Company's top management

<b>Management Board:</b>	<b>9 months of 2015</b>	<b>9 months of 2014</b>
Costs of short-term employee benefits	1 232	1 160
Costs of the provision for annual bonuses and other benefits	1 131	1 160
<b>Total costs of remunerations of the members of the Management Board</b>	<b>2 363</b>	<b>2 320</b>
The valuation of the costs of options for treasury shares, due in the case the programme is implemented*	781	359
<b>Total payments to the members of the Management Board</b>	<b>3 144</b>	<b>2 679</b>

\* The details of the programme are described in notes 25.3 and 17. If the market conditions for the allocation of options are not fulfilled, despite the recognition of the costs of the programme, eligible persons will not acquire the right to subscribe for shares.

Remunerations and benefits under the options programme due to the members of the Management Board, top management and members of the Company's Supervisory Board are as follows:

	<b>9 months of 2015</b>	<b>9 months of 2014</b>
Proxies of the parent company*	602	469
Management Board of the parent company*	3 144	2 679
Supervisory Board	436	416
<b>TOTAL</b>	<b>4 182</b>	<b>3 564</b>

\* The presented remunerations cover the costs of provisions for annual bonuses for the management staff and share options costs recognised in the income statement. The details of the share options programme are described in note 17. Pursuant to the principles of the programme and IFRS 2, the costs of share options constitute the valuation of the options programme as at the date of its launch. The costs of options are recognised in the income statement on a straight line basis throughout the validity period of the programme, i.e. 36 months. According to IFRS 2, the costs presented in such a way constitute the cost of remunerations for the Company, but do not reflect the value of possible benefits that employees may obtain in the future on this account. Employees' possible benefits depend on the level of share prices in the future as compared to the acquisition price resulting from the conditions for particular parts of the options programme.

### 25.3. Participation of the top management in the employee shares programme

As described in details in note 17, the Group has implemented an options programme for the management staff.

In the reporting period, the members of the Management Board acquired, exercising options for shares from the third part of the 2009 programme, 30,450 shares at the price of 125.57 per share.

In addition, after meeting the programme conditions, the members of the Management Board will acquire, under the terms and conditions of the programme, the right to purchase up to 27,280 options from the first part of the 2012 programme, up to 27,280 options from the second part of the 2012 programme, up to 27,280 options from the third part of the 2012 programme, and 15,000 options from the 2015 programme. The costs of related benefits recognised in the income statement for 9 months of 2015 amounted to 781 thousand PLN (359 thousand PLN for 9 months of 2014).

In addition, after meeting the programme conditions, the Proxies will acquire the right to purchase up to 8,060 share options from the first part, up to 8,060 share options from the second part, and up to 8,060 share options from the third part of the 2012 programme.

The costs of related benefits recognised in the income statement for 9 months of 2015 amounted to 235 thousand PLN (107 thousand PLN for 9 months of 2014).

## 26. Issue of shares

In the reporting period, eligible persons subscribed for 48,450 series F shares issued as part of the programme for the management staff at the issue price of 125.57 PLN per share. The aforementioned shares were registered in the National Court Register on 9 July 2015.

Below, we present the method of recognising proceeds from employee-related issues of shares.

Shares	Number of shares	Acquisition year	Value ('000' PLN)	Amount charged to share capital	Amounts charged to share premium
Series E shares – the 2006 programme	13 375	2013	1 669	33	1 636
Series F shares – the 2009 programme	85 200	2013	6 547	213	6 334
Series F shares – the 2009 programme	9 000	2014	1 059	23	1 036
Series E shares – the 2006 programme	4 350	2014	543	11	532
Series F shares – the 2009 programme	43 200	2014	5 082	108	4 974
Series F shares – the 2009 programme	12 750	2014	1 601	32	1 569
Series F shares – the 2009 programme	48 450	2015	6 083	121	5 962
<b>TOTAL</b>	<b>216 325</b>		<b>22 584</b>	<b>541</b>	<b>22 043</b>

## 27. The methods of the measurement at fair value of financial instruments disclosed at fair value (fair value hierarchy)

The fair value of futures, forwards and IRS's is calculated on the basis of the present net value of the future cash flows related to these contracts, quoted market prices of forwards calculated with the application of present interest rates.

Fair value of currency forwards is determined by reference to the present forward rates for contracts with similar maturity.

As compared to the previous financial year, the Company did not change the method of measuring derivatives.

Derivatives are recognised as assets when their measurement is positive, and as liabilities when their measurement is negative. Gains and losses due to changes in the fair value of derivatives which do not meet the principles of hedge accounting are recognised in the financial result for the reporting year.

In the case of determining fair value on the basis of market quotations, it is classified at the so-called 'Level 1'. In the case of derivatives held by the Company, fair value is determined on the basis of other inputs that are observable either directly or indirectly. As a result, the value is classified at the so-called 'Level 2' of the fair value hierarchy.

Fair value hierarchy	Hierarchy level	30.09.2015 (not audited)	31.12.2014 (audited)
Financial assets			
Hedging derivatives	2	341	674
Financial liabilities			
Hedging derivatives	2	4 198	1 526

## 28. Earnings per share

Below, we present the data related to net earnings and the number of shares used to calculate basic and diluted earnings per share:

	9 months ended on 30.09.2015 (not audited)	9 months ended on 30.09.2014 (not audited)
<b>Net profit</b>	<b>138 723</b>	<b>109 835</b>
Weighted average number of ordinary shares assumed for the calculation of earnings per ordinary share	9 415 545	9 371 889
Weighted average number of ordinary shares assumed for the calculation of diluted earnings per ordinary share*	9 428 905	9 385 069
Basic earnings per share (in PLN)	14.73	11.72
Diluted earnings per share (in PLN)	14.71	11.70

Eligible employees subscribed for shares in the period. Eligible employees subscribed for 48,450 series F shares from the third part of the 2009 programme at 125.57 PLN per share.

The average market price for the Company's share in the period of 9 months of 2015 was 307.74 PLN. The closing price as at 30.09.2015 amounted to 290.00 PLN.

The potential number of ordinary shares associated with the employee options programme increasing the number of shares and assumed for the calculation of diluted earnings per share is 13,360 shares.

## 29. Impairment losses for interests

The Company has a subsidiary Alupol LLC in Ukraine. The increase in market interest rates in the first half of the year and deteriorating economic situation in Ukraine became a good reason to carry out an impairment test for this company. As a result of the test, the Company established an additional revaluation write-down for interests amounting to 2,317 thousand PLN.

	30.09.2015	31.12.2014
<b>Cash-generating units</b>	<b>Alupol LLC Ukraina</b>	<b>Alupol LLC Ukraina</b>
The basis for recoverable amount	Value in use	Value in use
Value of interests at purchase price	63 500	63 500
Recoverable amount determined under IAS 36	14 700	17 017
Revaluation write-down to recoverable amount	48 800	46 483
Source of data	Forecast	Forecast
Estimate basis	5-year cash flow forecast	5-year cash flow forecast
Marginal growth rate(1)	5%	5%
Applied discount rate(2)	35.50%	31.11%

1) The rate of 5% is the nominal growth rate at the level of expected inflation rate for Ukraine (0% in real terms)

2) The applied discount rate is based on the pre-tax discount rate defined in IAS 36.

The recoverable amount was determined on the basis of discounted cash flows. An increase in the applied discount rate by 5 p.p. would result in the decrease in the recoverable amount of Alupol Ukraina by 3,161 thousand PLN (31.12.2014: a decrease by 2,914 thousand PLN).

The impairment tests carried out by the Company in Alupol Ukraina are based on the assumptions and data available as at the balance sheet date. Any possible changes in interest rates or any potential collapse of the Ukrainian economy after 30.09.2015 will be charged to the results of further years as the events after the reporting period reflecting the development of the economic situation in this country.

## 30. Events after the reporting period

After the reporting period, there were no significant events which should be included in these financial statements.

**Signatures of all Members of the Management Board:**

Dariusz Mańko  
*President of the Management Board*

Adam Piela  
*Member of the Management Board*

.....  
Kęty, 22 October 2015

.....

**Signature of the person entrusted with bookkeeping**

Andrzej Stempak  
*President of the Management Board*  
*Dekret Centrum Rachunkowe Sp. z o.o.*

.....  
Kęty, 22 October 2015