

**Current Report:** 1/2016**Date:** 2016-01-04**Name of the Issuer:** FERRUM S.A.**Title:** Notification on the change of share in the total number of votes in FERRUM S.A.**Legal basis:** Art. 70 point 1 Act on Public Offering – purchase or sale of substantial block of shares**Content of the Report:**

With reference to the current report no. 85/2015 of 24<sup>th</sup> December 2015 regarding notification on the change of share in the total number of votes in FERRUM S.A., the current report no. 87/2015 of 29<sup>th</sup> December 2015 regarding notification on the change of share in FERRUM S.A. and pursuant to the current report no. 86/2015 of 28<sup>th</sup> December regarding the opinion of HW Pietrzak Holding S.A. (HW Pietrzak) about the notifications on the change of share in the total number of votes in FERRUM S.A., the Management Board of FERRUM S.A. (Issuer) informs that on 4<sup>th</sup> January 2016 it was provided by HW Pietrzak, under the Art. 69 of the Act on Public Offering and the Conditions for Introducing Financial Instruments to the Organized Trading System and on Public Companies, with the announcement of the wording as presented below:

„Acting on behalf of HW Pietrzak Holding S.A. seated in Warsaw, Plac Trzech Krzyży 3, 00-535 Warsaw, registered in the Register of Entrepreneurs of the National Court Register administered by the District Court for the Capital City of Warsaw in Warsaw, XII Commercial Division of the National Court Register under the no. 0000521752 (hereinafter referred to as ‘Company’), under the Art. 69 item 1 the Act of 29<sup>th</sup> July 2005 on Public Offering and the Conditions for Introducing Financial Instruments to the Organized Trading System and on Public Companies (consolidated text: the Journal of Law of 2013, pos. 1382) (hereinafter referred to as ‘Act on Public Offering’) be it known that on 29<sup>th</sup> December 2015 the Company received a statement of the stock account no. (...) kept by ING Securities S.A. seated in Katowice (hereinafter referred to as ‘Stock Account 1’) and on 30<sup>th</sup> December 2015 a statement of the stock account no. (...) kept by Powszechna Kasa Oszczędności Bank Polski S.A. seated in Warsaw (hereinafter referred to as ‘PKO BP’) (hereinafter referred to as ‘Stock Account 2’), pursuant to which on 18<sup>th</sup>, 21<sup>st</sup> and 28<sup>th</sup> December 2015 there was a change in the Company’s shareholding status and the number of votes at the general meeting of shareholders at Ferrum S.A., the company seated in Katowice, Porcelanowa 11 Street, 40-246 Katowice, registered in the Register of Entrepreneurs of the National Court Register administered by the District Court Katowice-Wschód in Katowice, VIII Commercial Division of the National Court Register under the no. 0000063239 (hereinafter referred to as ‘Ferrum’).

**1. Change of the shareholding status and the number of votes at the general meeting of Ferrum shareholders on 18<sup>th</sup> December 2015**

According to the statement of operations on the Stock Account 1 as on 18<sup>th</sup> December 2015, an order for transferring 2.177.123 shares was registered that correspond to 8,87% of the Ferrum equity capital and give right to 8,87% votes at the general meeting of Ferrum shareholders.

Prior to the stock transfer order of 18<sup>th</sup> December 2015, the Company owned 11.675.842 shares corresponding to 47,57% of Ferrum equity capital and authorizing to 47,57% of votes at the general meeting of Ferrum shareholders.

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Upon the stock transfer order of 18<sup>th</sup> December 2015, the Company owned 9.498.719 shares corresponding to 38,70% of Ferrum equity capital and authorizing to 38,70% of votes at the general meeting of Ferrum shareholders.

### 2. Change of the shareholding status and the number of votes at the general meeting of Ferrum shareholders on 21<sup>st</sup> December 2015

According to the statement of operations on the Stock Account 2 as on 21<sup>st</sup> December 2015, an order for transferring 3.121.877 shares was registered that correspond to 12,72% of the Ferrum equity capital and give right to 12,72% votes at the general meeting of Ferrum shareholders.

Prior to the stock transfer order of 21<sup>st</sup> December 2015, the Company owned 9.498.719 shares corresponding to 38,70% of Ferrum equity capital and authorizing to 38,70% of votes at the general meeting of Ferrum shareholders.

Upon the stock transfer order of 21<sup>st</sup> December 2015, the Company owned 6.376.842 shares corresponding to 25,98% of Ferrum equity capital and authorizing to 25,98% of votes at the general meeting of Ferrum shareholders.

### 3. Change of the shareholding status and the number of votes at the general meeting of Ferrum shareholders on 28<sup>th</sup> December 2015

According to the statement of operations on the Stock Account 1 as on 28<sup>th</sup> December 2015 the following stock transfer orders were registered:

- a) 1.706.930 of Ferrum shares corresponding to 6,96% of Ferrum equity capital and authorizing to 6,96% votes at the general meeting of Ferrum shareholders;
- b) 1.870.000 of Ferrum shares corresponding to 7,62% of Ferrum equity capital and authorizing to 7,62% votes at the general meeting of Ferrum shareholders;
- c) 1.570.800 of Ferrum shares corresponding to 6,40% of Ferrum equity capital and authorizing to 6,40% votes at the general meeting of Ferrum shareholders.

Summarizing, on 28<sup>th</sup> December 2015 on the Stock Account 1 there were stock transfer orders registered of 5.147.730 of Ferrum shares corresponding to 20,97% of the Ferrum equity capital and authorizing to 20,97% votes at the general meeting of Ferrum shareholders.

Prior to the stock transfer orders of 28<sup>th</sup> December 2015, the Company owned 6.376.842 shares corresponding to 25,98% of Ferrum equity capital and authorizing to 25,98% of votes at the general meeting of Ferrum shareholders.

Upon the stock transfer orders of 28<sup>th</sup> December 2015, the Company owned 1.229.112 shares corresponding to 5,01% of Ferrum equity capital and authorizing to 5,01% of votes at the general meeting of Ferrum shareholders.

As a consequence of the afore mentioned occurrences, the Company's shareholding of Ferrum shares decreased from 11.675.842 shares corresponding to 47,57% of Ferrum equity capital and authorizing to 47,57% votes at the general meeting of Ferrum shareholders to 1.229.112 shares corresponding to 5,01% of Ferrum equity capital and authorizing to 5,01% votes at the general meeting of Ferrum shareholders.

Changes in the shareholding structure and the number of votes at the general meeting of Ferrum shareholders are, in the opinion of the Company, related to the possible takeover of shares by ArcelorMittal Flat Carbon Europe S.A. seated in Luxemburg (hereinafter referred to as 'ArcelorMittal FCE'). ArcelorMittal Poland S.A.



seated in Dąbrowa Górnicza (hereinafter referred to as 'ArcelorMittal Poland) and PKO BP in the result of exercising by ArcelorMittal FCE, ArcelorMittal Poland and PKO BP the rights under: (i) the Agreement of the Registered Pledge established on the shares of Ferrum S.A. seated in Katowice concluded on 27<sup>th</sup> March 2015 between the Company and ArcelorMittal FCE; (ii) the Agreement of the Registered Pledge established on the shares of Ferrum S.A. seated in Katowice concluded on 27<sup>th</sup> March 2015 between the Company and ArcelorMittal Poland; (iii) the Agreement no. 26/2010 of the registered pledge established on the shares in public trading concluded on 17<sup>th</sup> June 2010 between the Company and PKO BP; (iv) the Agreement no. 28/2010 of the registered pledge established on the shares in public trading concluded on 30<sup>th</sup> June 2010 between the Company and PKO BP; (v) the Agreement no. 32/2010 of the registered pledge established on the shares in public trading concluded on 27<sup>th</sup> July 2010 between the Company and PKO BP. This is because on 17<sup>th</sup> December 2015 the Company received from ArcelorMittal FCE and ArcelorMittal Poland notifications on the intent to gain satisfaction from 5.299.000 of dematerialized Ferrum shares. Moreover, on 29<sup>th</sup> December 2015 the Company received a statement from the PKO BP Brokerage House dated 22<sup>nd</sup> December 2015, in which PKO BP Brokerage House informed about having transferred 3.121.877 of Ferrum shares from the Stock Account 2 onto the ArcelorMittal Poland account, based on the declarations and notifications of ArcelorMittal FCE and ArcelorMittal Poland dated 10<sup>th</sup> and 16<sup>th</sup> December 2015 respectively. Additionally, the record of the Stock Account 1 includes notes that 7.324.853 of Ferrum shares were transferred onto the PKO BP account on 18<sup>th</sup> and 28<sup>th</sup> December 2015.

In the opinion of the Company, the transfer of 10.386.730 of Ferrum shares from the Stock Account 1 and Stock Account 2 of the Company violated the binding contractual provisions and law regulations, particularly because (i) the delivery dates for performance of the obligations secured by the pledges did not expire, (ii) ArcelorMittal FCE, ArcelorMittal Poland and PKO BP did not undertake in due dates the actions required for effective satisfaction of liabilities secured by the pledges, (iii) no declarations were filed which would result in the occurrence of authorization to transfer the stock ownership onto ArcelorMittal FCE, ArcelorMittal Poland and PKO BP.

At the same time the Company informs that there exist no subsidiaries holding Ferrum shares, except for the Ferrum company itself, owing 1.386.386 of own shares corresponding to 5,65% of its equity capital and authorizing to 5,65% votes at the general meetings of its shareholders. Additionally, the Company notifies that there exist no persons as specified in the Art. 87 item 1 point 3 letter c of the Act on Public Offering”.

#### **SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

<b>Date</b>	<b>Position</b>	<b>First name and surname</b>
2016-01-04	President of the Management Board	Konrad Mitterski
2016-01-04	Member of the Management Board	Włodzimierz Kasztalski