



## **CURRENT REPORT 69 / 2017**

**13 October 2017**

*Legal basis: Art. 17.1 of the MAR – Confidential Information.*

Subject: Preliminary Financial Results for Q3 2017.

Content:

The Management Board of ZUE S.A. (the "Company," ZUE) inform that after they had completed on 13 October 2017 aggregating separate financial data for the purpose of preparation of the financial statements of the Company and the Group for the period January – September 2017, a decision was made to report preliminary separate financial results for the abovementioned reporting period.

The Company informs that the consolidated financial data for the abovementioned reporting period is being aggregated.

Preliminary financial results of the Company for the third quarter 2017; i.e. July – September 2017:

- Revenue: PLN 112,185 thousand;
- Gross profit (loss): PLN 8,872 thousand;
- Operating profit (loss): PLN 3,960 thousand;
- Net profit (loss): PLN 3,024 thousand.

Preliminary financial results of the Company for the three quarters of 2017; i.e. January- September 2017:

- Revenue: PLN 212,280 thousand;
- Gross profit (loss): PLN 2,771 thousand;
- Operating profit (loss): PLN (-) 9,872 thousand;
- Net profit (loss): PLN (-) 9,851 thousand.

The results reported for the third quarter of 2017 were mainly influenced by the significant increase in revenue from the new contracts won under the present EU perspective. The said contracts entered another stage of performance and their



profitability increased. Previously, as early-stage projects, they had not generated considerable amounts and the Company informed thereof, for instance, in the financial report for the first half of 2017. In addition, good results reported by the Company in the third quarter 2017 contributed to significant improvement of the results reported in the period January – September 2017. At the end of Q3 2017, revenue increased by PLN 112,185 thousand (53%) over the analogous figure reported at the end of H1 2017 and gross profit (loss) increased by PLN 8,872 thousand; i.e. from PLN (-) 6,101 thousand at the end of H1 2017 to PLN 2,771 thousand at the end of Q3 2017. Operating profit (loss) in the period under analysis improved by PLN 3,960 thousand and net profit (loss) by PLN 3,024 thousand.

The abovementioned preliminary financial results do not include the payment of PLN 3.2m plus statutory interest awarded by the court for the benefit of ZUE. The Company informed about the court's ruling in the current report 58/2017 of 15 September 2017.

The Company also informs that the cash held by the Company at the end of September 2017 is PLN 42,119 thousand.

At this report publication date, an order book held by the ZUE Capital Group is worth PLN 1,813m. The value of tenders in which the Company has submitted the most advantageous offers, either independently or as a consortium member, is PLN 461m and the total value of the potential order book is approx. PLN 2.3bn. The Group's potential (including bond limits) enables it to win new contracts.

The Issuer informs that detailed information about the order book and the final separate financial results will be provided in the consolidated report of the Capital Group for the three quarters of 2017.