



LUBELSKI WĘGIEL
„BOGDANKA”
SPÓŁKA AKCYJNA

PRESENTATION OF RESULTS FOR

✓ Q1 2015

GK LW BOGDANKA





MANAGEMENT BOARD MEMBERS



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Chief Financial Officer



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Vice-President of the
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Sales and Logistics



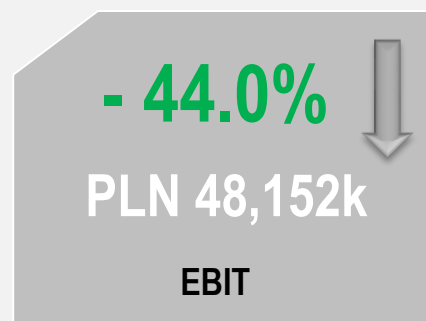
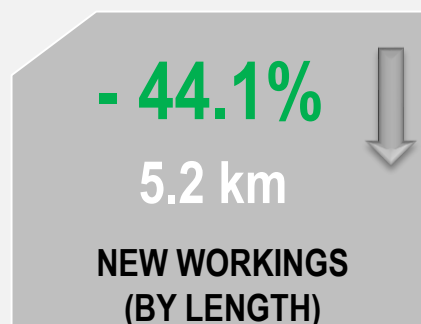
Krzysztof Szlaga

Vice-President of the
Management Board,
Procurement and Investments

LW BOGDANKA GROUP RESULTS IN Q1 2015 AND Q1 2014



LW BOGDANKA GROUP RESULTS IN Q1 2015 VS. Q1 2014



■ Change [%] Q1 2015/Q1 2014 □ Results in Q1 2015

AGENDA



- 1.** Key operating data
2. Financial highlights
3. Situation on the coal market
4. Strategy update
5. Assumptions for 2015
6. Appendices – Financial information

PRODUCTION AND SALES OF COMMERCIAL-GRADE COAL AT LW BOGDANKA S.A. IN Q1 2015



Gross production

- ✓ **2,974k tonnes** in Q1 2015 (a decrease of **11.0%** y/y)
- ✓ Production in Q1 2015 was performed on 4.7 walls on average, compared to 4.0 in the same period of 2014

Net production

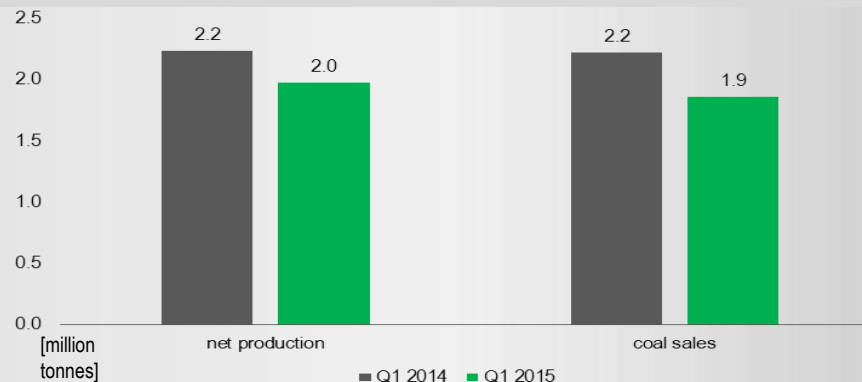
- ✓ **1,990k tonnes** in Q1 2015 (a decrease of **11.1%** y/y)
- ✓ Lower production in Q1 was adjusted to the level of coal sales

New workings

- ✓ **New coal seams:** in Q1 2015 **5.2 km of new galleries** were developed as compared to **9.3 km** in Q1 2014 (decrease of **44.1%**)
- ✓ Reduction is due to changes in the production schedule

Coal sales

- ✓ In Q1 2015 there was a decrease in coal sales – **1,946 thousand tonnes** of coal was sold, i.e. **12.5%** (**279k tonnes**) less than in Q1 2014
- ✓ Decrease in sales is a result of delivery schedules to customers (level of inventories at power plants)

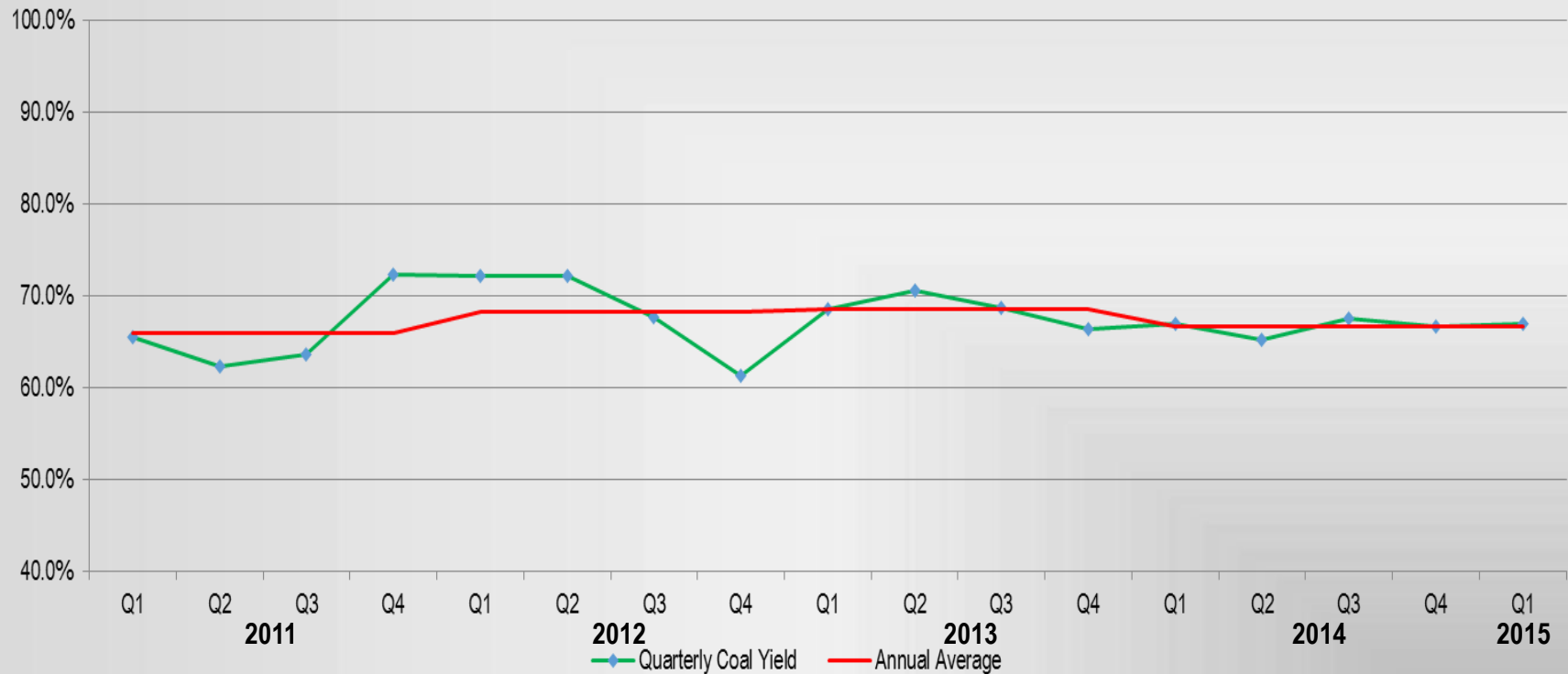


COAL YIELD AT LW BOGDANKA S.A.



✓ Coal yield in Q1 2015 was 67% and remained at a similar level to 2014

COAL YIELD AT LW BOGDANKA S.A. [2011 – 2015]



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LW BOGDANKA GROUP RESULTS FOR Q1 2015 AND Q1 2014

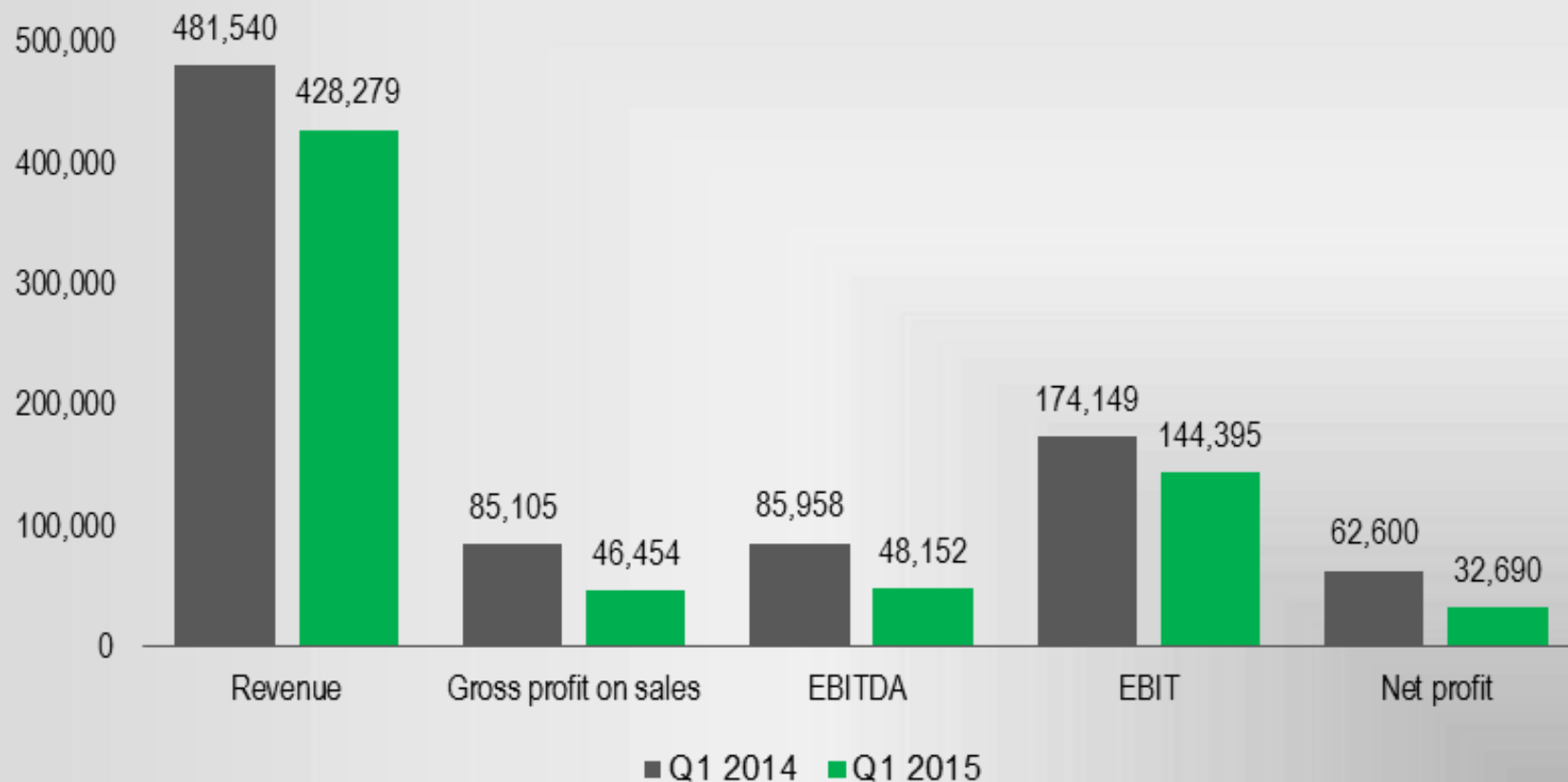


Item	Unit	Q1 2015	Q1 2014	Change % (Q1 2015/ Q1 2014)
Technical and operating data				
Gross production	'000 tonnes	2,974	3,343	-11.0%
Net production	'000 tonnes	1,990	2,238	-11.1%
Coal sales	'000 tonnes	1,946	2,225	-12.5%
Inventories (end of period)	'000 tonnes	350	229	52.8%
New workings (by length)	km	5.2	9.3	-44.1%
Coal yield	%	66.6%	66.9%	-0.4%
Financial data				
Revenue	PLN '000	428,279	481,540	-11.1%
Gross profit on sales	PLN '000	46,454	85,105	-45.4%
EBITDA	PLN '000	144,395	174,149	-17.1%
EBITDA margin	%	33.7%	36.2%	-6.9%
EBIT	PLN '000	48,152	85,958	-44.0%
EBIT margin	%	11.2%	17.9%	-37.4%
Net profit	PLN '000	32,690	62,600	-47.8%

LW BOGDANKA GROUP RESULTS FOR Q1 2015 AND Q1 2014



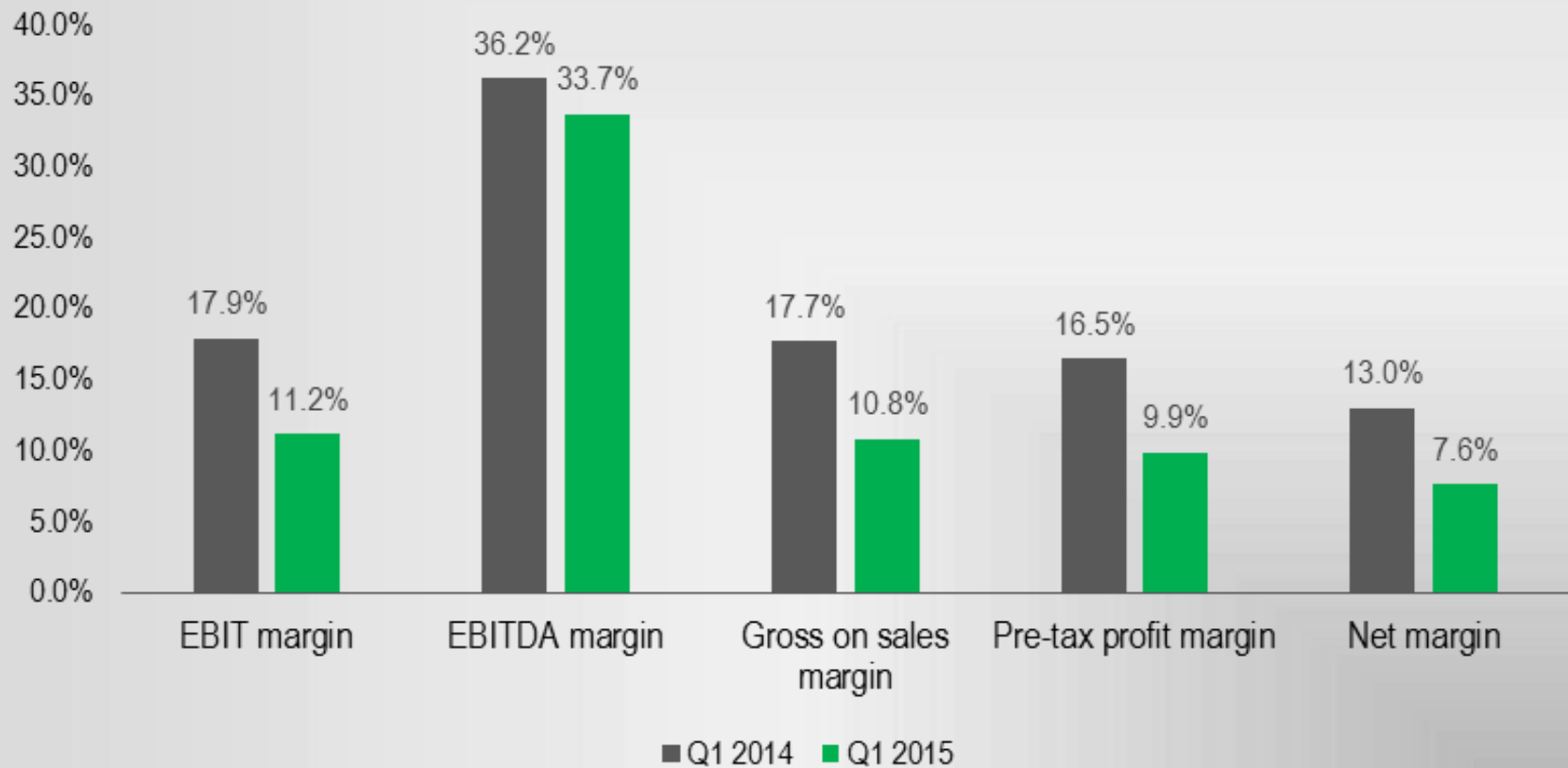
RESULTS FOR Q1 2014 AND Q1 2015 [PLN '000]



MARGINS FOR Q1 2015 AND Q1 2014



MARGINS IN Q1 2014 AND Q1 2015



LW BOGDANKA GROUP RESULTS FOR Q1 2015 AND Q1 2014



Revenues

In Q1 2015 the Group's revenues were **PLN 428,279k (decrease of 11.1% vs. Q1 2014)**.

- ✓ Reduction by 11.5% of extraction volume (adjusting net production to coal sales level)
- ✓ Despite the price pressure on the market in Q1 2015, the coal price per tonne at LWB remained at a similar level to the average in 2014 (due to the higher calorific value of coal sold)

Cost of products, goods and materials sold

In Q1 2015 the **costs of products, goods and materials sold fell 4.0%** in comparison with the same period of 2014 and amounted to PLN 349,711k. This contributed to:

- ✓ **a decrease of costs by nature by 9.7% and (excluding amortization) 13.6% y/y**, on a **decrease in net production by 11.1%**

Sales and administration expenses

Total **sales and administrative expenses** for Q1 2015 were **PLN 32,114k**, down **0.7%** from the same period in 2014

EBITDA

EBITDA in Q1 2015 was PLN 144,395k (margin 33.7%) vs. PLN 174,149k (margin 36.2%) in Q1 2014

Operating profit (EBIT)

Operating profit in Q1 2015 was **PLN 48,152k (decrease of 44.0% vs. Q1 2014)**. **EBIT margin in Q1 2015 was 11.2%** (i.e. 6.7 p.p. less than in Q1 2014)

Net profit

The Group's **net profit** for Q1 2015 was **lower than in Q1 2014 by 47.8%** – the **net profit was PLN 32,690k (2015) in comparison to PLN 62,600k (2014)**

BREAKDOWN OF LW BOGDANKA S.A.'S COSTS BY NATURE IN 2015



LW BOGDANKA S.A.'S COSTS BY NATURE IN Q1 2015 AND Q1 2014

Item [PLN '000]	Q1 2015	Q1 2014	Change [Q1 2015 / Q1 2014]
Depreciation and amortization	94,963	87,717	8.3%
Materials and energy	106,638	123,481	-13.6%
External services	89,735	117,183	-23.4%
Employee cost and benefits	120,194	131,695	-8.7%
Entertainment and advertising	2,161	2,186	-1.1%
Taxes and charges	9,683	9,820	-1.4%
Other expenses	15,134	13,291	13.9%
Costs by nature	438,508	485,373	-9.7%
Activities for the Company's own needs	-52,712	-66,440	-20.7%
Accruals and deferrals	3,465	-4,351	-179.6%
Value of coal produced from excavations	-17,455	-29,076	-40.0%
Provisions and other presentation adjustments (IAS)	18,519	13,311	39.1%
Total production costs	390,325	398,817	-2.1%
Change in products	-9,612	-630	-
Value of goods and materials sold	2,331	2,498	-6.7%
Own cost of production sold, including	383,044	400,685	-4.4%
Costs of products, goods and materials sold	350,511	367,467	-4.6%
Selling costs	9,405	9,884	-4.8%
Administrative costs	23,128	23,334	-0.9%



LW BOGDANKA S.A.'S COSTS BY NATURE

• Total Costs by nature for Q1 2015 – PLN 439m – decline vs. Q1 2014 of 9.7% (-PLN 47m)

• **Cash costs (without amortization) – decrease of 13.6%, i.e. by PLN 54m**

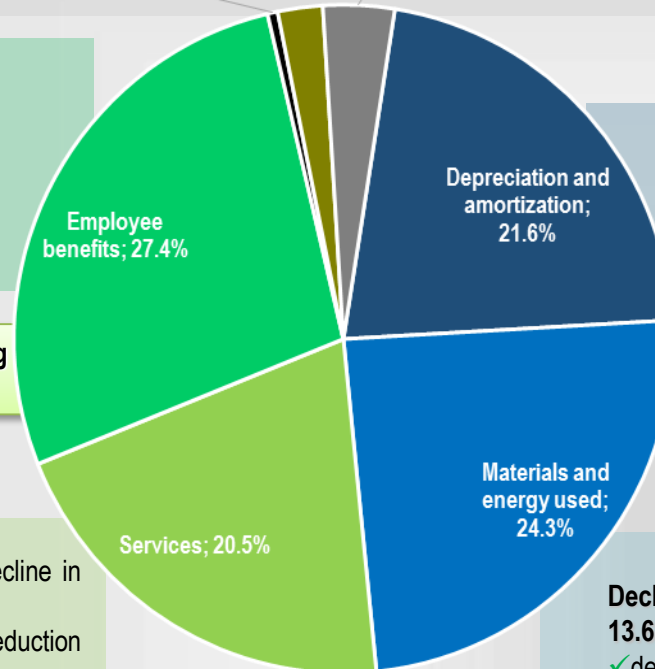
• Gross extraction -11.0%

New workings -44.1% (5.21 km in 2015 vs. 9.3 km in 2014)

Average number of walls in the move +16,7%

Decline in taxes and charges by 1.4% y/y – lower value of exploitation fees

Entertainment and advertising; 0.5%
Taxes and charges; 2.2%
Other cost; 3.5%



Amortization grew by 8.3%:

- ✓ increase in value of fixed tangible assets by PLN 328,378k, to PLN 3,506,486k
- ✓ natural amortization in Q1 2015 at the Q1 2014 level

Decline in value of materials and energy used by 13.6%:

- ✓ decline in value of materials used by 17.7% (mainly in preparatory works)
- ✓ increase in costs of energy used by 2.9% due to growth in average cost for purchase of electricity

Decline in value of employee benefits by 8.7%:

- ✓ deduction for workplace social benefit fund (ZFSS)
- ✓ increase in average employment by 2.2% y/y with average salary about 2.1% lower

Total benefits to employees and mine-drilling services (outsourcing) fell by 11.1% y/y

Decline in value of outside services by 23.4%:

- ✓ reduction of costs of shipping out coal (25.4%) – decline in volume in connection with lower production
- ✓ reduction in value of mine-drilling services (17.0%) – reduction in length of galleries by 4.1 km
- ✓ reduction in costs of rail transport services (9.9%) – (lower sales volume, with LWB ensuring transport to the customer) – these costs are re-invoiced to the customer (neutral effect on EBIT)

LW BOGDANKA CAPITAL GROUP'S BALANCE-SHEET PROVISIONS



GROUP'S ON-BALANCE-SHEET PROVISIONS AT THE END OF Q1 2015, Q1 2014 AND FY 2014

Item [PLN '000]	As at 31.03.2015	As at 31.12.2014	As at 31.03.2014	Change 31.03.2015/ 31.12.2014 [%]	Change 31.03.2015/ 31.03.2014 [%]
Employee provisions	252,108	226,724	207,614	11.2%	21.4%
Liabilities under local property tax	22,687	23,258	30,186	-2.5%	-24.8%
Mine decommissioning provision	119,927	123,585	94,417	-3.0%	27.0%
Mining damage	8,493	9,155	12,605	-7.2%	-32.6%
Accident insurance premium (ZUS)	17,740	15,901	0	11.6%	-
Other	27,534	25,295	24,721	8.9%	11.4%
TOTAL	448,489	423,918	369,543	5.8%	21.4%

LW BOGDANKA CAPITAL GROUP'S BALANCE-SHEET PROVISIONS – CONTD.



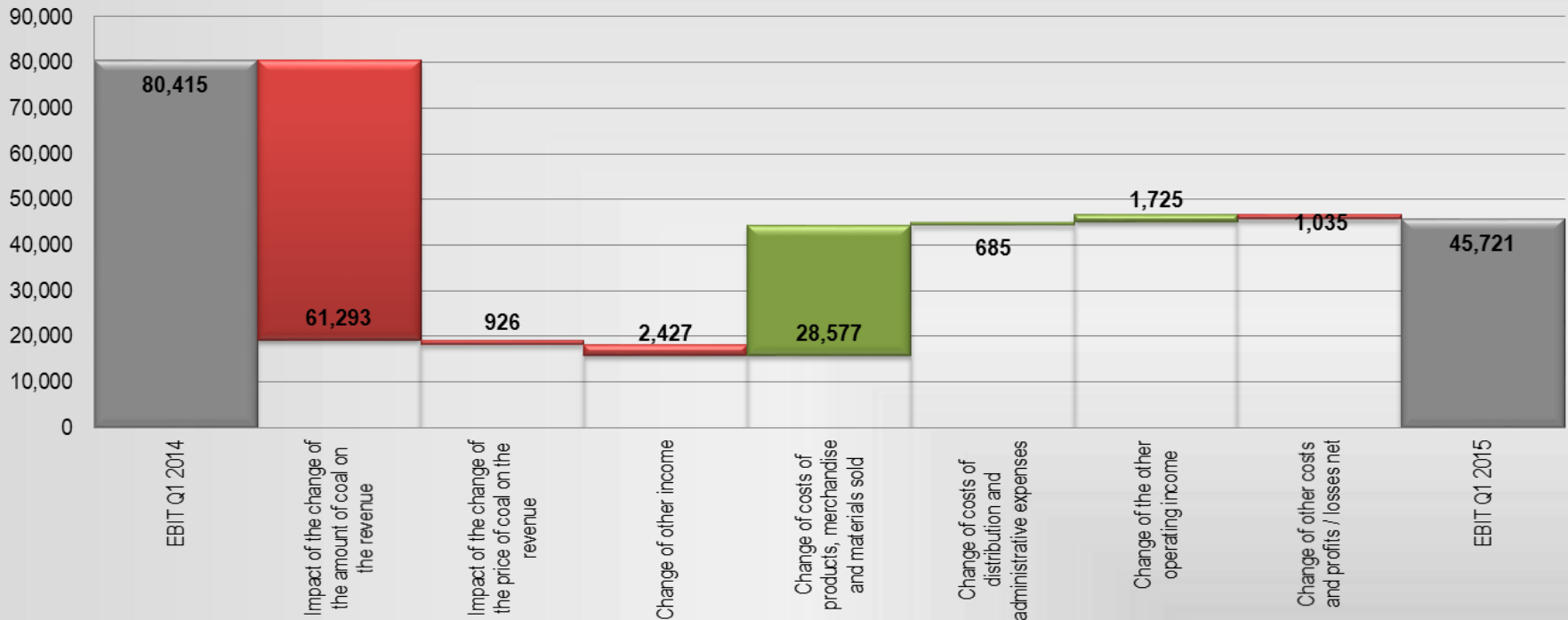
CHANGE IN GROUP'S PROVISIONS IN Q1 2015 AND Q1 2014

Item [PLN '000]	Change in Q1 2015	Change in Q1 2014	Change 2015/2014 [%]
Employee provisions	25,384	7,584	234.7%
Liabilities under local property tax	-571	2,340	-
Mine decommissioning provision	-3,658	9,139	-
Mining damage	-662	-328	101.8%
Accident insurance premium (ZUS)	1,839	0	-
Other	2,239	663	237.7%
TOTAL	24,571	19,398	26.7%

ANALYSIS OF CHANGE IN EBIT OF LW BOGDANKA FOR Q1 2015 AS COMPARED TO Q1 2014



Variance analysis of EBIT of LWB – Q1 2015/Q1 2014 (PLN '000)



Factors contributing to change in EBIT:

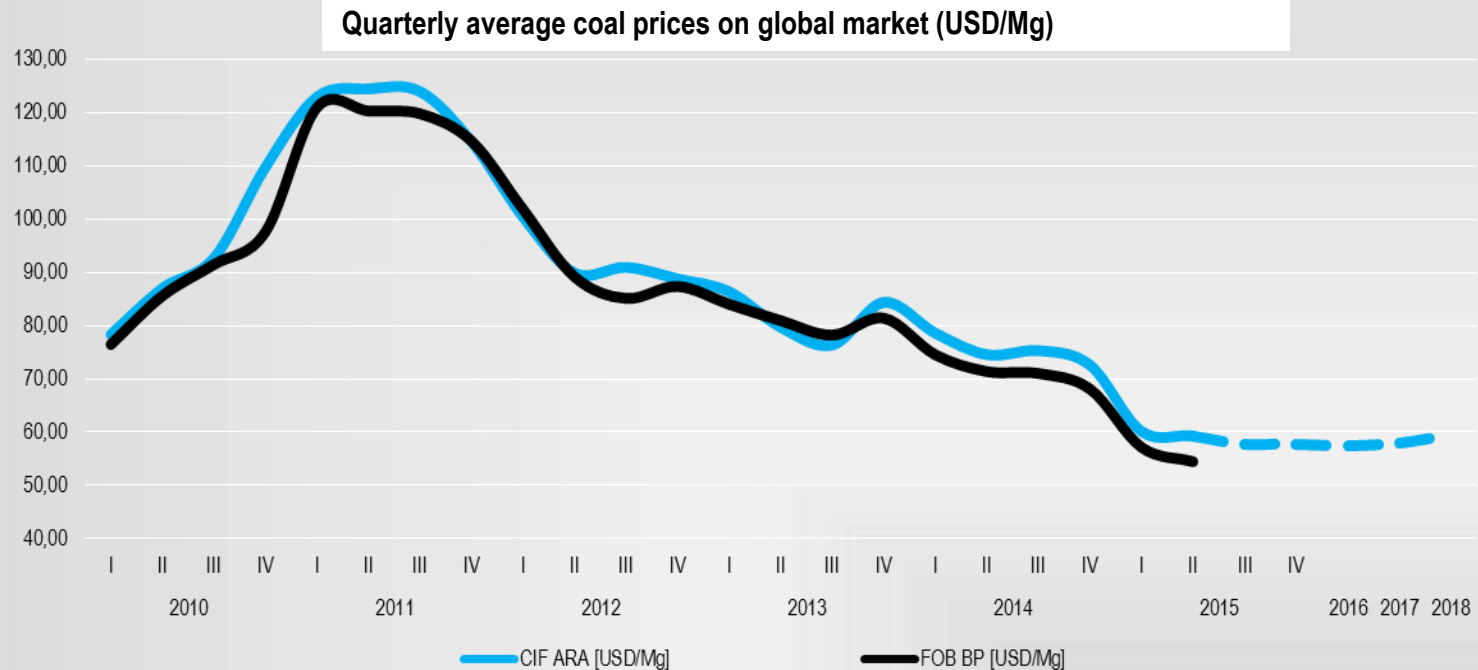
- ✓ Decline in sales volume by 279k tonnes (12.5%)
- ✓ Sale price of coal similar to Q1 2014
- ✓ Reduction of 'controllable' cash expenses by PLN 54m
- ✓ Decline in costs of products, good and materials sold by PLN 29m

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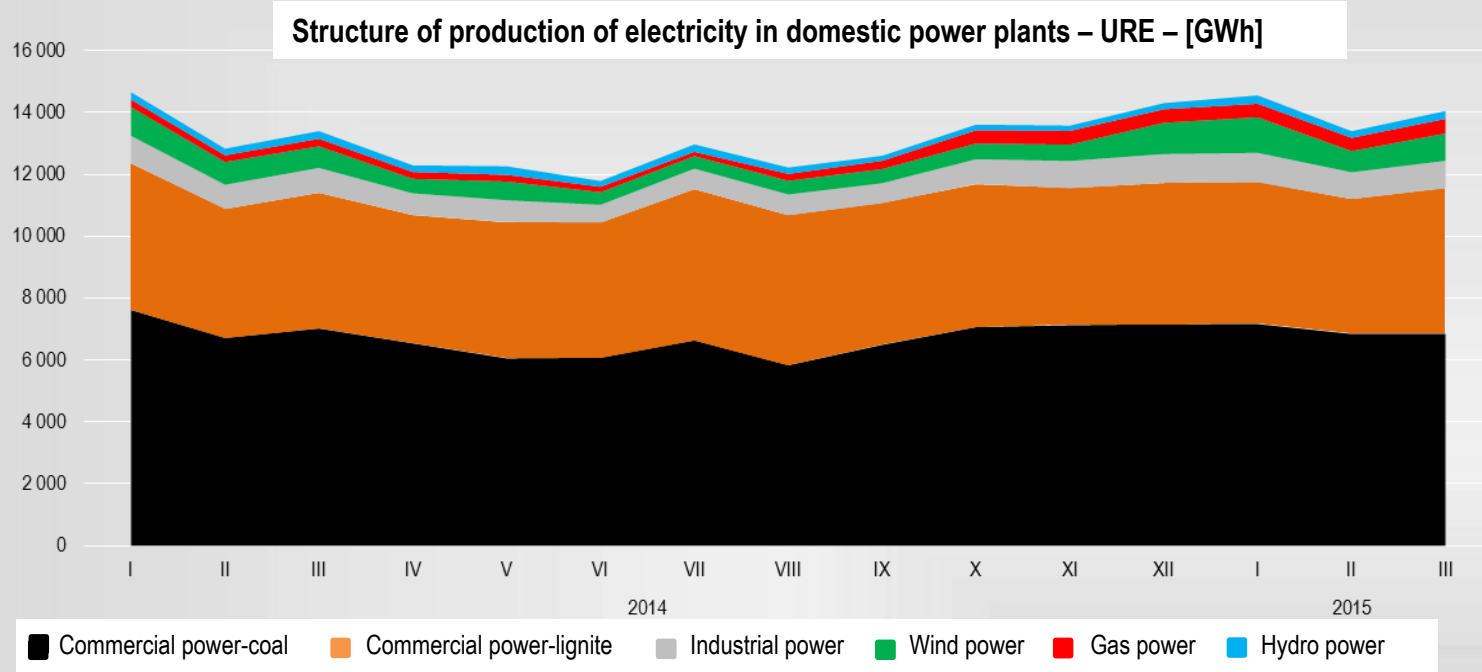
SITUATION ON THE COAL MARKET– PRICES ON GLOBAL MARKET



- ✓ CIF ARA coal prices in 2Q 2015 are at about USD 60/Mg
- ✓ Since Q3 2011, coal price of ARA has decreased by 52%
- ✓ Argus Media estimates that API2 (CIF ARA – Forward Prices) will remain at the current level of USD 60 USD/Mg until 2018

- ✓ BP FOB coal prices are closely linked to quotations of CIF ARA
- ✓ Current coal price of FOB BP is at USD 55/Mg
- ✓ Since Q2 2011, the coal price from Baltic ports has decreased by 54%

SITUATION ON THE POLISH COAL MARKET



- ✓ Demand for energy produced from coal in Poland is relatively stable
- ✓ In February - March 2015, power plants fuelled by bituminous coal produced about 20,800 GWh, nearly 50% of the total electricity production in Poland
- ✓ Poland produced 156,567 GWh of electricity in 2014. Compared to 2013 (162,501 GWh), the decline in production was about 3.7%.
- ✓ There was an increase in the production of electricity from wind farms.
- ✓ In 2014 wind farms produced 7,184 GWh as compared to 2013 (5,823), an increase of almost 24%.
- ✓ Increase in the market share of wind farms was encouraged by a dry and windy winter.

DOMESTIC DEMAND FOR THERMAL COAL...



COAL PRICES

- The average price of thermal coal on the domestic market in Q1 2015 was **PLN 247.77/tonne**
- The average price of coal sold to commercial power plants in Q1 2015 was **PLN 217.23/tonne**

DEMAND/SUPPLY

- In Q1 2015 we saw a **decline in market demand** for thermal coal
- Very large quantities of coal still remain stockpiled at mines and power plants (**about 15m tonnes**)

COAL MARKET

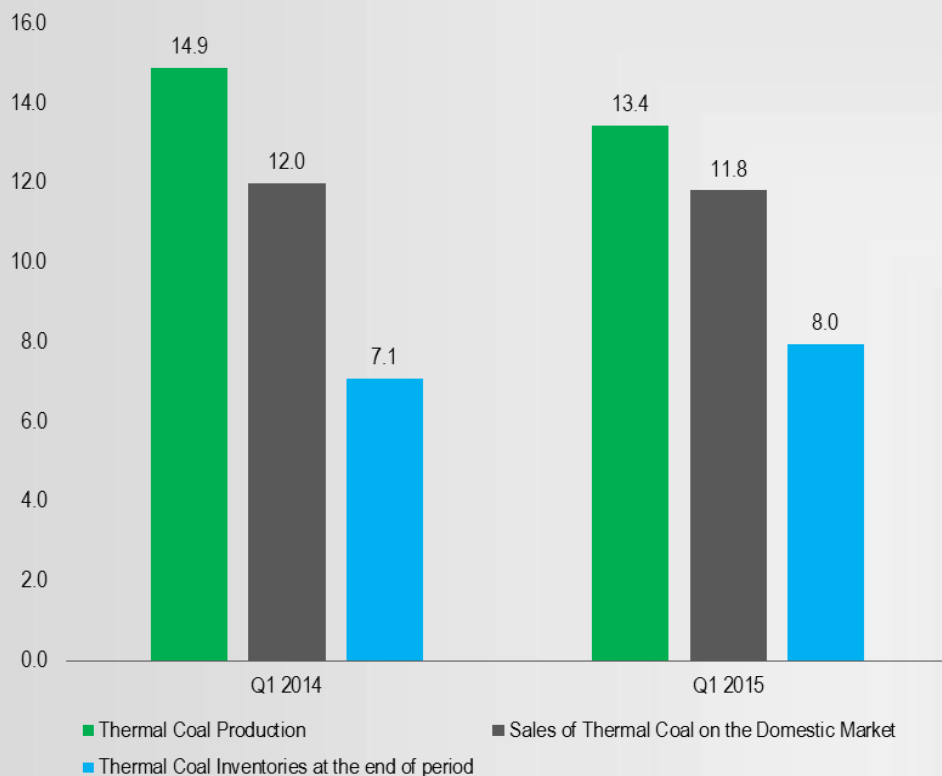
PERFORMANCE OF POLISH COMPANIES*

- Silesian mines produced a total of **11.5m tonnes** in Q1 2015, a decrease of **9.3%** in comparison to Q1 2014
- **Thermal coal inventories** at the mines at the end of Q1 2015 were **7,644.2k tonnes**, up nearly **785.4k tonnes** or **11.5%** vs.Q1 2014. In Q1 2015 the amount of coal stockpiled at commercial power plants also increased.
- In Q1 2015 **domestic sales of thermal coal were 9,960.1k tonnes** (69.3% of total sales of coal), up **2.1% (201k tonnes)** from Q1 2014.
- The average **cost of thermal and coking coal** in Q1 2015 was **PLN 329.93/tonne**, an increase of over **2.0%** on Q1 2014.

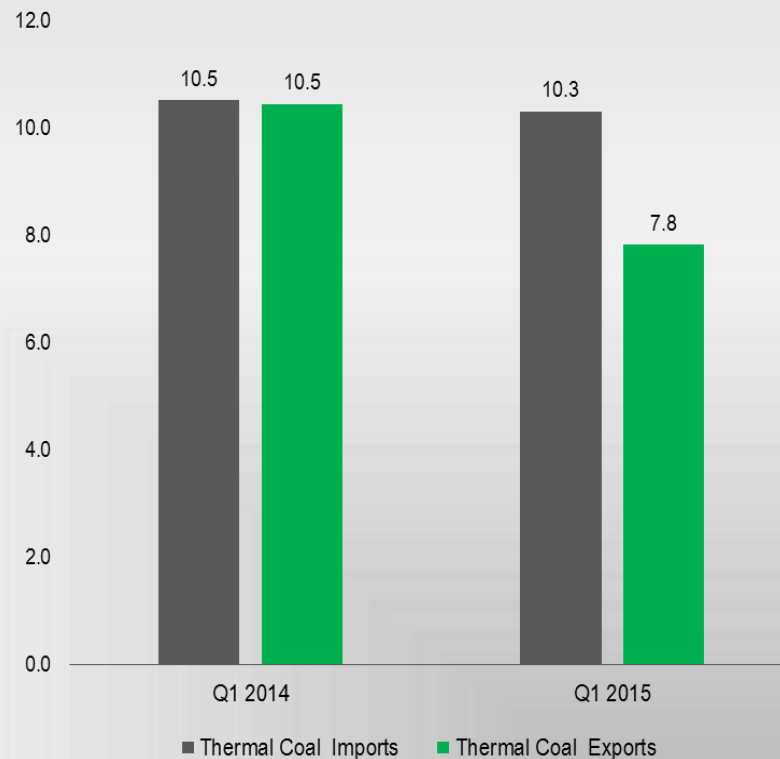
... AS A FACTOR DETERMINING LEVELS OF COAL PRODUCTION, SALES AND INVENTORIES



**Thermal coal production, domestic sales and inventories
(million tonnes)**



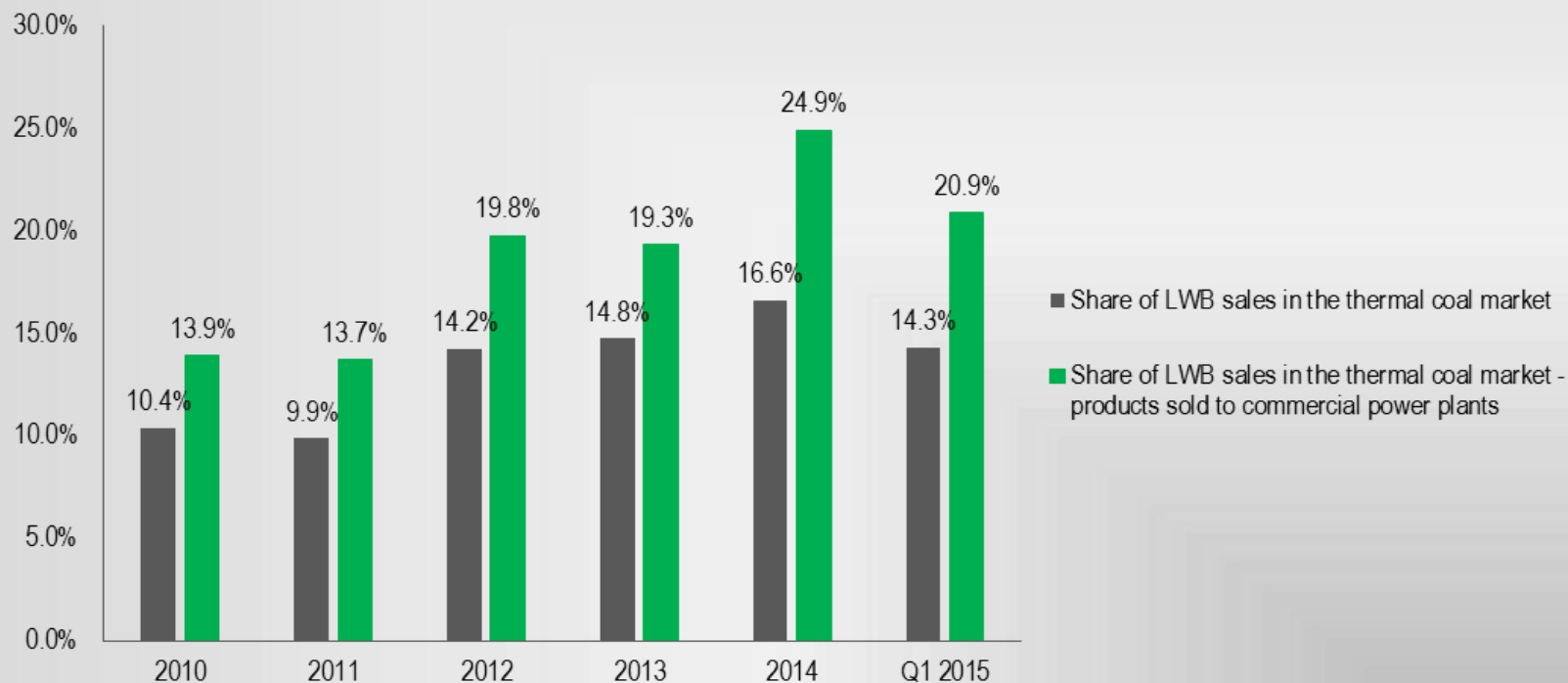
**Thermal coal imports and exports
(million tonnes)**



MARKET POSITION OF LW BOGDANKA S.A.



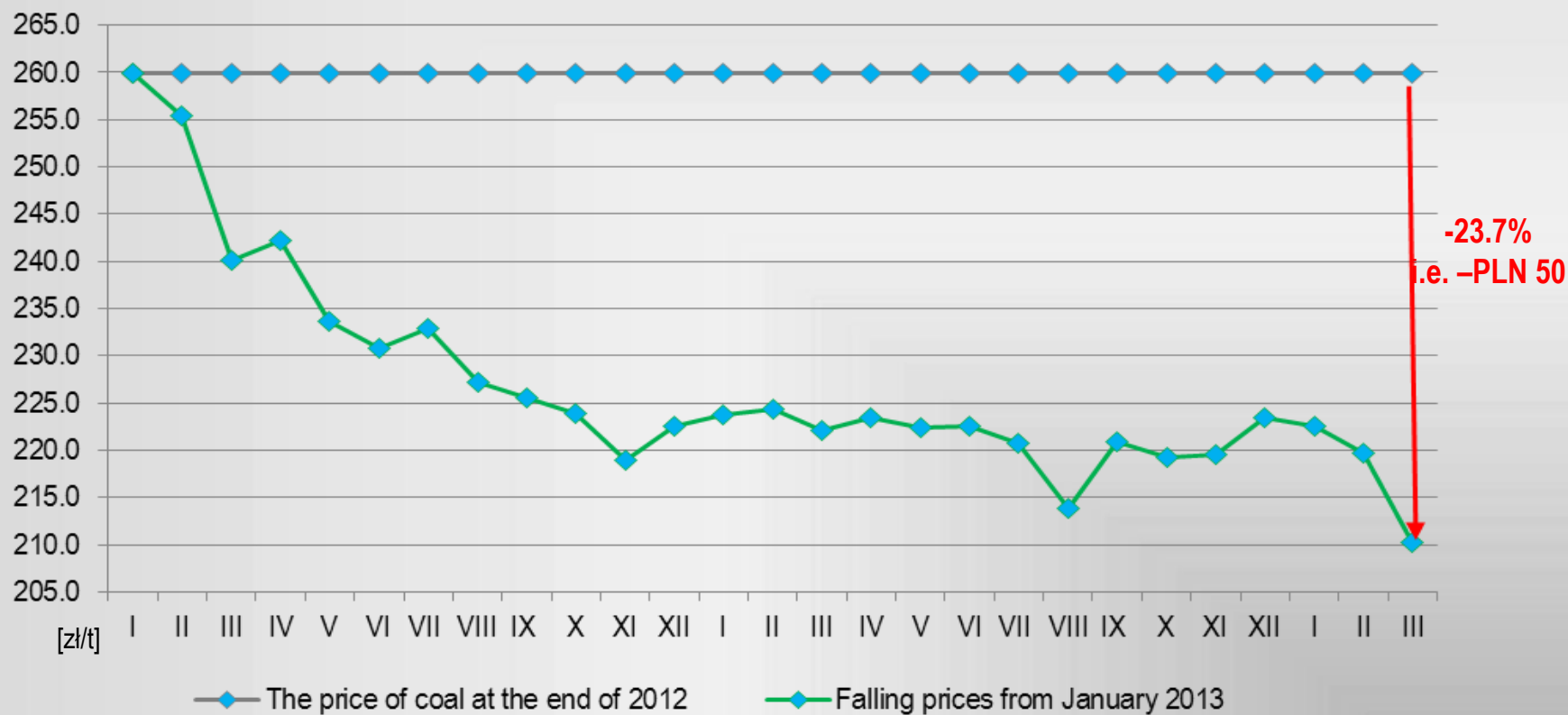
MARKET SHARE [2010 – 2015]



PRICES TO COMMERCIAL POWER PLANTS IN POLAND – THERMAL COAL MARKET



PRICES OF POWER FINE COAL SOLD TO COMMERCIAL POWER PLANTS IN POLAND



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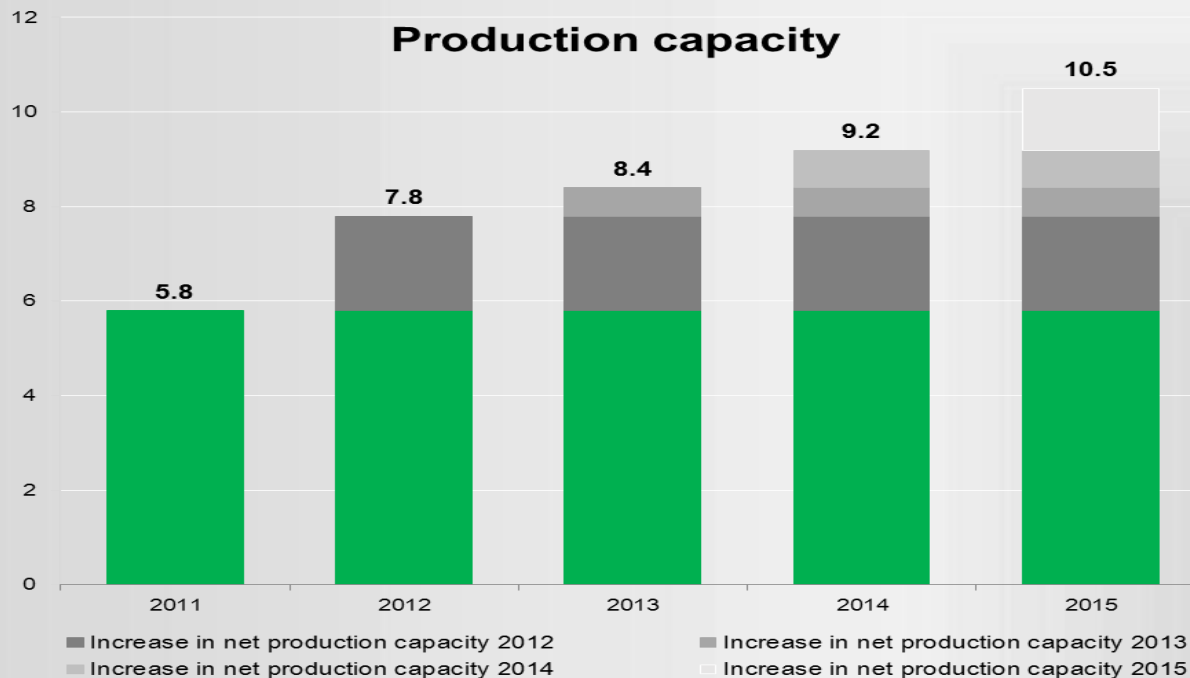
2X2 STRATEGY – DOUBLING OF PRODUCTION CAPACITY OF THE MINING FACILITY



Completion of the investment process meant doubling the production capacity of the mining facility to about 11.5 million tonnes of commercial coal in 2015

As part of the goal:

- Investment in the expansion of the MCPP was completed (maximum processing capacity is 67,500 t/day).
- In November 2014 the last plough system, “Bogdanka 4”, was delivered. The complex will begin work in May 2015.
- The company reached a production capacity of 10.5–11.5 million tonnes annually, depending on the quality of the seam and the yield obtained.



CONCESSION PROCESS – ACCORDING TO PLAN



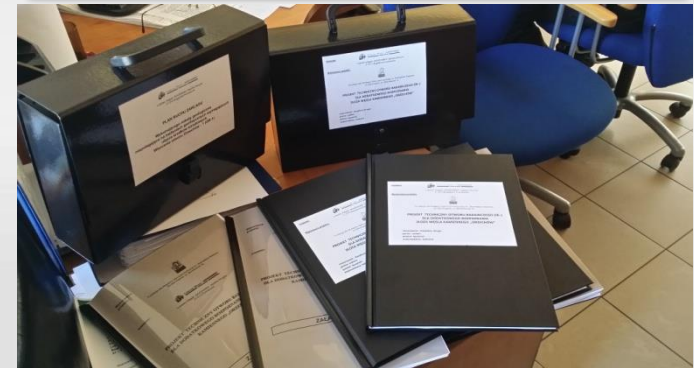
Ostrów deposits:

- completion of drilling of exploratory opening OS-1
- location of pit-bottom opening OS-4 selected
- process underway to amend concession terms to recognize opening OS-4 as a pit-bottom opening
- environmental inventory underway
- valuation of geological information prepared



Orzechów deposits:

- tender underway for drilling of opening OR-1 (bids have been opened)

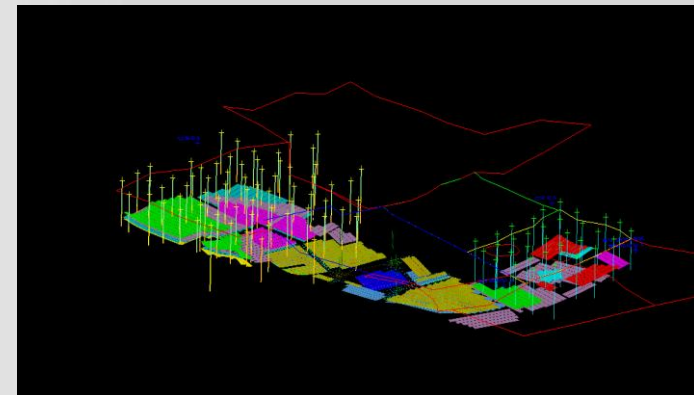


K-3 deposits:

- 85 m exploratory gallery completed from which 1,200 tonnes of coal has been obtained
- one of the conditions in the extraction concession has thus been fulfilled

K-6 and K-7 deposits:

- matter underway, we await a ruling on the appeal to the Province Administrative Court in Warsaw against the decision of the Minister of the Environment refusing to grant a concession

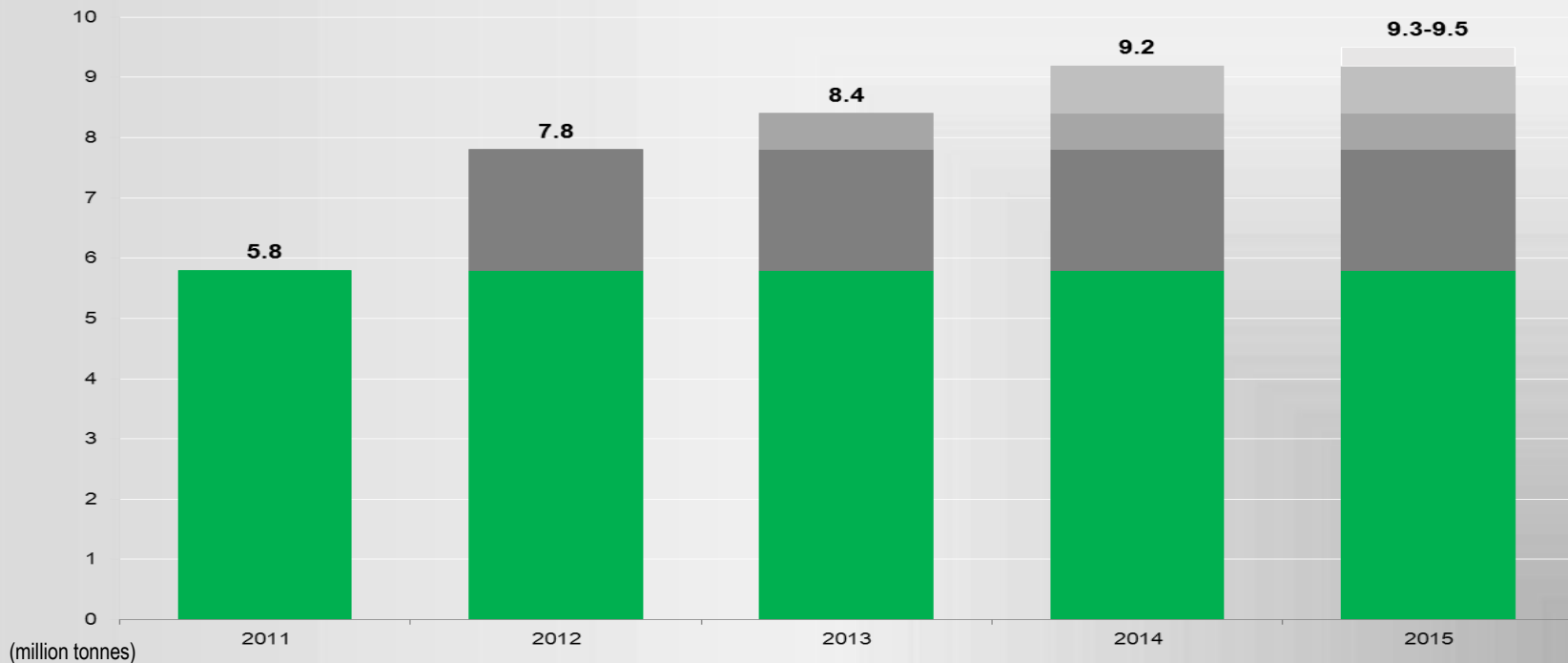


PRODUCTION CAPACITY — SALES ASSUMPTIONS FOR 2015



- The decrease in production in Q1 2015 is the result of delivery schedules to customers.
- Production in Q3 and Q4 will use the full capacity and should be at a similar level to 4Q 2014.
- The Company maintains sales assumptions for 2015 at 9.3 – 9.5 million tonnes of coal.
- The price of coal in Q1 2015 was similar to the average price of 2014, mainly due to the higher calorific value of coal sold.

Sales of coal last few years and assumptions for 2015



ASSUMPTIONS OF REVISED STRATEGY

— analyzed scenarios



To ensure that the Company can adapt to the changing market situation, an analysis was performed of many alternative scenarios of action and development relative to possible changes in the coal market in Poland. Currently the focus is on two scenarios:

Growth scenario (assumptions):

- production target around 10-12 million tonnes per year
- launching production of the new concession areas
- high coal seams in Ostrów would offset production from lower coal seams mined in Stefanów

Conservative scenario (assumptions):

- production at the level of 8 to 9.5 million tonnes
- continuation of the difficult situation in the global and Polish coal market
- further need to adjust coal production to sales level
- investment plan providing for average CAPEX of about PLN 450m

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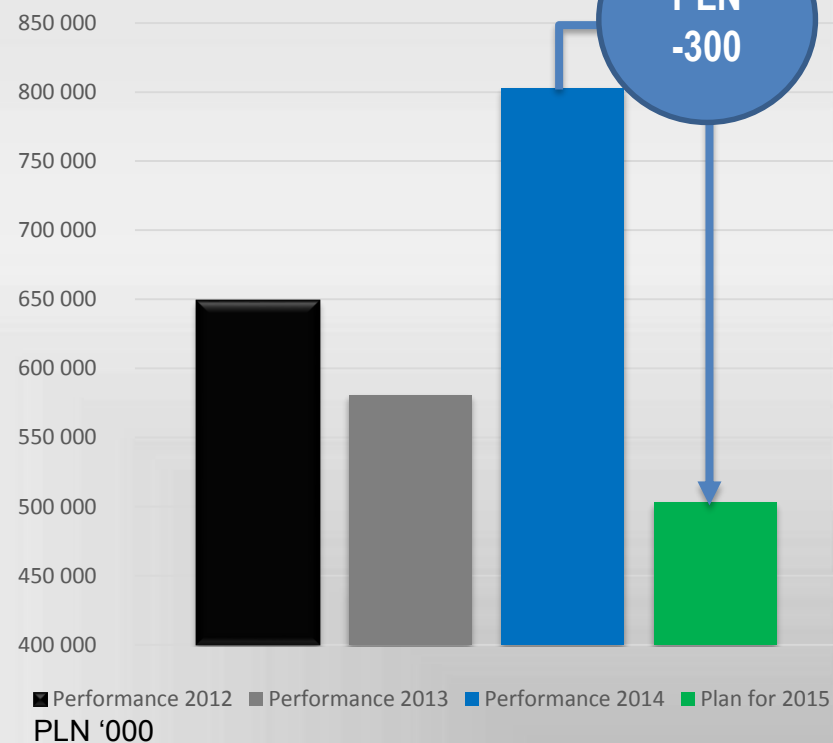
SAVINGS PROGRAM 2015



CAPEX: Reducing investment plan by about PLN 78m in 2015:

- ✓ As a result of the update, the investment plan was **reduced by PLN 78m** and now stands at **PLN 503m**
- ✓ The reduction of the investment plan includes such projects as:
 - ✓ Central air conditioning at Bogdanka field (c. **-PLN 10m**)
 - ✓ Expansion of coal stocking area (c. **-PLN 6m**)
 - ✓ Investments in new workings and modernization of existing workings (c. **-PLN 59m**)
- ✓ Reduction of preparatory works—in Q1 2015 **5.2 km of galleries** were developed as compared to 9.3 km in Q1 2014 (**down 44.1%**). Reduction of preparatory works will translate into a reduction in the length of workings planned in 2015 from 31.3 km to 24.7 km, meaning a reduction of 5.1 km in relation to 2014.
- ✓ Reduction of preparatory works (new galleries) will translate into a reduction in both costs by nature and costs of producing services for the Group's own needs (e.g. materials and energy, outsourcing, and employee costs).

Capex of LW BOGDANKA GROUP

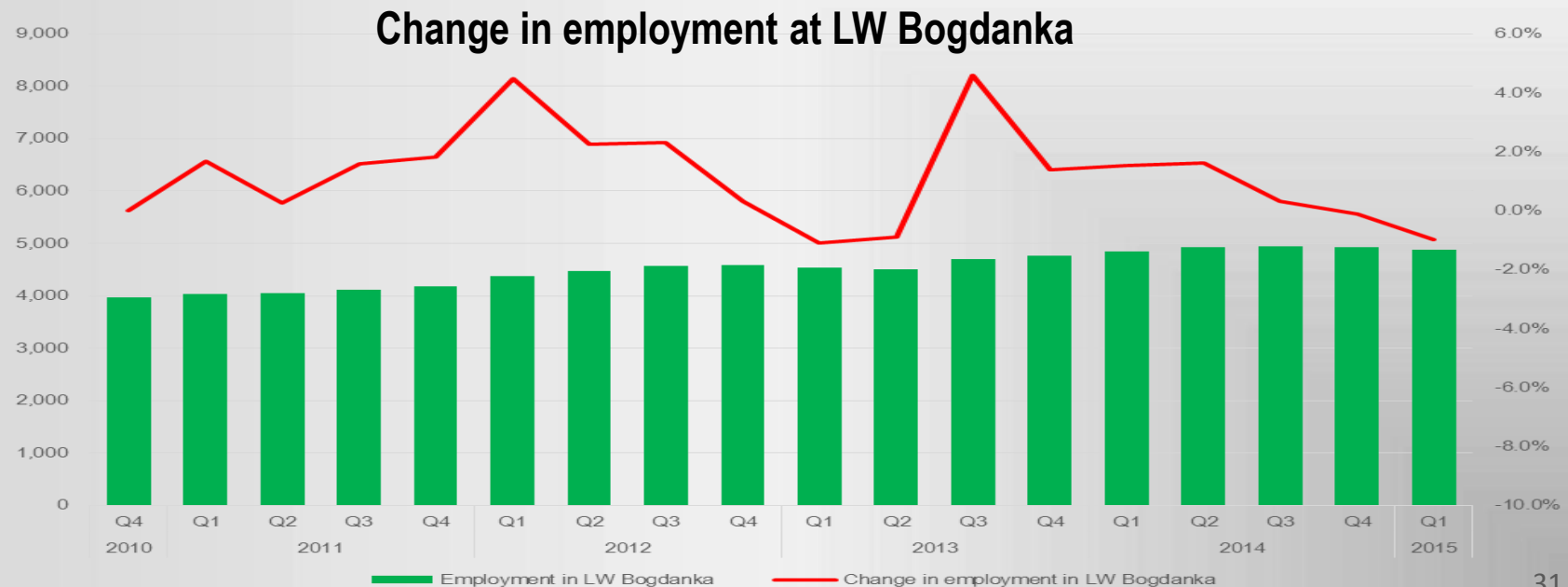




SAVINGS PROGRAM 2015

OPEX: Reducing employee and outsourcing costs:

- ✓ The plan for 2015 is to reduce employment by more than 350 at the end of the year and 145 people on average.
- ✓ Reducing employment will take place thanks to planned retirement of employees who have acquired such rights and not extending temporary contracts concluded with workers.
- ✓ It is planned to reduce the average salary by about 2% as compared to 2014.
- ✓ Work is underway on the company's Collective Labour Agreement, which should result in a simpler salary system and better motivation of employees.
- ✓ Cutting outsourcing cost (mostly work on weekends).



LW BOGDANKA'S GROUP CAPEX IN Q1 2015 AND BUDGET FOR 2015



Item [PLN '000]	Plan for 2015	Updated plan for 2015	Actual capex in 1Q2015	Realization of the plan[%]	Plan change
Obtaining new concessions*	49,972	49,972	1,373	2.7%	0
Modernization and repair of machinery and equipment	100,090	94,430	11,842	12.5%	-5,660
Other operating investments	99,878	84,850	9,838	11.6%	-15,028
Purchase and assembly of longwall systems	1,750	3,352	3,044	90.8%	1,602
New workings and modernization of existing workings	309,112	250,570	51,246	20.5%	-58,542
TOTAL CAPEX FOR LW BOGDANKA**	560,802	483,174	77,343	16.0%	-77,628
ŁĘCZYŃSKA ENERGETYKA AND OTHER SUBSIDIARIES	19,897	19,897	5,139	25.8%	0
TOTAL CAPEX FOR GK LW BOGDANKA	580,699	503,071	82,482	16.4%	-77,628

*The plan for 2015 reflects the full value of fees for use of geological information, which is payable in instalments and spread out over a longer period. The full value of geological information is PLN 27,988,733. In 2015 the payment anticipated to be due immediately after signing of the contract for use of geological information is 10% of the contract value. The remaining portion will be payable in ten annual instalments beginning from the year in which the company obtains a concession for extraction.

**The sum of investment expenditures does not reflect the capitalized costs of external financing.

DIVIDEND RECOMMENDATION FOR 2014



The Management Board analyzes the dividend policy for the upcoming years with due consideration for local and global trends as well as price conditions. The Company regards protecting liquidity and financial stability as crucial.

Recommendation of the Management Board for 2014: PLN 3 per share

- ✓ **37.5% of consolidated net profit for 2014** i.e. the equivalent of **PLN 102m**
- ✓ **dividend yield of 3.5%***
- ✓ **financing secured** through 2018–2020
- ✓ **debt ratio** as at 31 March 2015—**1.5****
- ✓ **In total** the Company will pay out dividends in **2012–2015** of **PLN 607m**

The dividend policy for the following years will be prepared and announced by 30 June 2015 along with the Business Strategy for 2015–2020.

*As at 27 April 2015

** $(\text{total debt including long-term employee obligations}) / (\text{EBITDA})$

SUMMARY



Production in Q1 2015 was adjusted to coal sales possibilities as a result of changed delivery schedules to main customers. We maintain production assumptions for 2015 at the level 9.3-9.5 million tonnes.



The investment program necessary to achieve target production capacity of 10.5-11.5 million tonnes has been completed. The Mechanical Coal Processing Plant is working according to plan. Payment was made for the 4th and final plough complex in April. It will start working in May this year.



Due to the difficult situation on global markets (coal oversupply, falling prices for raw materials) and on the Polish market (sale of inventories by Kompania Węglowa S.A.), there is strong pressure from customers concerning prices and sales volumes.



The Company has introduced the next phase of the savings program, providing for a significant reduction in CAPEX, reduction of employment and savings on external services and outsourcing.



The Management Board is still working on updating the Strategy, providing for two alternative scenarios: growth and conservative. The updated Strategy will be presented by the end of June 2015.



For 2014 the Management Board recommends a dividend of PLN 3 per share, i.e. 37.5% of the consolidated net profit for 2014 (PLN 102m).

THANK YOU



CONTACT DETAILS

Lubelski Węgiel BOGDANKA S.A.

Bogdanka, 21-013 Puchaczów

Tel. +48 81 462 51 00

bogdanka@lw.com.pl

Investor relations

Tel. +48 81 462 55 44

Tel. +48 81 462 50 29

Fax +48 81 462 54 26

ri@lw.com.pl

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CHANGE OF PROVISIONS AT LW BOGDANKA CAPITAL GROUP AND THEIR IMPACT ON FINANCIAL PROFIT/LOSS



CHANGE IN PROVISIONS AT LW BOGDANKA CAPITAL GROUP IN Q1 2015 AND Q1 2014 AND THEIR IMPACT ON FINANCIAL PROFIT/LOSS IN THE ANALYZED PERIOD

ITEM [PLN '000]	CHANGE IN Q1 2015	IMPACT ON PROFIT / LOSS FOR Q1 2015	CHANGE IN Q1 2014	IMPACT ON PROFIT / LOSS FOR Q1 2014
Employee provisions	25,384	-21,183	7,584	-18,130
Liabilities under local property tax	-571	- 1,884	2,340	- 2,340
Mine decommissioning provision	-3,658	- 1,720	9,139	- 4,415
Mining damage	-662	0	-328	0
Accident insurance premium (ZUS)	1,839	- 1,839	-	-
Other	2,239	- 2,239	663	- 683
TOTAL	24,571	- 28,865	19,398	- 25,568

ANALYSIS OF THE CONSOLIDATED INCOME STATEMENT OF LW BOGDANKA CAPITAL GROUP



ITEM [PLN '000]	Q1 2015	Q1 2014	CHANGE (Q1 2015/ Q1 2014)
Revenue	428,279	481,540	-11.1%
Cost of products, merchandise and materials sold, distribution cost, administrative expenses	381,825	396,435	-3.7%
Gross profit	46,454	85,105	-45.4%
<i>Gross margin</i>	10.8%	17.7%	-39.0%
Other income	1,818	78	2230.8%
Other expenses	268	471	-43.1%
Net operating profit/loss	48,004	84,712	-43.3%
Other net gains	148	1,246	-88.1%
Operating profit (EBIT)	48,152	85,958	-44.0%
<i>EBIT margin</i>	11.2%	17.9%	-37.4%
EBITDA	144,395	174,149	-17.1%
<i>EBITDA margin</i>	33.7%	36.2%	-6.9%
Finance income	1,506	2,351	-35.9%
Finance costs	7,048	9,095	-22.5%
Profit before tax	42,610	79,214	-46.2%
<i>Pre-tax profit margin</i>	9.9%	16.5%	-40.0%
Income tax	9,920	16,614	-40.3%
Net profit for the reporting period	32,690	62,600	-47.8%
<i>Net margin</i>	7.6%	13.0%	-41.5%
- attributable to owners of the Dominant Entity	32,522	62,381	-47.9%

STATEMENT OF FINANCIAL POSITION OF LW BOGDANKA CAPITAL GROUP



ITEM [PLN '000]	31.03.2015	31.12.2014
Non-current assets, including:	3,710,542	3,730,165
Cash and cash equivalents	88,911	88,832
Current assets, including:	655,241	634,250
Cash and cash equivalents	275,714	195,481
Total assets	4,365,783	4,364,415
Current liabilities	629,976	669,307
Non-current liabilities	1,192,064	1,171,281
Total liabilities	1,822,040	1,840,588
Equity	2,543,743	2,523,827
Current borrowings	139,019	100,526

CASH FLOWS OF LW BOGDANKA GROUP



ITEM [PLN '000]	Q1 2015	Q1 2014
Net cash flows on operating activities	172,081	169,564
Cash inflow from operating activities	178,363	181,265
Interest received	1,909	1,737
Income tax paid	-8,191	-13,438
Net cash flows on investing activities	-129,205	-132,872
Acquisition of property, plant and equipment	-127,146	-137,146
Interest paid regarding investing activity	-2,775	-2,598
Acquisition of intangible assets	-91	-33
Inflow from the sale of property, plant and equipment	10	5,679
Interest received	876	1,247
Outflow on account of funds being deposited in the bank account of the Mine Closure Fund	-79	-21
Net cash flows on financing activities	37,357	-52,687
Proceeds from loans and borrowings	40,106	-
Repayments of loans and borrowings	-	-50,000
Interest and commissions paid due to financing activities	-2,749	-2,691
Other net cash flow on financing activities	-	4
Net increase / (decrease) in cash and cash equivalents	80,233	-15,995
Cash and cash equivalents at beginning of period	195,481	212,004
Cash and cash equivalents at end of period	275,714	196,009

SALES STRUCTURE AT LW BOGDANKA CAPITAL GROUP IN Q1 2015 AND Q1 2014



ITEM [PLN '000]	Q1 2015	SHARE [%]	Q1 2014	SHARE [%]
Coal sales	406,613	94.9%	456,944	94.9%
Ceramics sales	318	0.1%	1,493	0.3%
Other activities	18,973	4.4%	20,565	4.3%
Sales of merchandise and materials	2,375	0.6%	2,538	0.5%
Total revenue	428,279	100.0%	481,540	100.0%

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