



Current Report: 75/2016

Date: 2016-10-27

Name of the Issuer: FERRUM S.A.

Title: Initial financial results for 9 months of 2016

Legal basis: Art. 17 item 1 MAR – inside information

Content of the Report:

The Management Board of FERRUM S.A. (Issuer, Company) informs that on 27th October 2016, with regard to the completion of financial data aggregation process initiated in order to prepare extended consolidated quarterly report of the Company and FERRUM Capital Group for the Q3 of 2016, it was decided to publish the initial financial results for the referred period.

Stand-alone net revenue from sales of products, goods and materials in 9 months of 2016 amounted to app. PLN 193 949 thousand and was by PLN 21 955 thousand lower than the revenue of comparable period of previous year. Lower sales regarded goods and materials and resulted, among others, from lack of sales of goods and materials to HW PIETRZAK in comparable period. Moreover, in 9 months of 2016 the Issuer's operating profit amounted to app. PLN 5 720 thousand and net profit to app. PLN 1 818 thousand. The financial results were improved due to, inter alia, higher revenue from sales of products, enhanced return of gross sales of products and lower financial costs.

Consolidated net revenue from sales of products, goods and materials in 9 months of 2016 amounted to app. PLN 237 244 thousand and was by PLN 16 957 thousand lower than the revenue of comparable period of previous year, which resulted mainly from lack of sales of goods and materials by the parent company to HW PIETRZAK in 9 months of 2016. Furthermore, consolidated operating profit of FERRUM Capital Group in 9 months of 2016 amounted to app. PLN 10 253 thousand and net profit to app. PLN 5 136 thousand, particularly as a result of improved financial stand-alone results of the Issuer.

At the same time the Issuer reminds that the detailed information on the final financial results of the Company and FERRUM Capital Group in 9 months of 2016 shall be made public on 14th November 2016.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2016-10-27	President of the Management Board	Konrad Milterski
2016-10-27	Vice-President of the Management Board	Włodzimierz Kasztalski