



**Current Report:** 24/2017

**Date:** 2017-05-04

**Name of the Issuer:** FERRUM S.A.

**Title:** Initial financial results for the Q1 of 2017

**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 4<sup>th</sup> May 2017, 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 Q1 of 2017, it was decided to publish the initial financial results for the Q1 of 2017.

Stand-alone net revenue from sales of products, goods and materials in the Q1 of 2017 amounted to app. PLN 56 657 thousand and was by PLN 10 487 thousand higher than the revenue of comparable period of previous year. Higher sales regarded products, goods and materials. Moreover in the Q1 of 2017 the Issuer's operating profit amounted to app. PLN 2 158 thousand and net profit to app. PLN 708 thousand. In the Q1 of 2016 the Issuer reported operating loss of PLN 2 459 thousand and net loss of PLN 4 410 thousand. The financial results were improved due to, inter alia, higher revenue from sales of products, enhanced return of gross sales of products and higher favorable operating result on other business activity.

Consolidated net revenue from sales of products, goods and materials in the Q1 2017 amounted to app. PLN 73 249 thousand and was by PLN 13 119 thousand higher than the revenue of comparable period of previous year. Consolidated operating profit of FERRUM Capital Group in the Q1 of 2017 amounted to app. PLN 3 122 thousand and net profit to app. PLN 1 464 thousand, particularly as a result of improved financial stand-alone results of the Issuer. In the Q1 of 2016 the operating profit amounted to PLN 436 thousand and the net loss amounted to PLN 1 620 thousand.

Furthermore the Issuer reminds that the detailed information on the final financial results of the Company and FERRUM Capital Group in the Q1 of 2017 shall be made public on 30<sup>th</sup> May 2017.

**SIGNATURES OF PERSONS REPRESENTING THE COMPANY**

| <b>Date</b> | <b>Position</b>                        | <b>First name and surname</b> |
|-------------|--|-------------------------------|
| 2017-05-04  | President of the Management Board      | Krzysztof Kasprzycki          |
| 2017-05-04  | Vice-President of the Management Board | Włodzimierz Kasztalski        |