



**ABBREVIATED MD-YEAR
CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS
FOR THE PERIOD
01 JANUARY 2015 TO 31 DECEMBER 2015**

**DRAWN UP IN PURSUANCE OF THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS (IFRS)**

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**Consolidated statement of financial position of the Kopex SA Capital Group
in thousands of zlotys**

	31.12.2015	31.12.2014
ASSETS		
Fixed assets	2 047 524	2 374 188
Intangible assets	145 690	160 296
Goodwill of subsidiaries	957 719	1 249 955
Tangible fixed assets	690 486	693 891
Investment Property	22 807	26 571
Investments accounted for under the equity method	51 081	48 248
Long-term lease receivables	34 581	10 740
Other long-term assets	79 023	133 657
Deferred income tax	66 137	50 830
Assets	1 046 264	1 147 330
Inventories	244 888	239 057
Short-term receivables from supplies and services	415 433	381 787
Short-term other receivables	76 272	109 444
Short-term lease receivables	21 066	27 246
Granted short-term loans	45 690	39 874
Receivables related to current income tax	8 223	8 820
Other financial assets	1 984	1 377
Assets under contracts for construction services	170 420	254 880
Cash and cash equivalents	62 288	84 845
Fixed assets held for sale	1	1
Total assets	3 093 789	3 521 519
LIABILITIES AND EQUITY		
Shareholders equity	2 076 842	2 617 807
Share capital	74 333	74 333
Own shares	-2 979	-2 979
The issue of shares above the nominal value	1 054 942	1 054 942
Revaluation reserve	1 825	-515
Foreign exchange translation differences	7 704	19 855
Retained earnings	932 388	1 465 644
Capital of non- controlling interests	8 629	6 527
Long-term liabilities	70 938	92 458
Loans and long-term loans	-	13 374
Long-term other liabilities	823	1 868
Long-term lease liabilities	39 953	46 825
Deferred income tax	6 337	5 592
Long-term provision for employee benefits	22 277	21 259
Other long-term provisions for liabilities	11	846
Long-term prepayments	1 537	2 694
Current liabilities	946 009	811 254
Short-term loans	546 345	348 979
Short-term liabilities Trade payables	169 547	174 396
Short-term other liabilities	105 077	134 686
Short-term lease liabilities	26 236	36 786
Liabilities for current income tax	1 326	6 343
Other financial liabilities	1 507	2 237
Short-term provision for employee benefits	17 120	14 227
Other short-term provisions for liabilities	11 793	15 247
Short-term prepayments	67 058	78 353
Liabilities and equity, total	3 093 789	3 521 519
Book value	2 076 842	2 617 807
The number of shares	74 056 038	74 056 038
Book value per share (PLN)	28,04	35,35

Consolidated profit and loss account of the Kopex SA Capital Group
in thousands of zlotys

	01.10.2015 to 31.12.2015	01.01.2015 to 31.12.2015	01.10.2014 to 31.12.2014	01.01.2014 to 31.12.2014
CONTINUED OPERATIONS				
Net revenues from sales of products, goods and materials	224 142	1 093 681	360 974	1 433 931
Costs of sold products, goods and materials	258 018	1 022 813	308 677	1 155 620
Gross profit (loss) on sales	-33 876	70 868	52 297	278 311
Other income	-180	12 457	11 476	29 016
Cost of sales	12 618	39 409	5 096	39 627
General and administrative expenses	23 301	94 315	28 280	114 447
Other costs	18 109	24 583	5 956	17 238
Other profit / (losses)	8 134	3 407	5 891	8 690
Write-downs others non-financial assets	-368 319	-367 986	-8 706	-9 119
Profit (loss) from operating activities	-448 269	-439 561	21 626	135 586
Financial income	6 190	17 427	5 410	13 633
Financial costs	67 433	82 673	6 096	25 334
Share of profits (losses) of subsidiaries valued with equity method	442	2 526	1 797	6 117
Gross profit (loss)	-509 070	-502 281	22 737	130 002
Income tax	-5 499	-5 586	5 840	27 391
Consolidated net profit (loss) from continued operations	-503 571	-496 695	16 897	102 611
Consolidated net profit from discontinued operations	-	-	0	122
Consolidated net profit total	-503 571	-496 695	16 897	102 733
Net profit attributable to non-controlling interests	87	881	351	1 473
Net profit attributable to shareholders of the parent company, including:	-503 658	-497 576	16 546	101 260
-from continued operations	-503 658	-497 576	16 546	101 138
-from discontinued operations	-	-	0	122
Weighted average number of ordinary shares	74 056 038	74 056 038	74 056 038	74 056 038
Net profit (loss) attributable to shareholders of the parent company per 1 ordinary share	-6,80	-6,72	0,22	1,37

**Total income statement of the Kopex SA Capital Group
in thousands of zlotys**

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Consolidated net profit (loss)	-496 695	102 733
Other total income, which will not be transferred to the financial result	-2 016	-3 884
Actuarial losses arising on the defined benefit obligation	-407	-3 727
Income tax on actuarial losses	77	708
Other income	-1 686	-485
Income tax on other income	-	-380
Other total income, which can be transferred to the financial result	-9 899	4 566
Foreign currency translation differences	-12 239	10 100
Valuation of financial assets available for sale	0	-20
Cash flow hedges	2 889	-6 803
Income tax related to cash flow hedges	-549	1 289
Total other comprehensive income after tax	-11 915	682
Total comprehensive income	-508 610	103 415
Attributable to non-controlling interests	797	1 397
Attributable to shareholders of Kopex SA	-509 407	102 018

Consolidated statement of changes in equity of the Kopex SA Capital Group
in thousands of zlotys

	Share capital	Treasury shares	The issue of shares above par value	Revaluation reserve			Foreign exchange translation differences	Retained earnings	Total	Equity attributable to non-controlling interests	Total equity
				Hedging instruments	Financial assets available for sale	Deferred tax					
Balance as at 01.01.2014	74 333	-2 979	1 054 942	6 410	-176	-1 215	9 732	1 369 384	2 510 431	6 078	2 516 509
Total comprehensive income	-	-	-	-6 803	-20	1 289	10 078	97 474	102 018	1 397	103 415
Acquisition / increase / decrease of control	-	-	-	-	-	-	45	-436	-391	-809	-1 200
Dividends	-	-	-	-	-	-	-	-	-	-139	-139
Donations	-	-	-	-	-	-	-	-778	-778	-	-778
Balance as at 31.12.2014	74 333	-2 979	1 054 942	-393	-196	74	19 855	1 465 644	2 611 280	6 527	2 617 807
Balance as at 01.01.2015	74 333	-2 979	1 054 942	-393	-196	74	19 855	1 465 644	2 611 280	6 527	2 617 807
Total comprehensive income	-	-	-	2 889	-	-549	-12 151	-499 596	-509 407	797	-508 610
Acquisition / increase / decrease of control	-	-	-	-	-	-	-	-3 221	-3 221	1 454	-1 767
Dividends	-	-	-	-	-	-	-	-29 622	-29 622	149	-29 771
Donations	-	-	-	-	-	-	-	-817	-817	-	-817
Balance as at 31.12.2015	74 333	-2 979	1 054 942	2 496	-196	-475	7 704	932 388	2 068 213	8 629	2 076 842

**Consolidated statement of cash flows of the Kopex SA Capital Group
in thousands of zlotys**

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Gross profit	-502 281	130 153
Adjustments for:		
Depreciation	152 586	151 786
Share in profits (losses) of subsidiaries valued using the equity method	-2 526	-6 117
(Profit) loss on foreign exchange differences	-7 991	-3 239
Interest and share in profits (dividends)	8 679	13 867
(Profit) loss from investing activities	-5 318	-11 062
Change in provisions	-1 962	3 180
Change in inventories	-3 372	35 682
Change in trade receivables and trade and other receivables	-8 891	-4 293
Change in short-term liabilities Trade and other payables	-51 102	-41 137
The change in accruals	-12 452	51 857
Changes in assets under contracts for construction services	84 460	-103 996
Income tax paid	-14 526	-30 031
Write-downs of fixed assets	338 337	12 213
Write-downs of others financial assets	61 443	0
Currency transactions	1 532	3 368
Other adjustments	-836	-911
Net cash flows from operating activities	35 780	201 320
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of intangible and tangible fixed assets	11 302	21 777
Disposal of financial assets	9 154	7 992
Received dividends and shares in profits	30	8 113
Repayment of loans	23 977	40 597
Interest received	672	1 099
Other cash inflows	253	946
Purchase of intangible and tangible fixed assets *	-151 309	-172 758
Acquisition of financial assets	-1 200	-888
Acquisition of an organized part of the enterprise	-6 394	-
Loans granted	-46 126	-79 751
Loss of control of a subsidiary	-	-2 386
Other expenses	-	-204
Net cash flows from investing activities	-159 641	-175 463
CASH FLOWS FROM FINANCING ACTIVITIES		
Credits and loans**	242 774	152 830
Received commissions on guarantees	1 522	2 415
Dividends and other distributions to shareholders	-29 643	-
Repayment of borrowings **	-58 187	-124 470
Payment of liabilities under finance lease agreements	-37 742	-38 771
Interest paid	-14 691	-20 639
Paid commissions on loans and guarantees	-1 907	-1 159
Transactions with non-controlling interests	-48	-1 165
Other	-49	-319
Net cash flows from financing activities	102 029	-31 278
TOTAL NET CASH FLOW	-21 832	-5 421
Balance-sheet change in cash, including:	-22 557	-3 742
Change in cash due to exchange differences	-725	1 679
Cash and cash equivalents at beginning of period	84 845	88 587
Cash and cash equivalents at end of period, including:	62 288	84 845
Restricted cash	4 117	3 456

* In the "acquisition of intangible and tangible fixed assets" included fixed assets produced in-house

** loans granted within the limit of the financial amounts are recognized in net

Statement of financial position of KOPEX SA in thousands of zlotys

	31.12.2015	31.12.2014
ASSETS		
Fixed assets	1 547 313	1 527 012
Intangible assets	9 206	10 073
Tangible fixed assets	19 826	23 593
Investment Property	48	5 923
Long-term lease receivables	13 238	21 318
Other long-term assets	1 495 578	1 457 368
Deferred income tax	9 417	8 737
Assets	248 364	316 810
Inventories	650	3 191
Short-term receivables from supplies and services	60 156	85 063
Short-term other receivables	41 888	57 134
Short-term lease receivables	13 363	28 803
Granted short-term loans	118 747	104 757
Receivables related to current income tax	1 366	1 508
Other financial assets	1 984	1 301
Assets under contracts for construction services	2 536	3 858
Cash and cash equivalents	7 674	31 195
Total assets	1 795 677	1 843 822
LIABILITIES AND EQUITY		
Shareholders equity	1 523 845	1 538 213
Share capital	74 333	74 333
Own shares	-2 979	-2 979
The issue of shares above the nominal value	1 054 942	1 054 942
Revaluation reserve	2 022	-318
Retained earnings	395 527	412 235
Long-term liabilities	17 293	36 015
Loans and long-term loans	-	11 203
Long-term other liabilities	41	154
Long-term lease liabilities	13 568	17 874
Deferred income tax	657	2 697
Long-term provision for employee benefits	1 490	1 393
Prepayments and accrued income	1 537	2 694
Current liabilities	254 539	269 594
Short-term loans	166 527	71 226
Short-term liabilities Trade payables	33 483	110 938
Short-term other liabilities	33 120	54 338
Short-term lease liabilities	4 359	4 070
Liabilities for current income tax	-	401
Other financial liabilities	425	2 143
Short-term provision for employee benefits	1 617	1 213
Other short-term provisions for liabilities	441	1 096
Prepayments and accrued income	14 567	24 169
Liabilities and equity together	1 795 677	1 843 822
Book value	1 523 845	1 538 213
The number of shares	74 056 038	74 056 038
Book value per share (PLN)	20,58	20,77

**Profit and loss account of KOPEX S.A.
in thousands of zlotys**

	01.10.2015 to 31.12.2015	01.01.2015 to 31.12.2015	01.07.2014 to 31.12.2014	01.01.2014 to 31.12.2014
CONTINUING OPERATIONS:				
Net revenues from sales of products, goods and materials	47 876	276 520	104 164	365 027
Cost of products, goods and materials	44 899	255 393	98 243	329 193
Gross profit on sales	2 977	21 127	5 921	35 834
Other income	213	54 374	190	111 158
Cost of sales	2 356	9 313	784	9 363
General and administrative expenses	5 145	23 852	6 988	26 363
other costs	2 626	3 056	8 559	12 404
Other gains / (losses)	3 501	4 349	-689	-7 626
Profit (loss) from operations	-3 436	43 629	-10 909	91 236
financial income	3 135	12 519	5 200	17 016
Financial costs	38 346	43 430	2 027	9 475
Profit (loss) before tax	-38 647	12 718	-7 736	98 777
Income tax	-325	-1 141	-1 041	516
Profit (loss) from continuing operations	-38 322	13 859	-6 695	98 261
Net profit from discontinued operations	-	-	0	122
Profit (Loss) Total net	-38 322	13 859	-6 695	98 383
The weighted average number of ordinary shares	74 056 038	74 056 038	74 056 038	74 056 038
Profit (loss) from continuing operations per 1 ordinary share	-0,52	0,19	-0,09	1,33
Net profit from discontinued operations per 1 ordinary share	-	-	-	-
Profit (Loss) Total net per 1 ordinary share	-0,52	0,19	-0,09	1,33

**Total income statement of KOPEX S.A.
in thousands of zlotys**

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Net profit	13 859	98 383
Other comprehensive income, which will not be transferred to profit or loss:	-128	-695
Actuarial losses arising from defined benefit plans	-157	-858
Income tax on actuarial losses	29	163
Other comprehensive income, which can be transferred to profit or loss:	2 340	-5 504
Cash flow hedges	2 889	-6 795
Income tax related to cash flow hedges	-549	1 291
Total other comprehensive income after tax	2 212	-6 199
Total comprehensive income	16 071	92 184

Changes in equity statement of KOPEX S.A.
in thousands of zlotys

	Share capital	Own shares	The issue of shares above the nominal value	Revaluation reserve		Retained earnings	Total equity
				Hedging instruments	Deferred tax		
Balance as at 01.01.2014	74 333	-2 979	1 054 942	6 402	-1 216	315 225	1 446 707
Total comprehensive income (loss) Total	-	-	-	-6 795	1 291	97 688	92 184
Donations	-	-	-	-	-	-678	-678
Balance as at 31.12.2014	74 333	-2 979	1 054 942	-393	75	412 235	1 538 213
Balance as at 01.01.2015	74 333	-2 979	1 054 942	-393	75	412 235	1 538 213
Total comprehensive income (loss) Total	-	-	-	2 889	-549	13 731	16 071
Dividends	-	-	-	-	-	-29 622	-29 622
Donations	-	-	-	-	-	-817	-817
Balance as at 30.09.2015	74 333	-2 979	1 054 942	2 496	-474	395 527	1 523 845

Statement of cash flow of KOPEX S.A.
in thousands of zlotys

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Gross profit	12 718	98 928
Adjustments for:		
Depreciation	5 438	4 542
(Profit) loss on foreign exchange differences	-585	-2 796
Interest and share in profits (dividends)	-54 671	-109 246
(Profit) loss from investing activities	-4 476	7 782
Change in provisions	-311	291
Change in inventories	2 541	-1 432
Change in trade receivables and trade and other receivables	66 224	-28 445
Change in short-term liabilities Trade and other payables	-98 938	37 709
The change in accruals	-10 758	6 351
Changes in assets under contracts for construction services	1 322	6 427
Income tax paid	-2 257	-662
Derivative financial instruments	468	2 350
donations	-817	-678
Write-downs of other financial assets	37 373	0
Write-downs of fixed assets and intangible assets	-402	8 690
Net cash flows from operating activities	-47 131	29 811
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of intangible and tangible fixed assets	1 584	168
Disposal of financial assets	0	3
Received dividends and shares in profits	23 840	107 989
Interest received	1 497	1 103
Repayment of loans	27 059	51 631
Purchase of intangible and tangible fixed assets	-2 404	-6 718
Acquisition of financial assets	-1 200	-6
Loans granted	-73 445	-140 715
Net cash flows from investing activities	-23 069	13 455
CASH FLOWS FROM FINANCING ACTIVITIES		
Credits and loans*	107 230	44 979
Received commissions on guarantees	1 562	4 391
Repayment of borrowings *	-23 129	-75 270
Dividends and other distributions to shareholders	-29 622	-
Payment of liabilities under finance lease agreements	-4 017	-
Interest paid	-4 219	-6 386
Paid commissions on loans and guarantees	-735	-1 901
Net cash flows from financing activities	47 070	-34 187
TOTAL NET CASH FLOW	-23 130	9 079
Balance-sheet change in cash, including:	-23 521	9 697
- Change in cash due to exchange differences	-391	618
Cash and cash equivalents at beginning of period	31 195	21 498
Cash and cash equivalents at end of period, including:	7 674	31 195
- Restricted cash	-	-

* Loans granted within the limit of the financial amounts are recognized in net

ADDITIONAL INFORMATION TO ABBREVIATED MID-YEAR CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2015 TO 30 SEPTEMBER 2015

1. GENERAL INFORMATION

KOPEX S.A. (*The Company, the Issuer*) based in Katowice is a stock exchange company that on 3 January 1994 was registered in the District Court in Katowice, the Eight Commercial Division under the number RHB 10375. On 11 July 2001, KOPEX S.A. entered in the Register of Entrepreneurs of the National Court Register kept by the District Court Katowice-Wschód in Katowice, the Eight Commercial Division under KRS number KRS – 0000026782, based on the decision of the District Court in Katowice. The duration of the Company is unlimited. The Company's headquarters is in Katowice at 1 Grabowa street.

KOPEX S.A. is the parent company and draw up consolidated financial statements of the KOPEX S.A. Capital Group (*Group*).

Entities included in the Consolidated Financial Statement as at 30 September 2015:

<i>Name of subsidiary</i>	<i>Consolidation Method</i>
KOPEX S.A.	Full
KOPEX MACHINERY S.A.	Full
TAGOR S.A.	Full
KOPEX HYDRAULIKA SIŁOWA Sp. z o.o. (formerly: DOZUT-TAGOR Sp. z o.o.)	Full
KOPEX CONSTRUCTION Sp. z o.o.	Full
KOPEX FOUNDRY Sp. z o.o. (formerly: HSW ODLEWNIA Sp. z o.o.)	Full
KOPEX – PRZEDSIĘBIORSTWO BUDOWY SZYBÓW S.A.	Full
PBSz INWESTYCJE Sp. z o.o.	Full
HANSEN SICHERHEITSTECHNIK AG (Germany)	Full
ELGÖR+HANSEN S.A.	Full
KOPEX AFRICA (Pty) Ltd (RPA)	Full
HANSEN and GENWEST (Pty) Ltd (RPA)	Full
HANSEN CHINA Ltd (China)	Full
KOPEX MIN (Serbia)	Full
KOPEX MIN-LIV (Serbia)	Full
ZZM – MASZYNY GÓRNICZE Sp. z o.o.	Full
KOPEX-EKO Sp. z o.o.	Full
KOPEX – WAMAG Sp. z o.o. (formely: POLAND INVESTMENTS 7 Sp. z o.o.)	Full
KOPEX AUSTRALIA Pty Ltd (Australia)	Full
PT KOPEX MINING CONTRACTORS (Indonesia)	Full
KOPEX SIBIR Sp. z o.o. (Russia)	Full
KOPEX WARATAH PTY LTD (Australia)	Full
ŚLĄSKIE TOWARZYSTWO WIERTNICZE DALBIS Sp. z o.o.	Full
KOPEX-EX-COAL Sp. z o.o.	Full
STA-ODLEWNIE Sp. z o.o.	Full
HS LUBAŃ Sp. z o.o.	Full
TAIAN KOPEX COAL MINING EQUIPMENT SERVICE Co. Ltd (China)	Full
AIR RELIANT (Pty) Ltd (RSA)	Full
<i>Name of associate</i>	<i>Consolidation Method</i>
SHANDONG TAGAO MINING EQUIPMENT MANUFACTURING Co. Ltd (China)	Equity method
TIEFENBACH Sp. z o.o.	Equity method
ANHUI LONG PO ELECTRICAL CORPORATION Ltd (China)	Equity method
MIILUX POLAND Sp. z o.o.	Equity method

The company Air Reliant (Pty) Ltd of South Africa was consolidated for the first time, where the company Hansen & Genwest Ltd of South Africa acquired 100% of the shares, giving the same percentage of voting rights, while the value of net assets acquired and the consideration paid is irrelevant for the image of these consolidated financial statements.

In January 2015 an organized part of the Zakład Odlewniczy in Tarnowskie Góry functioning under the name "Oddział STA-ODLEWNIE" was purchased. The transaction was accounted for using historical values, because it was carried out under common control.

The value of the acquired assets: PLN 16 755 thou.

The value of liabilities assumed: PLN 12 414 thou.

The value of the consideration transferred: PLN 6 050 thou.

Shares in an associate WS Baildonit Sp. z o.o., representing 13.3% of the shares has been sold on December 30, 2015 giving the same percentage of voting rights.

The core business of the Group and the Issuer covers manufacture and sale of mining and industrial machinery and equipment, rendering mining services, and the purchase and sale of coal.

These abbreviated interim consolidated and separate financial statements have been drawn up on a continuing activities basis. There are no circumstances indicating a threat to their continuation.

Polish zloty [PLN] is the currency of this document and financial figures are presented in thousand Polish zlotys, unless otherwise stated.

These abbreviated interim consolidated and separate financial statements were authorised for issue by the Board on 24 February 2016.

2. DESCRIPTION OF SIGNIFICANT ACCOUNTING POLICIES

2.1 PRINCIPLE OF DRAWING UP FINANCIAL STATEMENTS

Since 01 January 2005 the KOPEX S.A. Capital Group has applied International Financial Reporting Standards (IAS/IFRS), on the basis of Article 55 Par. 6a of the Accounting Act of 20 September 1994 (Dz.U. z 2009. Nr. 152, poz. 1223, z późn.zm.)

These financial statements are abbreviated financial statements drawn up for the interim period. These abbreviated interim consolidated and separate financial statements is in compliance with IAS/IFRS and with IAS34 Interim financial reporting.

These abbreviated interim consolidated and separate financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with consolidated and separate financial statements of the Issuer and the Group drawn up in accordance with IAS/IFRS for fiscal year ended on 31 December 2014.

These abbreviated consolidated and separate financial statements have been drawn up under the original cost rule, except for derivative financial instruments and financial instruments valued at fair value.

These interim consolidated financial statement and abbreviated interim separate financial statements have not been audited by a chartered accountant.

2.2 ADOPTED ACCOUNTING PRINCIPLES

In these interim condensed consolidated and separate financial statements follow the same accounting principles (policy) and calculation methods as in the last annual financial statements.

With effect from 1 January 2015 the following new and amended standards and interpretations came into force, which had no impact on these financial statements:

- Amendments to IFRS 2011-2013
- IFRIC 21 "Taxes and Fees"

After the date of publication of the Financial Statements for 2014 and the Consolidated Financial Statements for 2014 new standards were published.

IFRS 16 "Leases"

This standard was published by the International Accounting Standards Board on 13 January 2016 and is effective for annual periods commencing on 1 January 2019 or after that date.

New standard lays down rules for the recognition, measurement, presentation and disclosures relating to the lease. All lease transactions result in the obtaining by the lessee the right to use the assets and liabilities arising from the obligation to pay. Thus, the IFRS 16 abolishes the classification of an operating lease and financial lease under IAS 17 and introduces one model for the accounting recognition of a lease by the lessee. The lessee will be required included: (a) assets and liabilities for all leasing transactions concluded for a period of more than 12 months, except where the asset is low; and (b) the depreciation of the leased assets separately from interest on leasing commitments in the report with the results.

IFRS 16 repeats in a substantial part of the provisions of IAS 17 on leases accounting recognition by the lessor. As a consequence, the lessor continues the classification by operating lease and financial leasing and differentiate accounting.

On the day of the approval of this standard financial statements has not yet been approved by the European Union.

The Group will apply the new standards from 1 January 2019r. subsequent to its approval. Due to the fact that the Group has a small commitment as lessee under an operating lease agreement, these changes will not have a significant impact on its financial statements.

Amendments to IAS 7 - Initiative on disclose information

Amendment to IAS 7, applies to annual periods beginning on January 1, 2017r. or after that date. The unit will be required to disclose a reconciliation of changes in obligations arising from financing activities.

On the day of the approval of this financial statements, this change has not yet been approved by the European Union.

The Group will apply these amendments from 1 January 2017r. They will have an impact on the scope of the disclosures.

Amendments to IAS 12 relating to the recognition of deferred tax assets from the unrealised losses

The change is effective for annual periods beginning on or after January 1, 2017r. According to current estimates, would not impact on these financial statements of the Group.

2.3 DISCONTINUED OPERATIONS

In relation to the decision of the Board Kopex SA to cease operations of electricity trading below there were presented revenue, expenses, results and cash flows of discontinued operations in the reporting period and comparative period.

REVENUES, COSTS, RESULTS AND FLOW WITH DISCONTINUED OPERATIONS DURING THE CAPITAL GROUP	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Income and expenses from discontinued operations:		
Net revenues from sales of goods and materials	-	1 359
Value of goods and materials	-	886
Gross profit on sales	-	473
Cost of sales	-	322
Other gains (losses)	-	-
Profit from operating activities	-	151
Gross profit	-	151
Income tax	-	29
Net profit from discontinued operations	-	122
Net profit from discontinued operations attributable to shareholders of parent company	-	122
 Cash flows from discontinued operations:		
Cash flows from operating activities	-	1 455
Cash flows from discontinued operations, together	-	1 455
 INCOME, COSTS, RESULTS AND CASH FLOWS FROM DISCONTINUED OPERATIONS DURING THE PERIOD AT THE ISSUER	 01.01.2015 to 31.12.2015	 01.01.2014 to 31.12.2014

Income and expenses from discontinued operations:

Net revenues from sales of goods and materials	-	1 359
Value of goods and materials	-	886
Gross profit on sales	-	473
Cost of sales	-	322
Other gains (losses)	-	-
Profit from operating activities	-	151
Gross profit	-	151
Income tax	-	29
Net profit from discontinued operations	-	122

Cash flows from discontinued operations:

Cash flows from operating activities	-	1 455
Cash flows from discontinued operations, together	-	1 455

2.4 CHANGES IN ESTIMATES

Drawing up abbreviated interim financial statements in accordance with MSR34 requires the use of significant accounting estimates and judgments as to the accounting policies applied by the Company and the Group. In the first half of 2015 following the judgment of the Court of Appeal in Katowice, the action of HSW Aluminium Sp. z o.o. against STA-ODLEWNIE Sp. z o.o for the payment of the amount of PLN 3 207 thousand with interest PLN 2 740 thousand was dismissed. According to the law firm representing the position of STA-ODLEWNIE Sp. z o.o. the cassation appeal, addressed on 27 May 2015 by HSW Aluminium to the Supreme Court, cannot be upheld to hear. Accordingly, the STA-ODLEWNIE Sp. z o.o based on the provisions of IAS 37 concluded that there is no present obligation arising from past events and released a provision previously established.

On day 31. 12. 2015. as a result of the tests found the loss of goodwill in the amount of PLN 292 144 thousand. The value of the company for the purposes of the tests on the loss of the goodwill has been allocated to the operating segments. The value of the company included in the consolidated financial statements attributed to Mining segment. Made estimates of the resale are the result of the difficult situation in the mining industry and predictions for national and global mining industry.

In view of the economic downturn in the mining industry the issuer believes that there are indications of possible impairment of fixed assets and inventories relating to this industry. As a result of a review of assets and the tests carried out on the loss of the value of the issuer has made a number of impairment of assets value, which has been presented in section 6.

In addition, due to poor financial situation of the debtor created impairment value of granted loans amounting to PLN 62 212 thousand buy up to established security in possible values.

1. CHANGE IN CONTINGENT LIABILITIES

at the Capital Group

	As at 31.12.2015	Increase (+) decrease (-)	As at 31.12.2014
Total contingent liabilities, including:	127 498	18 860	108 638
1. To related parties	-	-	-
2. To other entities	127 498	18 860	108 638
- Guarantees and sureties	91 022	8 175	82 847
- Promissory notes	36 476	10 685	25 791

at the Issuer

	As at 31.12.2015	Increase (+) decrease (-)	As at 31.12.2014
Total contingent liabilities, including:	154 759	-861	155 620
1. To related parties	-	-	-
2. To other entities	154 759	-861	155 620

- Guarantees and sureties *	148 374	-861	149 235
- Promissory notes	6 385	-	6 385

* Guarantees granted by Kopex SA issued from Kopex SA limits, related guarantees in the amount of PLN 84 976 thousand, of promissory notes received in exchange for surety granted by Kopex SA. Guarantees in the amount of PLN 81 482 thousand concern credit securities, obligations, guarantees, leases, loans. As at 30.09.2015 the value of these contracts still to be settled amounts to PLN 39 849 thousand.

Financial obligations in the Group compared to the balance as at 31.12.2014 increased by PLN 301 484 thousand (pledges on shares securing loans).

Claims and disputes

On 8 and 11 January 2010 there was delivered the following copy of lawsuit by the Regional Court in Katowice to KOPEX S.A filed by Zakład Maszyn Górniczych „Glinik” Sp. z o.o. as a legal successor of Fazos S.A. on the payment against the companies KOPEX S.A. and TAGOR S.A. (sub- subsidiary). The value of the claim in the lawsuit was estimated at PLN 51 876 thousand. On April 2, 2015 the Issuer received a pleading in which the plaintiff limited his claim for PLN 33 705 thousand (without waiver of claim). According to the law firm representing the position of Kopex SA and Tagor SA the likelihood that the court accepts the plaintiff's claim is lower than the probability of dismissal due to the lack of a contractual basis for the formulation and lack of adequate causal link. Therefore KOPEX S.A. based on the provisions of IAS 37 it concluded that there is no present obligation arising from past events and therefore did not create provisions.

2. INFORMATION FOR TRANSLATION OF SELECTED FINANCIAL FIGURES

- Items of assets and liabilities were translated into EUR at the average NBP bank exchange rate, as at the balance sheet date:
 - as at 31.12.2015 - 4,2615
 - as at 31.12.2014 - 4,2623
- Items of income statement and cash flow were calculated by the arithmetic average EUR exchange rates applicable at the end of each month in the reporting period
 - in the year 2015 - 4,1848
 - in the year 2014 - 4,1893
- Maximum exchange rates in the following periods
 - in the year 2015 - 4,2652
 - in the year 2014 - 4,2623
- Minimum exchange rates in the following periods
 - in the year 2015 - 4,0337
 - in the year 2014 - 4,1420

5. INFORMATION ON CHANGE IN RESERVES

at the Capital Group

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Change in reserves for liabilities	-378	6 324
increase, including:	10 351	10 557
- Employee benefits	7 170	7 438
- Provision for liabilities	1 971	3 119
- The purchase of an organized part of the enterprise	1 210	-
reduction, including:	10 712	4 457
- Employee benefits	4 263	3 055
- Provision for liabilities	6 449	1 402
exchange differences	-17	224

at the Issuer

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Change in reserves for liabilities	-154	-1 149
a) increase, including:	840	2 116
- Employee benefits	831	1 456
- Provision for liabilities	9	660
b) decrease, including:	994	967
- Employee benefits	330	535
- Provision for liabilities	664	432

6. INFORMATION ON CHANGE IN WRITE DOWNS ON ASSETS AFFECTING FINANCIAL RESULT

at the Capital Group

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
increase, of the:	450 925	27 663
- the value of the company	292 144	-
- Fixed assets, intangible assets, investment property	46 597	12 155
- Inventories**	31 706	3 702
- Receivables***	19 035	10 769
- Other financial assets****	61 443	1 037
reduction, of the:	3 223	10 287
- Fixed assets, intangible assets, investment property	404	811
- Inventories	2 057	5 927
- Receivables	762	3 549
exchange differences	-14	237

*write-off of the applicable impairment loss: PLN 26 million development, mining roadheaders PLN 16 million of PLN 5 million investment property

**write-off of the not rotating stocks to net realisable value

***write-off of the accounts receivable in the amount of PLN 9 million has been created on the contentious claims, PLN 8 million debt from the contractor placed in receivership

****write-off of the loan receivable

at the Issuer

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
increase, of the:	41 063	12 328
- Receivables	2 967	2 960
- Other investment	38 096	9 368
reduction, of the:	1 205	668
- Investment property	402	-
- Receivables	80	668
- Other investment	723	-

7. ACQUISITIONS AND DISPOSALS OF TANGIBLE FIXED ASSETS

at the Capital Group

	01.01.2015 to 31.12.2015	01.01.2014 to 30.12.2014
Acquisitions*	167 317	132 568
Disposals (net sale value)	16 477	23 657

* this item also includes the assets generated by the Company and the acquisition of fixed assets within the purchase of an organized part of the enterprise.

at the Issuer

	01.01.2015 to 31.12.2015	01.01.2014 to 31.12.2014
Acquisitions	1 112	5 704
Disposals (net sale value)	12 870	44

8. TRANSACTIONS WITH RELATED PARTIES WHICH ARE NOT SUBJECT OF CONSOLIDATION

	Revenues from sales of products, goods and materials	Other sales	Financial revenues
01.01.2015 to 31.12.2015			
From associates	2 413	1 909	50
From other related parties	3 926	127	5 762
01.01.2014 to 31.12.2014			
From associates	2 731	883	88
From other related parties	7 597	23	2 942

	Purchases of goods and services	Purchase of fixed assets and intangible assets	Financial costs
01.01.2015 to 31.12.2015			
From associates	22 513	-	26
From other related parties	25 110	2 896	99
01.01.2014 to 31.12.2014			
From associates	24 673	-	-
From other related parties	15 343	408	1

Receivables and payables from related parties	31.12.2015	31.12.2014
Trade and other receivables from affiliates (net)	4 000	4 359
Trade and other receivables from other related parties (net)	18 279	23 925
Lease receivables from other related parties (net)	91	258
Liabilities to associates	10 190	4 192
Liabilities to other related parties	681	971

Impairment losses on receivables from other related parties	31.12.2015	31.12.2014
Balance at beginning of period	5 323	4 894
Impairment allowance	318	429
Release of allowance	-141	-
Balance at end of period	5 500	5 323

Receivables and payables from loans	31.12.2015	31.12.2014
Receivables from loans from other related parties (net)	99 314	153 854
Receivables from loans from affiliates (net)	1 935	2 645
Liabilities from loans to other related parties	-	-
Liabilities loans to associated companies	-	-

Impairment losses on loans receivable from other related parties	31.12.2015	31.12.2014
Balance at beginning of period	7 259	6 324
Impairment allowance	62 267	935
Release of allowance	-833	-
Balance at end of period	68 693	7 259

9. TRANSACTIONS WITH RELATED PARTIES AT THE ISSUER

	Revenues from sales of products, goods and materials	Other income (including dividends)	Financial income
01.01.2015 to 31.12.2015			
From subsidiaries	15 914	52 483	4 282
From associates	1 390	1 094	5
From other related parties	982	110	3 321
01.01.2014 to 31.12.2014			
From subsidiaries	15 998	107 989	6 556
From associates	1 952	4	7
From other related parties	424	19	1 895

	Purchases of goods and services	Purchase of tangible and intangible	Financial costs
01.01.2015 to 31.12.2015			
From subsidiaries	68 944	63	761
From other related parties	21 881	93	-
01.01.2014 to 31.12.2014			
From subsidiaries	161 436	5	1 936
From other affiliates	21		
From other related parties	3 759	408	1

Receivables and payables from related parties	31.12.2015	31.12.2014
Trade and other receivables from subsidiaries (net)	31 512	35 870
Trade and other receivables from affiliates (net)	180	605
Trade and other receivables from other related parties (net)	8 286	9 318
Lease receivables from subsidiaries (net)	14 780	16 151
Lease receivables from other related parties (net)	91	258
Liabilities to subsidiaries	14 553	70 072
Liabilities to other related parties	561	505
Lease commitments to subsidiaries	17 928	21 944

Impairment losses on receivables from subsidiaries and associates	31.12.2015	31.12.2014
Balance at beginning of period	2 365	2 365
Impairment allowance	2 754	-
Balance at end of period	5 119	2 365

Impairment losses on receivables from other related parties	31.12.2015	31.12.2014
Balance at beginning of period	3 401	3 401
Balance at end of period	3 401	3 401

Accounts receivable and loan commitments	31.12.2015	31.12.2014
Receivables from loans from subsidiaries	107 034	87 104
Receivables from loans from other related parties	99 314	127 702
Liabilities from loans to subsidiaries	-	2

Impairment losses on lease receivables from other related parties	31.12.2015	31.12.2014
Balance at beginning of period	183	183
Impairment allowance	-	-
Balance at end of period	183	183

Impairment losses on loans from other related parties	31.12.2015	31.12.2014
Balance at beginning of period	679	-
Impairment allowance	38 080	679
Release of allowance	-679	
Balance at end of period	38 080	679

10. FAIR VALUE

Financial assets and liabilities measured at fair value as at 31.12.2015:

At the Capital Group :

Classes of financial instruments	The fair value hierarchy		
	level 1	level 2	level 3
Stocks and shares	20		
Derivatives, including:		458	
Assets		1 965	
Liabilities		-1 507	

At the Issuer

Classes of financial instruments	The fair value hierarchy		
	level 1	level 2	level 3
Stocks and shares	20		
Derivatives, including:		1 540	
Assets		1 965	
Liabilities		-425	

Methods and assumptions used by the Group in determining fair values

The following valuation levels were adopted for financial instruments at fair value included the statement of financial position:

- level 1 - prices quoted from active markets for identical assets or liabilities
- level 2 – input data-in different than quoted prices classified to the level 1, that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. based on prices)
- level 3 – input data for valuation of assets and liabilities not based on observable market data.

The fair value of financial instruments classified as level 2 was determined by using appropriate valuation techniques (made by the banks) .

The Group is not able to determine reliably the fair value of shares held in companies not listed on active markets , classified as financial assets available for sale . The KOPEX Group values this group of assets at cost less accumulated impairment losses .

The fair value of other financial assets and liabilities approximates their value recognized in the statement of financial position.

11. OTHER INFORMATION

Issuer informs that on 31 December 2015 one of the bank covenants (net debt / EBITDA) was broken. To the date of approval of this report, the banks have not taken any action in connection with the violation of covenant. Kopex Group is working on the creation of new mechanisms to allow for the improvement of the indicator.

12. GENERAL INFORMATION ABOUT THE ISSUER- THE PARENT ENTITY

- Company name and address of the Issuer: **KOPEX Spółka Akcyjna, ul. Grabowa 1, 40-172 Katowice**
- Tel. No: **+48 32 604 70 00;**
- Fax No: **+48 32 604 71 00;**
- E-mail: **kopex@kopex.com.pl**
- Corporate website address : **www.kopex.com.pl**
- Statistical TAX number (REGON): **271981166;**
- Tax identification number (NIP): **634-012-68-49;**
- National Court Register: **The company is registered in the Register of Entrepreneurs of the National Court Register kept by the District Court Katowice-East in Katowice, VIII Commercial Division of the National Court Register under the number KRS 0000026782;**
- The share capital of the Issuer: **PLN 74.332.538,00 and divides into 74.332.538 ordinary bearer shares with a nominal value of PLN 1.00 . each. All shares are fully paid.**
- Auditor: **PricewaterhouseCoopers Sp. z o.o.**

12.1. HISTORY AND DEVELOPMENT OF THE ISSUER

On 4 November 1961 KOPEX enterprise was established under the name **Przedsiębiorstwo Budowy Zakładów Górniczych za Granicą –KOPEX**, as a state- owned enterprise , basing on the Regulation No. 128 of the Minister of Mining and Power Industry. On **01 January 1962**, after entering the register of state enterprises, it commenced business as a general supplier of mining facilities and equipment for export. In May 1971 the enterprise obtained permission to operate independently in foreign trade, including to export and import of mining and drilling machinery and equipment and of complete mining facilities, on the exclusivity basis. From 01 January 1989, after reorganization of the entities operating in the mining sector, KOPEX was a state-owned enterprise was **Przedsiębiorstwo Eksportu i Importu KOPEX w Katowicach**. /KOPEX Export and Import Enterprise based in Katowice.

On 19 November 1993 there was signed a transformation act of the state- owned enterprise, into one-person joint-stock company of the State Treasury Joint-Stock Company ,under the name **Przedsiębiorstwo Eksportu i Importu KOPEX Spółka Akcyjna** .On **3 January 1994** KOPEX S.A. entered the commercial register under number RHB 10 375.

The first ever listing of KOPEX S.A. shares on the Warsaw Stock Exchange based in Warsaw was on **4 June 1998**.

On 23 October 2003 the company registered its altered name **KOPEX Spółka Akcyjna**, and abbreviation: **KOPEX S.A.** in the National Court Register and since then, this name has been used by the company.

On 16 December 2004, 64.64% shares of KOPEX S.A. were made by the State Treasury as a contribution in kind to Krajowa Spółka Cukrowa S.A., in exchange for shares in that company subscribed by the State Treasury in connection with the increase of its share capital.

The sale of all the shares of KOPEX S.A. held by Krajowa Spółka Cukrowa S.A. on **9 February 2006**, was the turning point in the history of privatisation of KOPEX S.A. The transaction was effected after announcement the outcome of a public tender offer for the sale of shares which were acquired by an industry investor- **Zabrzeńskie Zakłady Mechaniczne S.A.**, based in Zabrze, hereinafter referred to as **ZZM S.A.**. It resulted in the establishment of the **ZZM - KOPEX Group**, Poland's largest industrial group in the sector of manufacturers and suppliers of mining machinery, equipment and services, whose integrated potential made it possible to offer comprehensively mining equipment and services and to become the **ZZM- KOPEX Group** one of the leading partners of the global mining industry.

The next significant stage of transformation was issue of 47,739,838 KOPEX S.A. B-series bearer shares addressed to the shareholders of **ZZM S.A.** in the second half of 2007, and the reverse takeover transaction of **ZZM S.A.** by "KOPEX S.A.

Following this transaction, KOPEX S.A. became a holding company and a leader in the KOPEX S.A. Group, comprising companies established in Poland and abroad.

At the end of 2009 there was a successful issue of 6,700,000 KOPEX S.A. C- series bearer shares.

On 01 December 2009 there was registered increase of the share capital, that currently amounts to PLN 74,332,538. and divides into 74.332.538 ordinary bearer shares with a nominal value of PLN 1.00 . each. All shares are fully paid.

In 2009 the Group name was changed from previously used "ZZM-Kopex Group" to the new name "Kopex GROUP" with the simultaneous adoption of the new graphic symbols:

13. SUBJECT AND SCOPE OF ACTIVITIES OF THE CAPITAL GROUP

The core business of the Group "Kopex" SA ("Kopex Group", "Group") which employs more than 5,000 employees is focused on manufacture of machinery and equipment used in the mining industry. However, the Group is not only a manufacturer and supplier of machines and equipment for mining coal, lignite and non-ferrous ores, but above all the KOPEX Group is a general contractor in investment enterprises ensuring comprehensive investment service. Kopex Group handles investments in the mining industry on the world's largest mining markets. It has production plants in Poland, Serbia, South Africa, China and Australia.

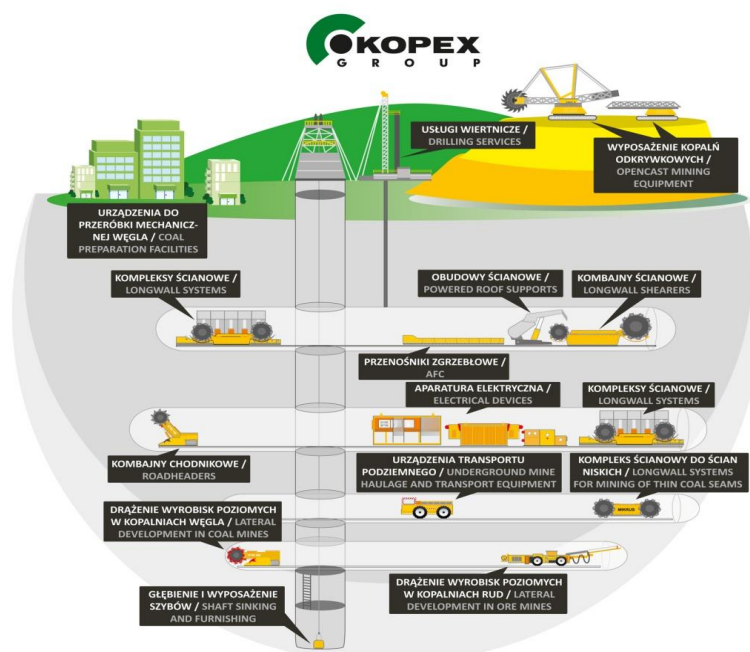
The Kopex-Group offers complex solutions for underground and open-pit mining. It is a respected and acknowledged manufacturer and supplier of high class machineries and equipment as well as modern mining technologies. Flexibility of the Kopex-Group offer proves its ability of accomplishing orders according to individual requirements of the customer. The Kopex Group brings together the leading manufacturers of high quality machinery, equipment and modern technologies for mining.

The Group's capabilities cover the whole investment process in the mining industry::

- ⇒ easibility study of the project,
- ⇒ supervising works regarding geological surveys of the mining area and assessment of reserves,
- ⇒ elaborating deposit mining technology,
- ⇒ designing mining plants,
- ⇒ manufacture, supply and assembly of machines, equipment and technological systems,
- ⇒ construction, development, modernization , mining execution and liquidation of mines
- ⇒ staff training and engineering support during project execution.

Mining machinery and equipment offered by KOPEX Group:

- longwall systems including systems for thin seams (1,1-1,7m) „MIKRUS” and „MIKRUS II” (0,9-1,3m)
- powered roof supports of many types,
- high power modern longwall shearers i.e. KSW 800, KSW 1500, KSW 2000,
- roadheaders KTW-200 i KTW-150,
- scraper and belt conveyors for mining,
- power and control hydraulics for roof supports,
- units of electrical power and control,
- mining electronics,
- automation systems,
- methane-measuring devices and means of communication,
- control and measuring apparatus,
- excavators, spreaders, stacker-reclaimers, belt conveyors for open-cast mining,
- shuttle cars (Waracar)
- as well as maintenance services and the supply of necessary spare parts used by the customer for mining machinery and equipment



The Group diversifies its activities by developing products targeted at markets not related to coal mining.
Basic areas of diversification:

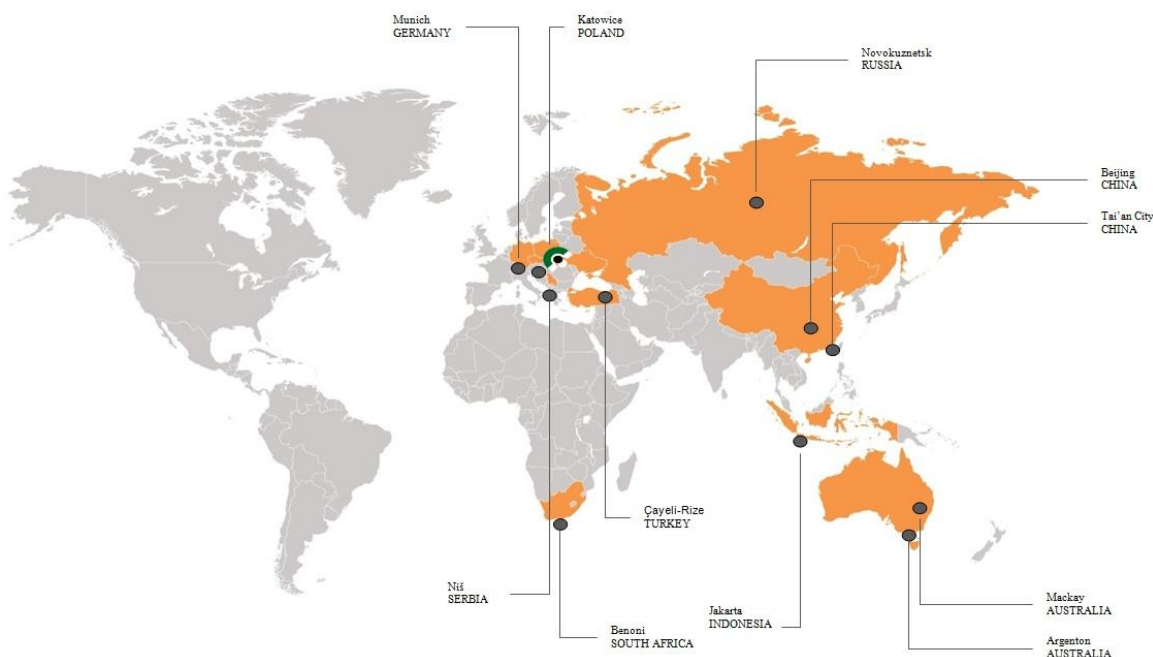
- production of hydraulic actuators and agricultural equipment,
- production of prefabricated elements for building and railway,
- construction of specialized electrical equipment applicable in addition to mining,
- construction of industrial air conditioning systems
- manufacture of electroenergetical safeguard automatics
- services for mining metal ores and minerals.

13.1. MARKET POSITION OF THE KOPEX GROUP

KOPEX Group is characterised by:

- complete range of products and technology for coal mining (underground mining, open-cast mining):
- individual treatment of every Client needs
- *diversified portfolio of customers:*
 - leading mining corporations in the world,
 - largest coal mines and power producers in Poland.
- own R & D base and office design, making it possible to work on the modern and high-tech products, adapted to different geological conditions and satisfying the most demanding business partners
- credibility and adherence to ethical and legal conduct of business rules, as a basis for conducting business activities and achieving sustained success,
- implemented and continually improved quality management systems certified with quality certificates according to ISO standards,
- a team of highly qualified and experienced specialists,
- multicultural working environment because of our presence in major mining markets in the world and accumulated 51 years of experience with the implementation in more than 50 countries around the world,
- implementation of the strategy of corporate social responsibility CSR.

KOPEX GROUP PRESENCE IN THE WORLD



Characteristics of basic scopes of activities of the main companies included in the KOPEX S.A. Capital Group

⇒ **„KOPEX” S.A.** - Scope of activities of the Company, in accordance with the Polish Classification of Activities (PKD), is determined in details in Par. 6 of the Articles of Association - “Wholesale of machineries used for mining, construction and civil and water engineering sectors- PKD No. 4663Z is the predominant activity of KOPEX S.A. , in accordance with the Polish Classification of Activities (PKD 2007).

For nearly 54 years of its existence KOPEX S.A. has been specialised in international trade and has transformed over time into a general contractor and supplier of machinery, equipment and specialised services for underground and open-cast mining. With a wealth of experience and a team of highly qualified specialists "Kopex" SA intends to become a world-class expert in the mining of coal and other minerals, as well as a global company, providing the highest quality service for the mining and other industries.



⇒ **KOPEX MACHINERY S.A.** – manufacturer of mining longwall shearers, roadheaders, cutting drums for shearers and cutting heads for roadheaders, scraper conveyors (armoured face conveyors, beam stage loaders, gallery conveyors and special conveyors), toothed transmission gears, crushers for crushing the winning, turning stations of belt conveyors cooperating with BSL unit, independent conveyor facilities anchoring and advancing AFC units and BSL units, combustion floor toothed railroads, systems and equipment for mechanical coal preparation, belt conveyors and other material handling equipment. Company is also a supplier of filters for dust suppression systems.



AUTOMATED LONGWALL SYSTEMS

⇒ **Fabryka Maszyn i Urządzeń „TAGOR” S.A.** – designer and manufacturer of powered roof supports, gate-end supports, belt conveyors, AFCs, individual roof support units.



ROOF SUPPORTS

- ⇒ **Zabrzeńskie Zakłady Mechaniczne – Maszyny Górnicze Sp. z o.o.** – renting and leasing of shearers, equipment and tangible goods, manufacture of metal structures and parts, manufacturing of general-purpose machinery.



SHEARERS AND ROADHEADERS

- ⇒ **„KOPEX Hydraulika Siłowa” Sp. z o.o. (formerly: DOZUT-TAGOR Sp. z o.o.)** – manufacturer of sealing elements for power and control hydraulics, pneumatic systems as well as manufacturer of DURACHROM ecological protective coatings for power hydraulics.



Hydraulic props (legs) covered with DURACHROM unique protective ecological coatings

- ⇒ **WARATAH Engineering (KOPEX WARATAH) Pty Ltd /Australia/** – is a specialized supplier of equipment applicable in underground mining and tunneling projects in Australia and New Zealand.

Products offered by Kopex Waratah:

- Shuttle cars – in the last 5 years Kopex Warath developed its own shuttle car brand - “WARACAR”. Over 60 shuttle cars are currently operating in Australian coal mines. In 2011, the company introduced a new version of the shuttle car 2011 SS type;
- Lump crusher FB 2012.
- Roadheader KTW 200

Auxiliary services offered:

- thorough reconstruction and restoration of following mining machinery and equipment: continuous miners, roadheaders, shuttlecars and crushers,
- partial repairs, replacement of spare parts, machinery rental, training and installation / maintenance / service



Waracar Shuttle Car (2011 SS Shuttle Car)

⇒ **KOPEX-SIBIR Sp. z o.o. /Rosja/** – Activity of the Kopex-Sibir company covers: 24/7 service, conducting repairs, supplying customers with parts to machines and equipment, helping with supplying of new machines, equipment and technological systems.



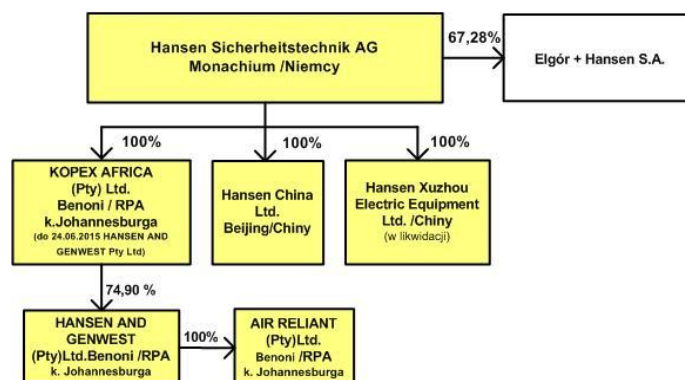
SERVICE CENTRE

ELGÓR+HANSEN S.A. – designer and manufacturer of the electricity distribution systems in explosion-proof housing and supplier of electrical appliances for mining equipment as well as the execution of documentation of integrated power systems and control for mining excavation systems.



ELECTRICAL EQUIPMENT

⇒ **HANSEN Sicherheitstechnik AG /Niemcy/** – The Company's scope of activities comprises the acquisition and management of its own and / or other assets as well as design, management of shares in other companies operated in manufacture and repair of explosion-proof electrical and electronic systems, and, in particular in design, manufacture and repair of power energy distribution systems in explosion-proof housing ,supply of electrical fittings for mining equipment, development of technical documentation of electrical systems used in mining, in particular in the explosive atmospheres, manufacture of electronics for mining industry. The Companies within the Hansen Group as at the date of PSr III/2015:



⇒ **HANSEN AND GENWEST Pty Ltd /RPA/** - It is currently the main production company in South Africa in Hansen Group, which joined the government program BBBEE (Broad – Based Black Economic Empowerment Act, 2003) and fulfills the obligations arising from this program. It is SABS approved company for the manufacture, repair and modification of flameproof and non-flameproof electrical switchgear and transformers for the mining industry. Company supplies equipment and services for motor starters, distribution and control boxes, mobile sub-stations, gate and boxes and specialized custom built equipment and projects for the mining industry.



ELECTRICAL EQUIPMENT

- ⇒ **KOPEX-Przedsiębiorstwo Budowy Szybów S.A.** – contractor of specialized mining services: sinking vertical workings (shafts, staple shafts), lateral development, tunneling_Construction services for the mining, underground, industrial construction sectors and civil engineering. Machinery, overhaul and construction fleet.



SPECIALISED MINING SERVICES

- ⇒ **Śląskie Towarzystwo Wiertnicze „DALBIS” Sp. z o.o.** – For many years ŚTW Dalbis has been specializing in drilling holes for various purposes and in practical implementation of drilling technologies in engineering and geotechnical work done both on surface and in underground mining plants.



DRILLING SERVICES

- ⇒ **PT. KOPEX MINING CONTRACTORS (LLC) /Indonesia/** – KMC has the capability to design, plan, construct, develop and operate underground coal mines as well as offering professional geological consultancy services to the coal mining industry in the Asia Pacific region.



MINING SERVICES

- ⇒ **„KOPEX-EX-COAL” Sp. z o.o.** – the Company's main scope of activities comprises mining of coal, services related to forestry, peat extraction and mining. The main task of the company is the realization of the project "Construction of Coal Mine Przeciszów "in the concession area „Oświęcim – Polanka 1. (www.kopalniaprzeciszow.pl)



COAL EXCAVATION

⇒ **KOPEX Foundry Sp. z o.o. (former HSW Odlewnia Sp. z o.o.)** – manufacturer of steel and iron castings for construction machinery, cranes and material handling equipment for mining, metallurgy, cement and marine industries as well as for agriculture machinery.



STEEL AND CAST IRON CASTINGS

14. THE CAPITAL GROUP. INFORMATION ON CHANGES IN ORGANISATIONAL OR CAPITAL CONNECTIONS OF THE ISSUER AND OF THE ISSUER'S SUBSIDIARIES

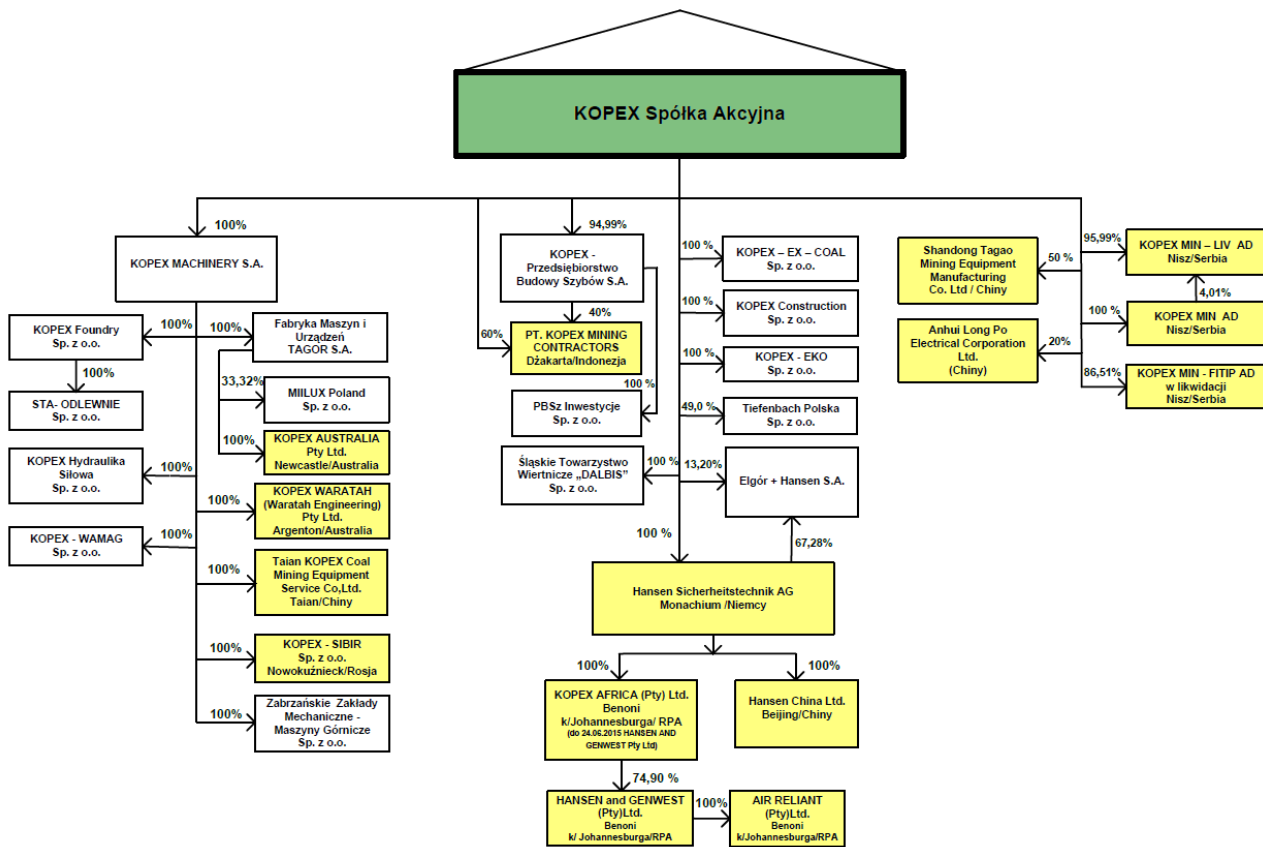
14.1. DESCRIPTION OF THE ORGANISATION OF THE ISSUER'S CAPITAL GROUP

The KOPEX S.A. Capital Group („KOPEX Group”, „Group”, „Issuer's Capital Group”) is composed of the parent company - KOPEX S.A. based in Katowice, the company listed on the Warsaw Stock Exchange and of several subsidiaries with associated entities. These subsidiaries are characterised by varying degrees of importance for business and significance of the composition of the KOPEX Group.



KOPEX S.A. as the leader of the Group plays a special role in the structure, by focusing the Group's central functions – it is the management of the holding, it provides for the development strategy of the whole Capital Group, it shows lines of the activities in the sphere of manufacture and services to the Group's subsidiaries, it runs the central accounting through the Accounting Centre for the Group's companies, it runs the central finance policy through the Finance Centre for the Group's companies, it coordinates central procurement as well as implementation and development of the Group's IT systems, besides, KOPEX S.A. accomplishes shareholder supervision tasks over subsidiaries of KOPEX S.A. Capital Group.

Current Organisational chart of KOPEX S.A.



Notice: companies established abroad are indicated in yellow
Source: Company as at 31.12.2015r.

15. CHANGES IN THE STRUCTURE OF THE COMPANY, INCLUDING MERGERS ACQUISITIONS OR SALE OF THE ISSUER'S GROUP, LONG-TERM INVESTMENTS, DIVISION, RESTRUCTURING AND DISCONTINUED OPERATIONS

The Management Board of KOPEX SA On February 19, 2015 passed a resolution to adopt the updated document entitled "Strategy of the KOPEX SA Capital Group for the years 2015 - 2020 ", in which a strategic objective of the Kopex Group SA was adopted for the years 2015 - 2020 - strengthening competitive position in the global market for machinery, equipment and services for the mining industry through:

- development of competitive advantages in the domestic market and on strategic foreign markets
- offering unique and innovative mining technologies on a world scale and adapting solutions for individual customer needs

and the use of the internal potential of the Group's new business segments through:

- coal mining - carrying out preparatory work for the construction of the mine in Oświęcim Preciszów and Polanka Wielka, including obtaining concessions for the extraction of coal projected for the year 2015
 - conducting business activity in the field of power industry.

The updated "Strategy of the KOPEX SA Capital Group for the years 2015 - 2020" was presented to the Supervisory Board, which, at its meeting on 13 April 2015, after discussion took note of this document.

One of the elements of this strategy is to continue projects taken from at the end of 2013 under the " KOPEX S.A. Capital Group Organizational Restructuring Program for the years 2013-2016 "and" Asset Optimisation Programme of key companies of the KOPEX SA Group for the years 2013-2015 ", of which the Issuer passed extensive information in the interim reports published in 2014. For the purposes of implementation of these programs project management was implemented. Restructuring projects are carried out in accordance with the methodology developed by the international organization IPMA (International Project Management Association).

The organizational restructuring processes in the "Kopex" S.A. Group consist of:

- ⇒ incorporation / merger / consolidation of selected companies with the Kopex Group, serving the intention of building strong, specialized and product distinguished entities;
- ⇒ elimination entities from the Kopex Group through the sale of their shares / stocks, for which the rate of return on investment and business risks do not justify further continuation taken in the past capital investment in these entities;
- ⇒ elimination from entities the Group through the sale of their shares / stocks, in which entities the Issuer holds minority stakes and whose activity is not related to the "core business" of the Group;
- ⇒ elimination of selected companies from the Group through liquidation processes, e.g. companies that have not started the actual business or companies that do not promise a lasting improvement;
- ⇒ acquisition / acquiring stocks / shares in the new selected entities to strengthen the product offering of the Kopex Group and improve its competitiveness.

With a view to the adoption of an updated strategy for the KOPEX Group, the Management Board after analysis of the effects of the implementation of both the programmes in 2014, decided to update them on the day of the March 4 2015 took up a resolution on the adoption of the implementation of revised organisational restructuring programme capital Group "KOPEX" S. A. for the period 2013-2016" and the updated "optimization program the key assets of the capital Group "KOPEX" S. A. for the period 2013-2015". The effect of the existing measures is increasing organisational restructuring of the group, reducing the cost of its activities and the improvement of governance processes in KOPEX Group. At the end of the year 2013 capital Group "KOPEX" S. A. was composed of 43 companies, including 22 companies in Poland and 21 foreign companies. At the end of 2015, the number of companies decreased to 31 subsidiaries or affiliated with "KOPEX" S. A. within the framework of the restructuring measures in 2016 is planned to continue steps to substantially reduce the number of entities in a holding company "KOPEX" S. A. In the year 2015 also continued implementation of the optimization program assets, which contributed to a further reduction in the size of the assets further to produce (non-productive fixed assets, inventory).

In the period from January 1, 2015 to the date of publication of this report for IV quarter of 2015 the following significant changes described below occurred in the organizational structure of the Kopex Group companies in the reporting period:

1) Acquisitions of shares by KOPEX S.A. or by subsidiaries of the KOPEX S.A. Capital Group:

a) increase to 33,32% of capital involvement of Fabryka Maszyn i Urządzeń „TAGOR” S.A. in Tarnowskie Góry in the company Miilux Poland Sp. z o.o. based in Tarnowskie Góry;

On June 6, 2014, the District Court in Gliwice X Division of the National Court Register entered the company "Miilux Poland" Sp. z o.o with its seat in Tarnowskie Góry into the register of Entrepreneurs of the National Court Register.

On 01.09.2015 a share capital increase of Miilux Poland Sp. z o.o. was registered. The Finnish partner company Miilux Oy currently holds 172,560 shares, representing 66.68% of the share capital and the company TAGOR SA, holds 86,240 shares representing 33.32% of the share capital of the company.

b) The acquisition by „KOPEX” S.A. of new shares in the company Węgliki Spiekane „BILDONIT” Sp. z o.o. based in Katowice;

On 29.01.2015 the Extraordinary General Meeting of Shareholders of company Węgliki Spiekane „BILDONIT” Sp. z o.o. adopted a resolution to increase the share capital from the current amount of PLN 10.2 million to the amount of PLN 12,404,000, ie. The amount of PLN 2,204,000, through the establishment of 4,408 new shares with a nominal value of PLN 500 each. Following the registration of the increased share capital Kopex SA holds 8,204 shares representing 33.07% of the share capital and the other shareholder holds 16,604 shares, which represent 66.93% of the share capital of the company. This action stems from the implementation of the agreement concluded between the shareholders setting out the strategy for further development of the company Węgliki Spiekane „BILDONIT” Sp. z o.o.

c) acquisition by „HANSEN AND GENWEST” (Pty) Ltd in Johannesburg/RSA of 100% shares of company KOPEX HOLDINGS (Pty) Ltd based in Johannesburg/RSA;

On 17 December 2014 at the initiative of KOPEX Group companies -HANSEN AND GENWEST (Pty) Ltd., Johannesburg / South Africa there was established created a new special purpose company in South Africa under the name of KOPEX HOLDINGS (Pty) Ltd. with a target intention of fulfilling their obligations under the program of the South African government's BBBEE (Broad - Based Black Economic Empowerment Act, 2003). This program aims to support and economic stimulation and activation of indigenous, historically disadvantaged black population. As a result of the accession to this program, the company receives the status of an entity

that could accede to public procurement and to apply for government contracts in South Africa. On 23/04/2015, the company Kopex Holdings (Pty) Ltd, on the basis of an external audit (BEE Rating Report), acquired certificate verification (BEE status level 3) confirming the implementation of the BBBEE.

On 6 August 2015 the change of the company Kopex HOLDINGS (Pty) Ltd to HANSEN AND GENWEST (Pty) Ltd was registered in connection with the resolution of 3 July 2015 on the amendment of the company. The immediate reason for the change was the need to use a recognizable brand in the market through this company currently conducting basic business activities in South Africa. Currently, in connection with the transactions described in the following paragraph 2 a) shareholders HANSEN AND GENWEST (Pty) Ltd are Kopex Africa (Pty) Ltd (74.9% share) and Hansen GENWEST BEE AND TRUST (25.1% share).

d) transfer of ownership of 13.20% of the shares of Elgór+Hansen S.A. based in Chorzów on „KOPEX” S.A. in Katowice;

On the basis of the Agreement of 18.06.2015r. concluded between the companies Zabrzeńskie Zakłady Mechaniczne - Maszyny Górnicze Sp. z o.o. and KOPEX Machinery S.A. the company Zabrzeńskie Zakłady Mechaniczne – Maszyny Górnicze Sp. z o.o. sold to KOPEX Machinery S.A. 743.450 shares of the company Elgór +Hansen S.A. in Chorzow. these shares represented 8.65% of the share capital of Elgór +Hansen S.A. Under and pursuant to Resolution No. 20 of the General Meeting of KOPEX Machinery S.A. of 22 June 2015 on the distribution of net profit for 2014 it was decided to distribute to a shareholder „KOPEX” S.A. part of the profit by way of dividend for 2014 in the form of benefits in kind through the transfer by the company KOPEX Machinery S.A. to „KOPEX” S.A. a total of 1,135,040 shares of the company: Elgór+Hansen S.A. based in Chorzow. The transfer of the aforementioned shares of Elgór+Hansen S.A. to „KOPEX” S.A. occurred on 23.06.2015. These shares represent 13.20% of the share capital and give the same number of votes at the General Meeting of Shareholders of Elgór+Hansen S.A. in Chorzow. These transactions are one of the stages of the organizational restructuring carried out in the Kopex Group.

e) acquisition by KOPEX MIN A.D. (subsidiary of KOPEX S.A.) 4.072 shares in the company KOPEX MIN-LIV A.D. (also a subsidiary of KOPEX S.A.) representing 4,01% of total number of shares of KOPEX MIN-LIV A.D.

According to information provided by the Serbian brokerage Euro Fineks Broker AD based in Belgrade, on 17.08.2015 the acquisition of 2,000 shares of KOPEX MIN-LIV AD by KOPEX MIN AD was concluded, while on 20.08.2015 KOPEX MIN AD acquired a further 2,072 shares of KOPEX MIN - LIV AD. The Kopex MIN A.D. and KOPEX MIN-LIV A.D. are subsidiaries of Kopex SA. As a result of the above transactions, capital commitment of Kopex SA in the company KOPEX MIN-LIV A.D. (together with its subsidiary KOPEX MIN-AD) increased to 93.75% (a total of 95,163 shares, of which 91,091 is the property of Kopex SA and 4072 shares are KOPEX MIN AD owned). The above-mentioned transactions are carried elements of the organizational restructuring carried out in the Kopex Group.

f) increase to 100% of the capital commitment of the company "KOPEX" S. A. in company KOPEX MIN A.D. with headquarters in Nis/Serbia;

On 18 December 2015, the Extraordinary General Meeting of KOPEX MIN A.D. with headquartered in Nis/Serbia at the request of "KOPEX" SA which is the majority shareholder of the company KOPEX MIN A.D. , holding 437.776 shares representing 93.48% of the share capital has taken the resolution forced buyout of the remaining company shares 30.545 belonging to minority shareholders. On the day of 28. 12. 2015. in accordance with the decision of the central register and deposit of securities in Belgrade finished the process of sell-out 30. 545 company KOPEX MIN A.D., resulting in the company "KOPEX" S. A. is the sole shareholder of KOPEX MIN A. D. with the 468. 321 shares of the company.

g) increase to 100% of the capital commitment of the company "KOPEX" S. A. in company KOPEX MIN-LIV A.D. with headquarters in Nis/Serbia;

On 18 December 2015, the Extraordinary General Meeting of KOPEX MIN-LIV A.D. with headquartered in Nis/ Serbia at the request of "KOPEX" SA which is the majority shareholder of the company KOPEX MIN-LIV A.D. holding 95 163 shares of KOPEX MIN-LIV A.D. which including 93.75% participation in the share capital of the company (of which 91 091 was owned by "KOPEX" S.A. , and ownership of 4 072 KOPEX MIN A.D.) took the resolution forced buyout of the remaining action 6 343 KOPEX MIN-LIV A.D. belonging to the minority shareholders. On the day of 25 December 2015 in accordance with the decision of the central register and deposit of securities in Belgrade finished the process of sell-out 6 343 company KOPEX MIN-LIV A.D., as a result of which capital involvement "KOPEX" S.A. company KOPEX MIN-LIV A. D. (together with its subsidiary KOPEX MIN A. D.) rose to the level of 100% (a total of 101 506 shares, of which 97 434 belong directly to "KOPEX" S. A. and representing 95.99% of the share capital and 4 072 belonging to KOPEX MIN A. D. and forming 4.01% of the share capital).

- h) **The combination of the company DOZUT-TAGOR Sp. z o.o. based in Zabrze (the acquiring company) and the company HS Lubań Sp. z o.o. based in Lubań (the company being acquired) and change the company to KOPEX Hydraulika Siłowa Sp. z o.o.**

Extraordinary general meeting of the company DOZUT-TAGOR Sp. z o.o. and Extraordinary General meeting of the company HS Lubań SP. z o. o. have taken on resolutions on 30 November 2015 to combine the companies in article 492 § 1 point 1 Ksh. through the transfer of all assets of the company HS Lubań SP. z o. o. company DOZUT-TAGOR Sp. z o.o.

The merger was registered by the Registry Court on 31 December 2015. The increased share capital of the acquiring company (DOZUT-TAGOR Sp. o.o.) newly created shares were acquired by the existing shareholder of the acquired company, ie. Kopex MACHINERY S.A.

With the registration of the merger on 31 December 2015 was also registered the company change DOZUT-TAGOR Sp. z o.o. on **KOPEX Hydraulika Siłowa Sp. z o.o.**

- 2) **Sale of shares by KOPEX S.A. or by other subsidiaries of the KOPEX Group, suspension of activities, or liquidation processes of the subsidiaries of the KOPEX Group that were undertaken within the framework of the restructuring and organizing processes of the subsidiaries of the KOPEX Group:**

- a) **disposal by company „HANSEN AND GENWEST” (Pty) Ltd in Johannesburg/RSA of 25.1% shares of company KOPEX HOLDINGS (Pty) Ltd based in Johannesburg/RPA in favor of HANSEN AND GENWEST BEE TRUST and transferrin the business activities of HANSEN AND GENWEST Pty Ltd (currently KOPEX AFRICA Pty Ltd) to the company KOPEX Holdings (Pty) Ltd (currently) HANSEN AND GENWEST Pty Ltd;**

As a result of the accession of KOPEX HOLDINGS (Pty) Ltd based in Johannesburg/RSA dto implement the above-described in point 2c) program BBBEE (Broad – Based Black Economic Empowerment Act, 2003) on March 1, 2015 an agreement was concluded between HANSEN AND GENWEST Pty Ltd and HANSEN AND GENWEST BEE TRUST, pursuant to which HANSEN AND GENWEST Pty Ltd completed the sale of 25.1% of shares of KOPEX Holdings (Pty) Ltd in favor of HANSEN AND GENWEST BEE TRUST (which was one of the conditions of above mentioned program).

On 23.04.2015 company KOPEX Holdings (Pty) Ltd, on the basis of the audit, obtained certificate confirming the degree of implementation of the program BBBEE.

- b) **transfer of the ownership of HS Lubań Sp. z o.o. 1 510 shares by STA-Odlewnie Sp. z o.o. for redemption;**

In implementing Resolution No. 2 of the Extraordinary General Meeting of Shareholders of HS Lubań Sp. z o.o. dated 07.05. 2015 and on the basis of the Agreement, of transfer of ownership of the shares for redemption, on 18 May 2015 occurred the transfer of 1,510 shares in the company HS Lubań Sp. z o.o. held by the company STA-Odlewnie Sp. z o.o. to the company HS Lubań Sp. z o.o. for redemption (after prior reduction in the share capital of the company). These shares accounted for 91.52% of the share capital of HS Lubań Sp. z o.o. and they gave the same number of votes at the general meeting of the company HS Lubań Sp. z o.o. On 10.15.2015 the District Court for Wrocław-Fabryczna in Wrocław registered the reduction of the share capital of the HS Luban Sp. zoo. and the related redemption of the aforementioned 1.510 shares acquired by the Company for redemption.

Consequently, the sole shareholder of the HS Luban Sp. z o.o., is currently the company Kopex Machinery SA. The above mentioned transaction is one of the stages of the organizational restructuring carried out in the Kopex Group, providing for, among others, the incorporation of the company HS Luban Sp. zoo., the company DOZUT-TAGOR Sp. zoo. Then the company HS Lubań SP. z o. o. has been connected with the company DOZUT-TAGOR Sp. z o. o. that has been described above.

- c) **Disposal by "Kopex" SA of all shares of the company MIN PROIZVODNJA AD, in liquidation;**

On 24.09.2015 the agreement was concluded of sale of all owned by Kopex SA Proizvodnja shares of the company MIN AD, in liquidation (ie. 4388 shares of the company) to an entity outside the Kopex Group. These shares accounted for 87.76% of the share capital and the same number of votes at the general meeting of the company Kopex Proizvodnja AD, in liquidation. The decision to liquidate the company was taken on November 5, 2012 by the Extraordinary General Meeting of Kopex Proizvodnja AD due to adverse economic developments on the Serbian market, resulting in the suspension of investments and a drop in demand in the area of products of the company and consequently increasingly difficult financial situation. On 10/05/2015, as a result of registration of the sale by the Serbian Central Securities Depository, the transfer of ownership rights to their purchaser took place.

- d) **Disposal by the company KOPEX MACHINERY S. A. in Zabrze, 100% of the shares of the company STA-Odlewnie Sp. z o. o. based in Tarnowskie Góry on the company KOPEX Foundry Sp. z o. o. in Stalowa Wola.**

On 31.12.2015 on the basis of the sales contract shares the company KOPEX MACHINERY S. A. has the disposal of 100% of the shares of the company STA-Odlewnie Sp. z o.o. company KOPEX Foundry Sp. z o.o. The transaction described above is part of the organizational restructuring process carried out in a KOPEX Group.

e) Reduction of capital commitment "KOPEX" S. A. in the subsidiary KOPEX-Przedsiębiorstwo Budowy Szybów S. A. with registered office in Bytom

On the basis of the contract of sale of the shares of 30.12.2015 company "KOPEX" S.A. has the disposal of a subsidiary to KOPEX MACHINERY S.A. 444 shares of the company KOPEX-Przedsiębiorstwo Budowy Szybów SA representing 0.01% of the share capital. Thus, the direct participation of "KOPEX" S. A. capital KOPEX-Przedsiębiorstwo Budowy Szybów S.A. decreased to the level of 94,99%.

f) Disposal by KOPEX "S. A. 3,300 shares in Węgliki Spiekane BILDONIT SP. z o. o. based in Katowice

On 30. 12. 2015 of the year between the company "KOPEX" S.A. and a legal person (unrelated entity) has concluded the contract of sale by "KOPEX" S.A. 3.300 shares Węgliki Spiekane BILDONIT Sp. z o.o. Sold shares were 13. 30% of the share capital of the company Węgliki Spiekane BILDONIT SP. z o. o.

g) Disposal of the organized part of the company Fabryka Maszyn I Urządzeń TAGOR S.A.

Extraordinary general meeting of the company Fabryka Maszyn I Urządzeń TAGOR S.A. on year 31.12.2015 has taken a resolution to consent to the disposal of part of the existing company organised under the name of "Zakład Hydrauliki" based in Zabrze to the company KOPEX Hydraulika Siłowa Sp. z o.o. in Zabrze. The contract of sale was concluded part of the organised on 31. 12. 2015. This transaction constitutes an element of the ongoing organizational restructuring programme KOPEX S.A. Group concentration in the field of hydraulic actuators in one company entity KOPEX Hydraulika Siłowa Sp. z o.o.

h) Complete the process of liquidation the company Hansen Xuzhou Electric Equipment Ltd. in liquidation/Chin

Formal and legal procedure for the liquidation of the company Hansen Xuzhou Electric Equipment Ltd./Chiny (a subsidiary of HANSEN Sicherheitstechnik AG) was completed. In accordance with the notice you received, the Office of the Special Economic Zone administrative control Market Technical-XUZHOU company has been deleted from the register as of 28.12.2015 year. On the winding-up process starts, the issuer informs 2010 annual report published on 02.05.2011.

3) Other events within the Group that occurred in the period from January until the date of publication of this half-year report:

a) change of the company name HSW Odlewnia Sp. z o.o. based in Stalowa Wola for KOPEX Foundry Spółka z ograniczoną odpowiedzialnością;

The Extraordinary General Meeting of Shareholders HSW Odlewnia Sp. z o.o. in Stalowa Wola on 26.03.2015 passed a resolution to change the company's name to **KOPEX Foundry Spółka z ograniczoną odpowiedzialnością**. Changing the company's name was entered on 01.06.2015 in the National Court Register competent for the company.

b) Change of the company HANSEN AND GENWEST (Pty) Ltd based in Johannesburg/RSA to KOPEX AFRICA (Pty) Ltd;

On 9 May 2015 a resolution was passed by a shareholder HANSEN AND GENWEST (Pty) Ltd to change the company's name to Kopex Africa (Pty) Ltd., which on 24 June 2015 was registered.

c) Change of company Poland Investments7 Sp. z o.o. based in Wałbrzych to KOPEX-WAMAG Spółka z ograniczoną odpowiedzialnością

On 09.04.2015 the Extraordinary Meeting of Shareholders of Poland Investments 7 Sp. z oo adopted a resolution to change the company's name to **Kopex-WAMAG company with limited liability**. The currently ongoing formal and legal procedures related to the registration of the change of the company.

d) Starting procedure for amending the legal form of Serbian companies KOPEX MIN A.D. and KOPEX MIN-LIV A.D. (subsidiaries "KOPEX" S. A.)

Extraordinary general meeting of the company KOPEX A. D. and Extraordinary General meeting of the company KOPEX MIN-LIV A.D. (both based in Niš/Serbia) on of the year 05. 02. 2016 have taken the resolution of intention to begin procedures to change the legal form of each of these companies through the transformation into a limited liability company. At the same time, general meetings

of both companies listed have made resolutions to withdraw company KOPEX MIN A.D. and company KOPEX MIN-LIV A.D. to trading on a regulated market (MTP Belgrade stock exchange A.D.) These actions are the next stage of organizational restructuring of the Capital Group companies run "KOPEX" S. A.

4) Investment expenditure

The Group companies for the first three quarters of 2015 years invested a total amount of PLN 119.813 thousand. The main expenditures were focused on replacement of assets in terms of machinery and equipment and purchase of the organized part of the enterprise.

The Group for the first three quarters of 2015 suffered depreciation costs of the resources in the amount of PLN 111.384 thousand. The investments were financed from own funds of the companies and external sources of finance (bank loans, loans).

16. IDENTIFICATION OF THE SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY THORUGH SUBSIDIARIES AT LEAST 5 PER CENT OF TOTAL VOTES AT THE GENERLA MEETING OF THE ISSUER ON THE DATE OF PUBLICATION OF THE MID-YEAR REPORT AND INDICAITON OF THE CHANGES IN THE SHAREHOLDING STRUCTURE OF SUBSTANTIAL BLOCKS OF SHARES OF THE ISUUER SINCE THE PREVIOUS MID-YEAR REPORT

16.1. SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY THORUGH SUBSIDIARIES AT LEAST 5 PER CENT OF TOTAL VOTES AT THE GENERAL MEETING OF THE ISSUER ON THE DATE OF PUBLICATION OF THE MID-YEAR REPORT

In the period from 1 January 2015 until the date of publication of this semi-annual report, the share capital "KOPEX" SA has not changed and it amounts to **PLN 74.332.538,00** and divides into 74.332.538 ordinary bearer shares with a nominal value of PLN 1.00 each, including:

- a) 19.892.700 ordinary bearer shares series A,
- b) 47.739.838 ordinary bearer shares series B, and
- c) 6.700.000 ordinary bearer shares series C.

There are no privileged shares to voting.

From **4 June 1998**, the shares of "Kopex" SA are listed on the Stock Exchange - Gielda Papierów Wartościowych w Warszawie S.A. (KPX PLKOPEX00018, Industrial Machinery, Segment: 50 PLUS, Index: mWIG80).



Stowarzyszenie
Inwestorów
Indywidualnych

According to the information held by the Issuer on the date of publication of the mid-year report, the following shareholders held directly or indirectly, at least 5 per cent of the total number of votes at the General Meeting of KOPEX S.A:

SHAREHOLDER	Number of shares held	Percentage shareholding in the share capital of „KOPEX” S.A.	Total number of votes at the General Meeting	Percent of votes at the General Meeting
-------------	-----------------------	--	--	---

Krzysztof Jędrzejewski (with subsidiaries)	43 586 675 ¹⁾	58,64%	43 586 675	58,64%
TDJ S.A. (indirectly through subsidiaries)	7 433 000 ²⁾	9,99%	7 433 000	9,99%
ING OFE	4 029 002 ³⁾	5,42%	4 029 002	5,42%
Other shareholders – Free Float	19 283 861	25,95%	19 283 861	25,95%
TOTAL	74 332 538	100,00%	74 332 538	100,00%

Source: Company

Notice:

¹⁾) Total shareholding of „KOPEX” S.A. shares held by the majority Shareholder Mr. Krzysztof Jędrzejewski together with its subsidiaries (directly and indirectly), according to the last report of 19.11.2013 received by the Company and the Financial Supervision Authority from Mr. Krzysztof Jędrzejewski under Article 160 clause 1 item 1) of the Act on trading in financial instruments (current report No. 75/2013 of 19 November 2013), including:

- directly owns 43.310.175 of shares representing 58,27% in the share capital of the Company and entitling to 43.310.175 votes at the General Meeting and representing 58,27% of total votes.

- indirectly owns through the company Kopex SA 276,500 shares (purchased by Kopex SA treasury shares), representing 0.37% of the share capital.,

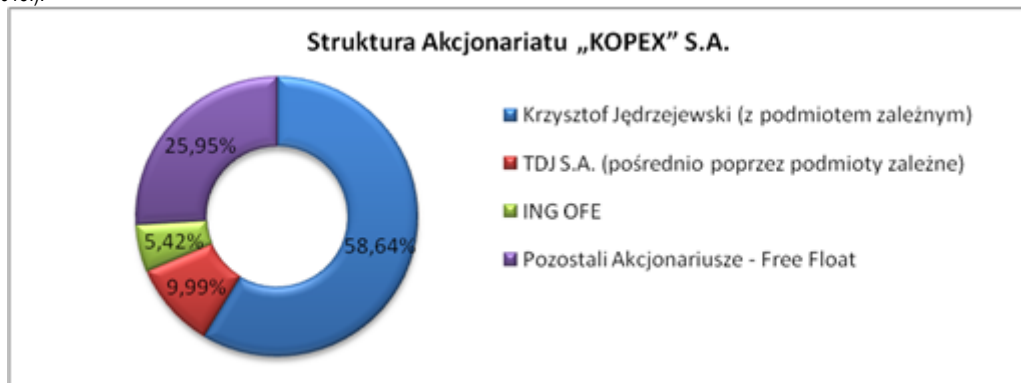
²⁾ The Company TDJ S.A. based in Katowicach jointly held indirectly through its subsidiaries 7.433.000 shares of „KOPEX” S.A., representing 9,99% in the share capital of the Company and entitling to 7.433.000 votes at the General Meeting and representing 9,99% of total votes incl:

- Company **Invest 15 TDJ Finance Sp. z o.o. S.K.A.** based in Katowice held directly 7.432.000 shares of „KOPEX” S.A., representing 9,998% of the share capital of „KOPEX” S.A and entitling to 7.432.000 votes at the General Meeting and representing 9,998% of total votes;
- Company **GALANTINE Sp. z o.o.** based in Warsaw held directly 1.000 shares of „KOPEX” S.A., representing 0,001% of the share capital of „KOPEX” S.A and entitling to 1.000 votes at the General Meeting and representing 0,001% of total votes.

The majority shareholder of the Company TDJ S.A. is Mr Tomasz Domogala, who indirectly through the above mentioned subsidiaries of TDJ S.A. owns 7.433.000 shares of „KOPEX” S.A., representing 9,99% in the share capital of the Company and entitling to 7.433.000 000 votes at the General Meeting and representing 9,99% of total votes.

The above number of shares held The issuer shall disclose in accordance with the notifications received and the information included in current reports No. 21/2015, 22/2015 and 23/2015 of 16 June 2015.

³⁾ state of „KOPEX” S.A. shares held by ING Otwarty Fundusz Emerytalny based in Warsaw according to the notice of the Shareholder (Current Report No. 2/2015 of 05 January 2015.).



16.2. INDICATION OF CHANGES IN OWNERSHIP STRUCTURE OF SIGNIFICANT HOLDINGS IN THE PERIOD FROM THE PREVIOUS QUARTERLY REPORT

In the period since the previous periodic report, the report QSr 3/2015 on 12 November 2015 to the date of publication of the quarterly report QSr-4/2015 there has been no change in ownership of large blocks of shares.

17. SPECIFICATION OF SHAREHOLDING OF THE ISSUER'S SHARES OR THE RIGHTS TO THE SHARES BY MEMBERS OF THE MANAGEMENT BOARD AND OF MEMBERS THE SUPERVISORY BOARD AS AT THE DAY OF ISSUE OF THE MID-YEAR REPORT, INCLUDING THE INDICATION OF CHANGES IN THE SHAREHOLDING SINCE THE ISSUE OF THE PREVIOUS MID-YEAR REPORT

17.1. SHAREHOLDING OF THE ISSUER'S SHARES OR THE RIGHTS TO THE SHARES BY MEMBERS OF THE MANAGEMENT BOARD AS AT THE DAY OF ISSUE OF THE MID-YEAR REPORT

Name	Position in the Management Board of „KOPEX” S.A.	Total number of „KOPEX” S.A. shares held	Changes in the shareholding of KOPEX S.A. shares since the latest quarterly report issue
Bogusław Bobrowski	President of the Board (since 12 January 2016)	No shares held	no change ¹⁾
Piotr Broncel	Member of the Board Director. Sale	No shares held	no change ¹⁾
Marek Uszko	Member of the Board Director. Research and development (since 12 January 2016)	No shares held	-----
Krzysztof Zawadzki	Member of the Board Director. Financial (since 1 February 2016)	No shares held	-----

Source: Company

Note:

¹⁾ no changes in the shareholding of the Issuer's shares since the publication of the latest quarterly report QSr 3/2015 on 12 November 2015.

17.2. SHAREHOLDING OF THE ISSUER'S SHARES OR THE RIGHTS TO THE SHARES BY MEMBERS OF THE SUPERVISORY BOARD AS AT THE DAY OF ISSUE OF THE QUARTERLY REPORT

Name	Position in the Supervisory Board of „KOPEX” S.A.	Total number of „KOPEX” S.A. shares held	Changes in the shareholding of KOPEX S.A. shares since the latest quarterly report issue
Krzysztof Jędrzejewski	Chairman of the Supervisory Board	43.586.675 ¹⁾	no change ²⁾
Michał Rogatko	Vice-Chairman of the Supervisory Board	No shares held	no change ²⁾
Daniel Lewczuk	Secretary of the Supervisory Board	No shares held	no change ²⁾
prof. zw. dr hab. inż. Józef Dubiński	Member of the Supervisory Board from 20.02.2014	No shares held	no change ²⁾
prof. zw. dr hab. n. legal Janusz A. Strzępka	Member of the Supervisory Board from 29.01.2015	No shares held	no change ²⁾

Source: Company

Notice:

¹⁾ Total shareholding of „KOPEX” S.A. shares held by the majority Shareholder Mr. Krzysztof Jędrzejewski together with its subsidiaries (directly and indirectly), according to the last report of 19.11.2013 received by the Company and the Financial Supervision Authority from Mr. Krzysztof Jędrzejewski under Article 160 clause 1 item 1) of the Act on trading in financial instruments (current report No. 75/2013 of 19 November 2013), including:

- directly owns 43.310.175 of shares representing 58,27% in the share capital of the Company and entitling to 43.310.175 votes at the General Meeting and representing 58,27% of total votes.

- indirectly owns through the company Kopex SA 276,500 shares (purchased by Kopex SA treasury shares), representing 0.37% of the share capital.

²⁾ the Issuer's shareholding did not change in the period since the previous quarterly report QSr 3/2015 on 12 November 2015.

18. **INFORMATION THAT ACCORDING TO THE ISSUER'S OPINION IS RELEVANT TO HIS AND TO THE SUBSIDIARIES' ASSESSMENTS, INCLUDING: PERSONNEL, PROPERTY, FINANCIAL RESULT AND THEIR CHANGES AS WELL AS INFORMATION THAT IS RELEVANT FOR ASSESSING FEASIBILITY OF THE OBLIGATIONS BY THE ISSUER AND ITS SUBSIDIARIES**

SEPARATE RESULTS

Employment situation

Employment policy of KOPEX S.A. policy is closely related to the staffing policy of the Capital Group. Company's organizational structure has been adapted to its current needs, resulting from internal and external conditions.

Employment structure in the Company was as follows:

EMPLOYEES

	31.12.2015	31.12.2014
WHITE COLLAR WORKERS	249	225
BLUE COLLAR WORKERS	36	37
TOTAL	285	262

COMMENTARY ON THE FINANCIAL SITUATION

Value of the balance sheet sum at the end of Q4 2015 amounted to PLN 1 795 677 thou and compared to the end of 2014 it decreased by PLN 48 145 thousand, i.e. 2,6%. The main factors causing decrease in total assets was a decrease in current assets 68 446 thousand PLN, ie. 21.6% and an increase in the value of assets in the group assets by 20 301 thousand PLN, ie. 1.3%.

The liabilities and shareholders' equity recorded an increase in Group equity of 14 368 thousand PLN and reduce the value of long-term liabilities by 18 722 thousand PLN, ie. 52.0% and a decrease in current liabilities by 15 055 thousand PLN. The exact structure of certain balance sheet items is presented on p. 9 of this report.

INDIVIDUAL PROFIT AND LOSS ACCOUNT

In the Q4 2015 sales revenues of the Issuer reached PLN 47 786 thousand, and were lower than performance in the same period last year by PLN 56 288 thousand, i.e. 54.0%. Overall, IV quarters of 2015 sales revenues of the Issuer reached PLN 276 520 thousand and were lower than the same period last year by PLN 88 507 thousand, ie 24.2%.

In the period from January to December 2015 the Issuer had revenues from export sales in the amount of PLN 257 080 thousand, including:

- Sales of mining machinery and equipment to Argentina, Bosnia and Hercegovina, China, Russia, Romania, Serbia, amounting to PLN 165 701 thousand.;
- Sales of bulk raw materials (coal) in the amount of PLN 71 264 thou. to Austria, Spain, Slovakia and Sweden and Hungary;
- Mining services in amount of PLN 19 851 thou. implemented in France;
- Other sales amounting to PLN 264 thousand realized in Czech Republic and Romania;

In the period January – December 2015, the Issuer earned revenues from sales in Poland amounting to PLN 19.440 thou. including:

- Sales of mining machinery and equipment amounting to PLN 348 thousand;
- other sales (lease, rental, accounting, financial services, information services, logistics services, internal control);in amount of PLN 19 092 thou.;

Gross profit on sales in the third quarter of 2015 amounted to PLN 2 977 thousand, compared to the result achieved in the same period last year decreased by PLN 2 944 thousand. Cumulatively for the period from the IV quarter of 2015 gross profit on sales amounted to PLN 21 127 thousand, compared to the result achieved in the same period last year decreased by PLN 14 707 thousand, ie. by 41.0%.

Selling expenses in the IV quarter amounted to 2015 PLN 2 356 thousand and for a period of IV quarters by 2015 have gained a level of PLN 9 313 thousand and are lower than the costs incurred in relation to the analogous period of the last year, about PLN 50 thousand, ie. about 0,5%.

General and administrative expenses in the IV quarter of 2015 amounted to PLN 5 145 thousand - their level is about PLN 23 852 thousand and they are lower compared to the same period of the previous year by PLN 2 511 thousand, ie. 9.5%.

Other income and expenses and profits (losses) in the reporting period are as follows (PLN thou):

- other income:

	I-IV Q 2015	I-IV Q 2014
Dividends	52.477	107.989
Subsidies	1.194	1.982
Reversed impairment of the revaluation of assets	269	-
Damages, penalties, court costs,	161	859
Other	254	135
TOTAL	54.374	111.158

- other costs

	I-IV Q 2015	I-IV Q 2014
Impairment loss on assets	2.754	10.854
Court costs, substitution process, penalties, damages	130	343
receivables written off	13	516
Established reserves	-	186
Other	159	505
TOTAL	3.056	12.404

- Other gains (losses)

	I-IV Q 2015	I-IV Q 2014
The result on foreign exchange transactions (for which no accounting is performed with collateral)	852	1.852
Valuation of foreign currency transactions (for which no hedge accounting is carried out)	-692	-2.029
Foreign exchange differences (except for loans)	1.944	1.010
Result from the sale and liquidation of fixed assets	4.939	-13
Result from the sale of financial assets (stocks, bonds)	-471	-7.590
Revaluation of investments (valuation of loans, long-term settlements, shares)	-2.223	-856
TOTAL	4.349	-7.626

In the year 2015 the Issuer has obtained an operating result of PLN 43 629 thousand.

Financial income and expenses in the reporting period are as follows (PLN thou):

- financial income:

	I-IV Q 2015	I-IV Q 2014
Interest	9.562	11.176
Commissions for sharing limits granted sureties and guarantees	1.562	4.391
Impairment of financial receivables solution	707	-
The positive balance of foreign exchange differences (financial activity)	681	1.440
Other	7	9
TOTAL	12.519	17.016

- financial costs:

	I-IV Q 2015	I-IV Q 2014
Impairment of financial receivables	38.080	806
Interest	4.515	6.719
Commissions for guarantees, warranties, credit	735	1.901
The creation of a reserve for financial costs	-	43
Other	100	6
TOTAL	43.430	9.475

For the IV quarters of 2015 the Issuer generated a net profit amounting to PLN 13 859 thousand.

Possibility of paying liabilities

Economic and financial situation of the Company is reflected in financial liquidity indices, as below:

	31.12.2015	31.12.2014
<ul style="list-style-type: none"> current liquidity (current assets / current liabilities, net of provisions and accruals) 	1,04	1,30

• quick liquidity <small>(current assets - inventories / current liabilities, net of provisions and accruals)</small>	1,04	1,29
• cash liquidity <small>(cash / current liabilities, net of provisions and accruals)</small>	0,03	0,13

The current level of liquidity ratios does not indicate a risk of losing the capability of paying the current liabilities.

CONSOLIDATED RESULTS

EMPLOYMENT SITUATION

Employment situation in the KOPEX S.A. Capital Group is as follows:

	EMPLOYEES	
	31.12.2015	31.12.2014
WHITE COLLAR WORKERS	1.608	1.620
BLUE COLLAR WORKERS	3.028	3.206
TOTAL	4.636	4.826

OPERATING SEGMENTS

Considering regulations of IFRS 8, in force since 1 January.2009, activities of the Capital Group have been divided into segments reflecting main activities and mining has been selected as a major segment. The basic criterion for the presentation of operating segments is the result of a breakdown of the management structure and internal reporting structure of the Group.

- The mining segment include:
 - mining services,
 - manufacture and sale of underground mining machinery and equipment,
 - manufacture and sale of open cast mining machinery and equipment,
 - manufacture and sale of electrical and electronic machinery and equipment
 - castings.

Other operating segments:

- manufacture and sale of industrial machinery and equipment,
- sale of coal,
- other activities.

The capital group companies maintain the main activities addressed to the underground mines, surface consisting mainly on sales of machinery and equipment, as well as on the provision of comprehensive mining services, vertical and horizontal. Capital Group develops activities in non-mining areas of the industry (e. g. hydraulics equipment for the agricultural industry. The group in its structure has a company providing specialized electrical equipment and explosion-proof systems applicable to mining and beyond mining. Building air conditioning systems. The Group also recognized the energy market and manufacturer of industrial automation safety instrumented system.

As regards the remainder for construction services Group, manufactures prefabricated components for the construction industry and railways, and also performs service, repair service, transport and shipping services.

This activity in the operative part is not for mass, but is an activity-specific, depending on the individual needs of recipients.

When choosing a route operating segments above all the reliability and comparability of information over time for different groups of goods and services of the group as well as its organizational structure have been taken into account. Attention should be paid to the fact that not all extracted segments meet the quantitative threshold of 10% or more of total external and internal revenues. The body deciding on their presentations had in view of their significance.

The body responsible for making decisions in the entity evaluates performance of individual operating segments based on the result of gross sales and operating profit, what has been reflected in their presentation. Consolidation adjustments, exemptions are included in revenue and segment result, which objectifies the segment result.

The following tables provide information about operating segments in the consolidated division of industry and geographical location.

CONSOLIDATED SEGMENT INFORMATION BY OPERATING INDUSTRY

	Mining		Manufacture and sale of industrial machinery and equipment		Sale of coal		Other activities		Eliminations from consolidation		Consolidated value	
	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014
CONTINUED OPERATIONS												
Total revenues of the segment	938 233	1 303 732	25 569	17 457	71 264	55 228	117 148	94 881	-58 533	-37 367	1 093 681	1 433 931
Segment revenues from external clients	938 233	1 303 732	25 569	17 457	71 264	55 228	58 615	57 514	-	-	1 093 681	1 433 931
Revenue between segments	-	-	-	-	-	-	58 533	37 367	-58 533	-37 367	-	-
Result of the segment- gross result from sale	52 041	257 063	3 975	2 972	2 928	3 201	11 924	15 075	-	-	70 868	278 311
Operating result of the segment	-426 829	138 784	-971	-736	300	370	-12 061	-2 832	-	-	-439 561	135 586
Result on financial activities of the whole group											-65 246	-11 701
Share in profit (loss) of the subordinated entities valued with the equity method											2 526	6 117
Gross profit											-502 281	130 002
Income tax											-5 586	27 391
Net consolidated profit from continued operations											-496 695	102 611
Net consolidated profit from discontinued operations											-	122
Total net consolidated profit											-496 695	102 733
Net profit (loss) contributable to non-controlling shareholders											881	1 473
Net profit contributable to the parent company's shareholders											-497 576	101 260
incl:												
- from continued operations											-497 576	101 138
- from discontinued operations											-	122

INFORMATION ON CONSOLIDATED REVENUES BY GEOGRAPHICAL DESTINATIONS

	Mining		Manufacture and sale of industrial machinery and equipment		Sale of coal		Other activities		Consolidated value	
	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014
SOUTH AFRICA	35 968	48 663	-	-	-	-	-	-	35 968	48 663
ARGENTINA	46 669	255 009	-	-	-	-	-	-	46 669	255 009
AUSTRALIA	12 284	15 418	10	3	-	-	-	935	12 294	16 356
AUSTRIA	0	21	6	-	34 334	18 292	-	-	34 340	18 313
BELARUS	4 616	1 500	9	-	-	-	-	-	4 625	1 500
BOSNIA	2 242	26 396	140	-	-	-	-	52	2 382	26 448
CHINA	2 774	32 663	-	-	-	-	-	283	2 774	32 946
CZECH REPUBLIC	11 582	34 818	2 524	2 048	-	-	641	464	14 747	37 330

FRANCE	19 884	18 699	931	143	-	-	-	750	20 815	19 592
SPAIN	17	28	-	-	12 261	14 057	-	3	12 278	14 088
KAZAHSTAN	-	609	-	-	-	-	-	626	-	1 235
GERMANY	14 120	25 950	102	707	-	-	-	755	14 222	27 412
POLAND	551 875	742 602	18 757	12 186	-	1 234	57 647	54 317	628 279	810 339
RUSSIA	148 054	42 938	-	-	-	-	-	-2 075	148 054	40 863
ROMANIA	625	1 020	-	-	-	-	12	26	637	1 046
SERBIA	83 785	42 766	2 747	1 690	-	-	315	387	86 847	44 843
SLOVAKIA	40	98	-	-	3 448	4 343	-	-	3 488	4 441
SLOVENIA	1 113	965	-	-	-	-	-	-	1 113	965
SWEDEN	7	226	3	-	19 041	17 302	-	-	19 051	17 528
TURKEY	176	9 376	-	-	-	-	-	-	176	9 376
UKRAINE	-	1 524	-	-	-	-	-	-	-	1 524
HUNGARY	-	-	-	33	2 180	-	-	-	2 180	33
OTHER	2 402	2 443	340	647	-	-	-	991	2 742	4 081
TOTAL	938 233	1 303 732	25 569	17 457	71 264	55 228	58 615	57 514	1 093 681	1 433 931

Information on the Group's major external clients, from whose income exceeds 10% or more of total revenue of the Group, i.e. amounts to PLN 109 368 thousand or more.

For the period from January to September 2015 quantitative criterion defining the main customer has been achieved with two partners. Revenues from the first contractor were realized in the amount of PLN 155 774 thousand. These revenues were realized in the segment of mining. Kopex SA is not formally associated with the above customer. Revenues from the second contractor were realized in the amount of PLN 149 574 thousand. These revenues were realized in the segment of mining. Kopex SA is not formally associated with the above customer.

Fixed assets (other than financial instruments, assets, deferred tax assets arising from post-employment employee benefits and rights arising from insurance contracts) of the Group in 90.0% are located in the country of origin of the Parent Company.

COMMENTARY ON THE FINANCIAL SITUATION

In Q4 2015 revenues from sales of the Capital Group amounted to PLN 235 142 thousand and for four quarters of 2015 sales revenue of the Group reached PLN 1 093 681 thousand and were lower than the same period last year by PLN 340 250 thousand, i.e. 23.7%.

MINING Industry segment: the structure of revenues, gross profit from sales and the operating result:

PLN THOU

	Mining services		Underground mining machinery and equipment manufacture and sales		Open cast mining machinery and equipment manufacture and sales		Electrical and electronic machinery and equipment manufacture and sales		Castings	
	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014
Segment revenues	250 050	338 102	481 420	746 627	73 992	50 140	88 524	142 401	44 247	26 462
Segment result - the result of gross sales	33 202	66 463	-15 998	141 442	116	-3 356	24 349	44 111	10 372	8 403
The segment's operating result	18 784	49 786	-446 395	87 103	-6 527	-19 038	3 531	18 522	3 778	2 411

Geographical breakdown of revenues from sales in MINING segment:

PLN THOU

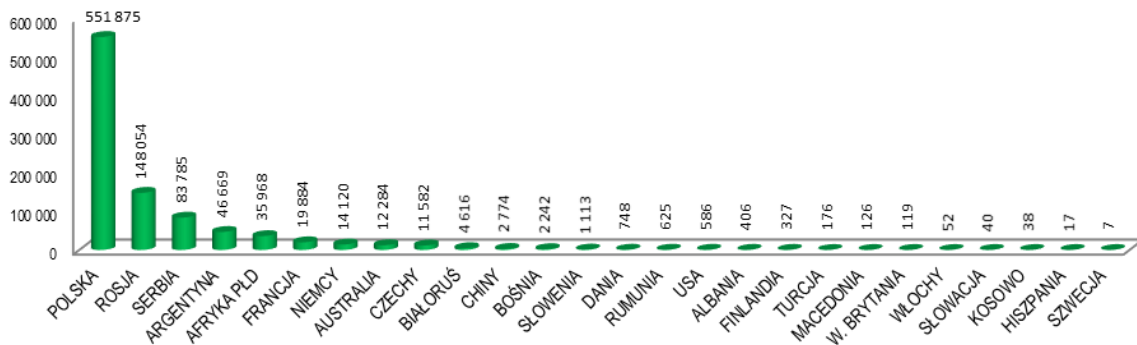
	Mining services		Underground mining machinery and equipment manufacture and sales		Open cast mining machinery and equipment manufacture and sales		Electrical and electronic machinery and equipment manufacture and sales		Castings	
	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014	I-IV Q 2015	I-IV Q 2014
SOUTH AFRICA	-	-	-	-	-	-	35 968	48 663	-	-
ARGENTINA	-	-	46 669	255 009	-	-	-	-	-	-
AUSTRALIA	-	-	12 284	15 418	-	-	-	-	-	-
AUSTRIA	-	-	-	-	-	-	-	-	-	21
BELARUS	-	-	-	-	-	-	4 616	1 500	-	-
BOSNIA	-	-	1 577	25 647	-	-	-	-	665	749

CHINA	-	-	2 774	32 663	-	-	-	-	-	-
CZECH REPUBLIC	1 730	886	6 693	28 008	-	-	2 892	5 924	267	-
FRANCE	19 851	18 699	-	-	-	-	-	-	33	-
SPAIN	-	-	-	11	-	-	17	17	-	-
KAZAHSTAN	-	-	-	609	-	-	-	-	-	-
GERMANY	5 353	3 592	-	-	-	1 093	42	21 265	8 725	-
POLAND	223 064	304 763	264 206	348 386	-	13 215	42 725	59 184	21 880	17 054
RUSSIA	-	-	146 552	37 329	-	-	1 502	5 609	-	-
ROMANIA	-	-	625	1 020	-	-	-	-	-	-
SERBIA	-	-	-	-	73 992	35 832	-	-	9 793	6 934
SLOVAKIA	-	-	40	-	-	-	-	13	-	85
SLOVENIA	-	-	-	-	-	-	-	-	1 113	965
SWEDEN	-	-	-	-	-	-	-	226	7	-
TURKEY	-	9 150	-	226	-	-	176	-	-	-
UKRAINE	-	-	-	1 524	-	-	-	-	-	-
HUNGARY	-	-	-	-	-	-	-	-	-	-
OTHER	52	1 012	-	777	-	-	586	-	1 764	654
TOTAL	250 050	338 102	481 420	746 627	73 992	50 140	88 524	142 401	44 247	26 462

Geographical breakdown of revenues from sales in specific segments in the IV quarters of 2015 is shown in the diagrams below [in PLN thou]:

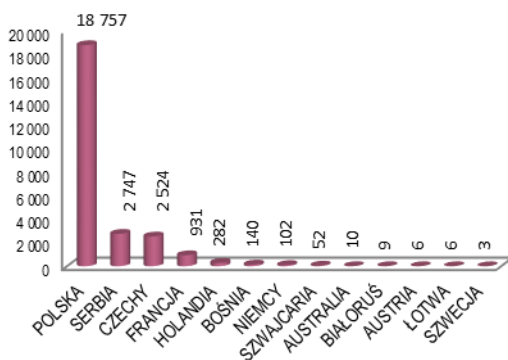
Mining

Share in total sales 85.8%



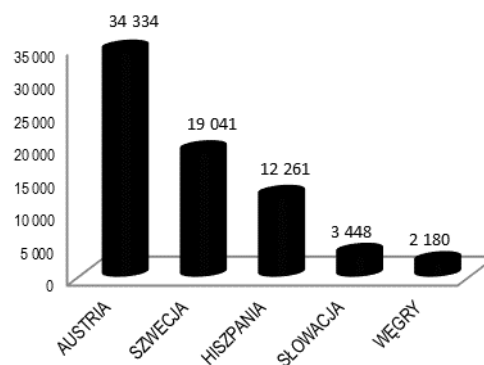
Industrial machinery and equipment

share in total sales amounted to 2.3%



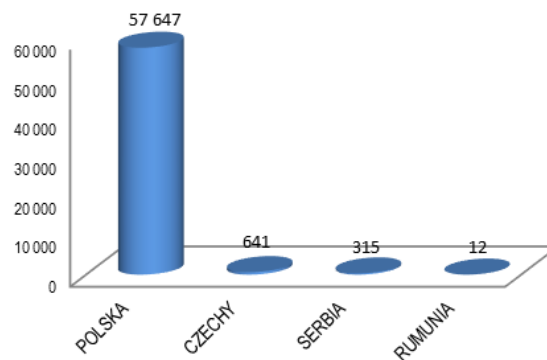
Sale of coal

share in total sales amounted to 6.5%



Other sale

share in total sales amounted to 4.7%



Consolidated gross loss in the IV quarter of 2015 amounted to PLN -33 876 thousand and cumulatively for the period from I to IV quarter of 2015 amounted PLN 70 868 thousand, compared to the result achieved in the same period last year it decreased by PLN 207 443 thousand, i.e. by 74.5%.

Selling expenses in the IV quarter of 2015 amounted to PLN 12 618 thousand and cumulatively from I to IV quarter of 2015 amounted to PLN 39 409 thousand and are lower than those incurred in the same period of the previous year by PLN 218 thousand, i.e. by 0.6%.

General and administrative expenses in the IV quarter of 2015 amounted to PLN 23 301 thousand and cumulatively from I to IV quarter of 2015 amounted to PLN 94 315 thousand and are lower than those incurred in the same period of the previous year by PLN 2 132 thousand, i.e. by 17.6%.

Other revenues and expenses incurred in this period are shown in the table below [in PLN thou]:

- Other revenues:

	I-IV Q 2015	I-IV Q 2014
Barred commitments	3.284	-
Damages, penalties and legal costs	3.069	23.377
Subsidies	1.578	2.650
Sales of social services	949	849
Dissolution of reserves from previous years	624	-
Surplus inventory	26	238
Cancelled commitment	-	231
Other	2.927	1.671
TOTAL	12.457	29.016

- other costs:

	I-IV Q 2015	I-IV Q 2014
Created impairment losses value adjustments of financial assets	18.274	8.257
Penalties, legal costs, compensation	2.975	2.121
Cost of maintaining social facilities	1.377	1.444
Cost of revenue foregone development and production	290	-
Scrapping current assets	128	564
Compensatory pensions	110	-
Inventory shortages	61	-
Written-off receivables	19	664
Established reserves	-	1.619
Other	1.349	2.569
TOTAL	24.583	17.238

- other profits (loss)

	I-IV Q 2015	I-IV Q 2014
Result on foreign exchange transactions (for which no hedge accounting is carried out)	857	2.730
Valuation of foreign currency transactions (for which no hedge accounting is carried out)	-692	-2.815
Foreign exchange differences (except for loans)	-727	3.292
Result from the sale and liquidation of fixed assets	5.613	7.214
Result from the sale of financial assets (stocks, bonds)	-295	1.636
Revaluation of investments (valuation of loans, long-term settlements, shares)	-2.329	-962
Other	980	-2.405
TOTAL	3.407	8.690

Capital Group for IV quarter 2015 created write-downs on non-financial assets in the amount of PLN 367 986 thou., which are described in section 2. 4. and 6. of this report.

For the IV quarters of 2015 years the Capital Group incurred an operating loss of PLN -439,561 thou.

Financial income and expenses in the reporting period are as follows (PLN thou):

- financial income:

	I-IV Q 2015	I-IV Q 2014
Interest	11.141	10.746
Dissolution of reserves for financial expenses	2.740	-
Suretyship and guarantee commissions	1.522	2.431
Other	2.024	456
TOTAL	17.427	13.633

- financial costs:

	I-IV Q 2015	I-IV Q 2014
The creation of the impairment of financial receivables	61.443	1.344
Interest	17.415	21.758
Commissions from sureties, guarantees and credits	1.597	1.105
Other	2.218	1.127
TOTAL	82.673	25.334

Economic and financial situation of the Capital Group is reflected in financial liquidity indices, as below:

	31.12.2015	31.12.2014
<ul style="list-style-type: none"> current liquidity (current assets / current liabilities, net of provisions and accruals) 	1,23	1,63
<ul style="list-style-type: none"> quick liquidity (current assets - inventories / current liabilities, net of provisions and accruals) 	0,94	1,29
<ul style="list-style-type: none"> cash liquidity (cash / current liabilities, net of provisions and accruals) 	0,07	0,12

The current level of liquidity ratios does not indicate a risk of losing the capability of paying the current liabilities.

Net financial result of the Capital Group was established at the level of revenues and costs of individual entities included in the Group, excluding revenues and costs of unrealised profits between the consolidated entities.

Consolidated gross profit for January-December 2015 amounted to PLN -502 281 thousand. For the 4th quarter 2015 capital group suffered a net loss attributable to shareholders of the parent company of PLN -497 576 thou.

The structure of the individual balance sheet items is set out in s. 4 of this report.

19. CONCISE DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OF FAILURES IN THE PERIOD COVERED BY THIS REPORT, INCLUDING A LIST OF ITS MOST IMPORTANT EVENTS

During the reporting period the Issuer and its subsidiaries conducted statutory economic activities.

Companies included in the Capital Group also signed number of commercial contracts during the reporting period, of which the most important are as follows:

- The Management Board of KOPEX SA with its registered seat in Katowice (the Issuer) announces that today it received an information from its subsidiary KOPEX – Przedsiębiorstwo Budowy Szybów S.A based in Bytom, on signing an Annex dated 02 January 2015 to the significant Agreement dated 05 June 2012 concluded between: KOPEX – Przedsiębiorstwo Budowy Szybów S.A (the “Contractor”) and KGHM Polska Miedź S.A. (the “Purchaser”) regarding performing of roadway excavations in Oddziały ZG Polkowice – Sieroszowice and ZG Rudna. Under the annex the contract period was extended to 2020 (formerly to 31.12.2016.). Also the remuneration was established in the amount of the estimated PLN 427,500,000.00 net for the execution of the works in 2015 - 2020. The final amount of compensation depends on the scope of work actually executed. Until 31.12.2014 works were made with a total value of net PLN 230,540,591.00.
- The Management Board of KOPEX SA with its registered seat in Katowice (the Issuer) announces that on 25.02.2015 it received information on the basis of which it states that the Issuer and the Issuer's subsidiaries, in the period from 4 March 2014 concluded number of contracts with Kompania Węglowa SA with its seat in Katowice. The total value of the contracts exceeds 10% of the equity of the Issuer (as of the last published by the Issuer's quarterly report QSR-4 2014 on 25 February 2015). Equity Issuer's underlying criterion is PLN 1,538,273 thousand. The total value of contracts concluded with Kompania Węglowa SA, of which the Issuer received information, in the period from 4 March 2014 to 25 February 2015 amounts to net PLN 172.562.952,18. Pursuant to § 2 section 1 point 44) and § 2 of 2 of the Ordinance of the Minister of Finance of 19 February 2009 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws . Laws of 2009., No. 33, item. 259, as amended) - RMF, met the criteria for significant agreement. The highest value of the contained in the above mentioned period is the agreement dated 03.02.2015, received on 25.02.2015. The parties to the agreement are: Kompania Węglowa S.A. - The Purchaser and Kopex Machinery S.A. (a subsidiary of the Issuer) as a Contractor. The subject of the aforementioned agreement is “Financial leasing and delivery of three new belt conveyors type WAMAG PTD 1400 produced by KOPEX MACHINERY S.A. for KOMPANIA WĘGLOWA S.A. Branch KWK “Marcel”. Each of the conveyors is a subject of a separate lease. The value of the agreement amounts to net PLN 24.199.999,98 (capital installments + interest). Payment for the use of each of the leased asset is spread over 36 monthly installments. The interest portion will be determined based on the WIBOR 1M increased by the fixed margin. Every last 36 installment may be for a different amount in order to compensate for differences in rounding calculation - the so-called leveling installment. Lease payments will be made monthly starting from the last day of the following month after the date on which the Purchaser accepts the use of the leased item based on handover protocol. At the time of the last installment of the lease arrangements and all fees due under the contract, the leased asset will be sold to the Purchaser for an amount of net PLN 1,00.
- The Management Board of KOPEX SA with its registered seat in Katowice (the Issuer) announces that on 02.04.2015 it has been aware of concluding by KOPEX – Przedsiębiorstwo Budowy Szybów SA with its registered seat in Bytom (the Issuer's subsidiary) another annex to a significant agreement dated 30.07.2009 concluded between: KOPEX - Przedsiębiorstwo Bydowy Szybów SA – Contractor and Jastrzębska Spółka Węglowa SA – Orderer. The subject of the agreement is execution of the shaft tube and double sided shaft inlet of the BZIE shaft 1 in Jastrzębska Spółka Węglowa SA, Borynia – Zofiówka – Jastrzębie Coal Mine, Area Zofiówka. An annex applies to additional works performed and changes in unit prices. As a result of the above mentioned changes the total value of the agreement has been increased to the total value of PLN net 264 236 419,30.
- The Kopex Group will deliver a longwall system with hydraulic roof support and electrical equipment, longwall shearer and a belt conveyor to coal mines in Kuznetsk Coal Basin. The total value of the three signed agreements on the Russian market amounts to more than 28 million euros (over 113 million PLN). The subject of the contracts is the delivery of two longwall shearers KSW460-NE. First of them, together with electrical equipment and roof support is meant for the mine Bierezowska (UKSK). The second shearer with electrical equipment and visualization system will be delivered to the mine Jubilejna (Topprom). The third agreement is the supply of longwall conveyor type Rybnik 750 to the mine Połosuchińska. All contracts will be realized in the second half of 2015. Subject of the largest contracts will be delivered to the mine Bierezowska the end of

September 2015. The contracts were concluded by Polish companies belonging to Kopex Group through a company operating in Novokuznetsk - Sibir Kopex.

- The Board of KOPEX S.A. based in Katowice (the issuer) signing on 12. 11. 2015. significant contract (as consortium leader, which is discussed later) with the company E003B7 SP. z o. o. based in Warsaw, where the parties are: Consortium KOPEX S.A. (Consortium Leader) and company Stal-System S.A. based in Wólca Pełkińska (Consortium Partner) that occur together as a performer and E003B7 SP. z o. o. (a subsidiary of RAFAKO SA) acting as the contracting authority. The subject of the aforementioned the agreement is supply and installation of steel structure building, engine room, boiler room, bunkers room, LUVO, SCR, installation of coal bunkers, elevation and arrangement of steam blower for the energy Block with a capacity of 910 MWe gross pursued for Tauron Wytwarzanie S.A. power station squad Jaworzno III Power pPart II in Jaworzno. The estimated total value of the contract is PLN 179 952 200 NET + TAX. Duration of the agreement shall be 15 months from the date of entry into force. The agreement entered into force on 13 January 2016.
- The Management Board of KOPEX SA with its registered seat in Katowice (the Issuer) announces that today it has been aware of receiving by KOPEX Machinery SA an signed agreement with Jastrzębska Spółka Węglowa SA dated 18.01.2016. The agreement is between: Consortium KOPEX Machinery SA (leader of a consortium) and a company FAMUR SA (member of a consortium) occurring together as a Contractor and Jastrzębska Spółka Węglowa SA as an Orderer. The subject of the agreement is : "Supply of 167 pieces of brand new FRS-18/46-2x3056 roof support units with a range of operation of not more than 2.0 m to not less than 4.5 m including high-pressure power pack designed for supplying of the powered roof support units, brand new armoured face conveyor RYBNIK 850, brand new beam stage loader GROT 850 together with a crusher and transmission gear for JSW SA, Knurów-Szczygłowice Coal Mine, Szczygłowice Area." The contract period is 15 weeks from the date of the agreement. The price offered for the execution of orders: PLN 74 156 788 gross. The agreement entered into force on 18. 01. 2016.

All significant information for the period 2015 are available on the website of the KOPEX S.A. at the following address:
<http://www.kopex.com.pl/idm,3336,biezace.html>

20. DESCRIPTION OF FACTORS AND EVENTS, IN PARTICULAR OF UNUSUAL NATURE HAVING A SIGNIFICANT INFLUENCE ON THE FINANCIAL RESULTS EARNED

Significant risks and threats are presented in SWOT analysis below:

CHANCES	THREATS
<ul style="list-style-type: none"> • Growth in demand for complex supplies and services resulting from the development of underground mining in Poland and abroad; • Interest in underground and open-cast mining in several global markets; • Interest in feasibility study projects for mining industry; • Demand for mining services, also associated with mining of extraction of salt and other minerals; • A significant increase in quality of Polish industrial products and their attractive price; • Greater openness of Polish enterprises to activities in the global markets; • Increase in expenditures and requirements for environmental protection; • Implementation of the program to optimize asset management and production processes. 	<ul style="list-style-type: none"> • Rapid consolidation processes of the major competitors of the Company; • Necessity of significant pre-financing, resulting from a very long time of return of investment in manufacture, supply and commissioning of the systems sold • Strengthening positions of competitive Polish and foreign companies; • The risk associated with the current geopolitical situation in Ukraine, Russia and Argentina; • Risk of executing works in the changing mining and geological conditions; • Delays in execution of certain contracts; • High demands to enter certain markets; • Increased costs associated of renewal of the machinery fleet • Limits of use of the manufacture capacities; • Significant and unpredictable fluctuations in exchange rates; • The decline in financial standing and liquidity of Mining Companies • Felt the lack of specialists in industrial occupations;
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Access to production facilities providing complex commercial offers • Recognised position and trademark of the Company in Poland and abroad • Entry new sales markets, requiring advanced technologies • Geographical diversification of products and services offered • Stability of cooperation with customers • Vast experience in running large investment projects all over the world; • Diversified portfolio of products and services offered • Good orientation in demand of foreign customers and in manufacture capabilities of the Polish mining engineering industry • Diversification of financial institutions dealing with the Group. 	<ul style="list-style-type: none"> • Dissipation of the Company's assets • Difficulties in getting a good workforce to service projects in the country and abroad; • Significant dependence of the revenues from demand in the coal mining industry. • Poor stamina mining companies affect significant extend payment deadlines.

THE ISSUER - INTEREST RATE RISK

Kopex SA finances its activities using the loans variable interest rate WIBOR 1M + margin. As at 31.12.2015, the Company had no instruments hedging interest rate risk and used the current decrease reference rate WIBOR 1M and on an ongoing basis monitored the Monetary Policy Council decisions in this area.

CURRENCY RISK – THE ISSUER

The Company is exposed to currency risk mainly due to core activities such as sale and purchase of goods and services in foreign currencies (primarily in EUR and USD).

Foreign exchange forward contracts are the main financial instruments hedging currency risk.

To reduce the currency risk in accordance with the strategy adopted by the Board, the procedure of actual cash flow hedge is applied.

The Company does not conclude speculative transactions

In 2005 KOPEX S.A. adopted the " Currency risk and interest rate hedging strategies ", according to which signing a commercial contract, currency risk hedging transactions are concluded, i.e. in relation to the exchange rate adopted in the offer's calculation. In case of contracts for trading in coal or electricity, they are concluded upon placing an order shipment or purchase of energy.

The Company applies hedge accounting (detailed description in accounting policies), and natural hedging

As at 31.12.2015 the Company had open hedging foreign currency items in the following amounts:

- USD 2.292 thou;
- EUR 42.972 thou.

The fair value of the above-mentioned transactions concluded on the day 31.12.2015 was estimated at total amount: PLN 2.108 thousand, of which PLN 568 thousand were realized hedging transactions held in equity until the planned hedge transaction and PLN 1.540 thousand were unrealized transactions by valuation models used by the banks in which the transactions were carried out.

The fair value of PLN 2.108 thou consist of:

- the amount of PLN 2.496 thou (of which PLN 568 thousand were realized transactions, and PLN 1.928 thousand were unrealized transactions) was recognized as an update of the equity,
- the amount of PLN -388 thousand in the profit and loss (of which PLN -20 thousand relates to transactions for which hedge accounting is conducted).

Valuation of the Company's hedging transactions as at 31.12.2015 was made by the banks based on the spot rate: USD: 3,9011; EUR: 4,2615.

CURRENCY RISK – THE CAPITAL GROUP

Companies of the Capital Group are exposed to currency risk, mainly resulting from their core activities, i.e. sale and purchase of goods and services in foreign currencies (primarily in EUR, USD and CZK).

The main financial instruments hedging currency risk are foreign exchange forward contracts and options.

To reduce the currency risk in accordance with the strategy adopted by the Group, actual cash flow hedge procedure is applied.

The Group does not conclude speculative transactions.

In 2005 KOPEX S.A. adopted the " Currency risk and interest rate hedging strategies ", according to which signing a commercial contract, currency risk hedging transactions are concluded, i.e. in relation to the exchange rate adopted in the offer's calculation. In case of contracts for trading in coal or electricity, they are concluded upon placing an order shipment or purchase of energy.

The Company applies hedge accounting (detailed description in accounting policies), and natural hedging..

As at 31.12.2015 the Group had open hedging foreign currency items in the following amounts:

- USD 2.292 thou;
- EUR 62.657 thou.

The fair value of the above mentioned forward transactions as at 31.12.2015 was estimated at total amount of PLN 1.026 thousand, of which PLN 568 thousand were realized hedging transactions held in equity until the planned transaction, and PLN 458 thousand

accounted for the valuation of unrealized transactions by valuation models used by the banks in which the transactions were carried out.

The fair value of PLN 1 026 thousand consists of:

- the amount of PLN 2 496 thousand was recognized as an update on equity (PLN 568 thousand of realized transactions, and PLN 1 928 thousand of unrealized transactions),
- the amount of PLN -1 470 thousand in the profit and loss account, of which PLN -1 102 relates to transactions for which hedge accounting is conducted).

Valuation of hedging transactions of the Group companies as at 31.12.2015 was made by the banks based on the spot rates: USD: 3,9011; EUR: 4,2615.

21. SEASONAL INFORMATION

The Issuer's business is not seasonal, so in this respect the current results do not fluctuate significantly during the year.

22. INFORMATION ON THE ISSUE, REDEMPTION AND REPAYMENT OF NON EQUITY -AND -EQUITY SECURITIES OF THE ISSUER

- redemption and repayment of non-equity securities - not applicable
- issue of securities - not applicable
- redemption or repayment of equity securities - not applicable.

23. INFORMATION ON PAID (OR DECLARED) DIVIDENDS, IN TOTAL AND PER ONE SHARE, INCLUDING COMMON AND PREFERRED SHARES

The Management Board of Kopex SA (Issuer) announces that on June 3, 2015 the Annual General Meeting of "Kopex" SA, pursuant to Resolution No. 7 on the distribution of the net profit for the fiscal year 2014 and determination of the dividend and the dividend payment date, allocated to a cash dividend to shareholders of the Company the amount of PLN 29,622,415.20. ie. PLN 0.40 per share. The dividend covered 74,056,038 shares of the Company. The own shares of the Issuer in a number 276,500 are not involved in the dividend. Annual General Meeting resolved: - the date the dividend / vesting date for the dividend / June 11, 2015; - Dividend payment date on July 2, 2015.

24. INDICATION OF EVENTS THAT OCCURRED AFTER THE DATE OF DRAWING UP THE QUARTERLY ABBREVIATED FINANCIAL STATEMENT, NOT INCLUDED IN THIS FINANCIAL STATEMENT BUT CAPABLE OF AFFECTING THE ISSUER'S FUTURE FINANCIAL RESULTS SIGNIFICANTLY

No events occurred after the date of the quarterly condensed financial statements not included in this report, which could have a significant impact on the future financial results of the Issuer.

25. STANDPOINT OF THE MANAGEMENT BOARD ON CAPABILITIES OF AN EARLIER ACCOMPLISHMENT OF THE FORECASTS FOR THIS YEAR PUBLISHED PREVIOUSLY, IN THE LIGHT OF RESULTS PRESENTED IN THE QUARTERLY REPORT, IN RELATION TO THE FORECAST RESULTS

The Issuer has not published forecasts for 2015.

26. INDICATION OF PROCEEDINGS PENDING IN FRONT OF THE COURT, THE COMPETENT AUTHORITY FOR ARBITRATION OR IN FRONT OF A PUBLIC ADMINISTRATION BODY

- proceedings related with liabilities or debts of the Issuer or its subsidiaries whose values amount to at least 10 per cent of the equity of the Issuer, with determined subject of the proceedings, amount of dispute, date of commencing the proceedings, parties to the commenced proceedings and standpoints of the Issuer,
- two or more proceedings for liabilities and debts, whose total value constitutes at least 10 per cent of the equity of the Issuer, with determined total value of the proceedings, separately in relation to major liabilities or debts together with the

Issuer's standpoint on this issue, an in relation to the largest proceedings in the group of liabilities and debts indication of their subject, with determined subject of the dispute, value of the dispute subject and the date of commencing the proceedings and the parties to the proceedings commenced;

On the day of the report, neither the Issuer, nor any of the Companies of the Issuer's Capital Group have pending proceedings in front of the court or the competent authority for arbitration, the authority responsible for arbitration or in front of a public administration body, whose value constitutes at least 10 per cent of the equity of the Issuer.

27. LIST OF RELEVANT INFORMATION ON TRANSACTIONS CONCLUDED BY THE ISSUER OR ITS SUBSIDIARIES WITH RELATED PARTIES ON OTHER CONDITIONS THAN MARKET ONES TOGETHER WITH THEIR VALUES AND INFORMATION SPECIFYING NATURE OF THOSE TRANSACTIONS

According to our knowledge, in the reporting period neither KOPEX S.A. nor subsidiaries or sub-subsidiaries of the Issuer concluded transactions with their related parties on conditions other than the market conditions.

28. INFORMATION ON STANDING SURETIES OR GRANTING GUARANTEES BY THE ISSUER OR BY ITS SUBSIDIARY – IN TOTAL TO ONE ENTITY OR TO THE ENTITY'S SUBSIDIARY- IF THE TOTAL VALUE OF THE SURETYSHIPS AND GUARANTEES GRANTED CONSTITUTES AT LEAST 10 PER CENT OF THE ISSUER'S EQUITY

The total amount of credits and loans as at 30.09.2015 which was secured by a surety amounts to PLN 141.088 thousand. The remuneration of the issuer or its subsidiary for granted guarantees or warranties was set at vouches agreed between the company and the company for which bail is granted. The amount of remuneration was adopted at the market level.

29. INDICATION OF THE FACTORS THAT ACCORDING TO THE ISSUER'S OPINION WILL AFFECT THE RESULTS ACHIEVED BY HIM OVER AT LEAST THE NEXT QUARTER

Factors that, in the opinion of the Issuer may have a significant impact on the financial results to be earned by him within at least the next quarter are:

- Decrease and persistent oversupply on world markets as a result of the sustained low oil prices, pressures and slowing economic growth in China and the 'shale gas revolution' in the United States. These factors increase the availability of coal in international trade, which subsequently results in a lower realized revenues in the national mining sector, a further setback investment expenditure, which in 2016 may continue to remain on a limited level, determined by the level of current and projected coal prices in the near future..
- Factor to support prices and investment sentiment in the industry in the year 2016 and middle term can be governmental decisions in China, concerning restrictions on coal mining for 500 million. tonnes during the next 3-5 years and the prohibition of the granting of permits for the construction of new coal mines by the end of the year 2019.
- Factors associated with the European Union climate policy aimed at combating climate change. The consequences of actions can lead to an increase in the importance of renewable energy sources in the national energy mixes, energy efficiency improvements, and less consumption of energy and energy carriers. Year 2016 might be the continuation of the weak sentiment for the energy sector, both in terms of the national and European level, due to the carried out a policy of decarbonisation and pressures on the share of coal in energy consumption structure in EU countries.
- Risks associated with restructuring of the mining industry on the financial sphere. Polish mining companies reduce operational and investment packages purchases and in the public procurement extending payment terms to 120, and even 150 days.
- Russia is one of the important markets of the Group. Recent geopolitical and economic turbulence observed in the region, especially the events in Ukraine, could have had and could have a negative impact on the Russian economy, including the weakening of the Russian currency, rising interest rates and limited liquidity. These events, including current and future international sanctions with regard to Russian companies and citizens associated with the uncertainty and variability in the supply chain may affect the Group's operations. The Management of the Group closely observes the development of events and adjusts strategic intentions in order to minimize currency risk and potential fluctuations in demand.

- Risks related to the economic situation in Argentina - the third largest economy in Latin America. Kopex Group involved in several mining projects in Argentina constantly analyzes the risks arising from the presence in this market.
- Further verification of the Group's activities in terms of both geographically and by product, dispensing with tasks not related closely to the core business of the KOPEX Group or low level of profitability. Construction of new competencies in markets outside of mining with the use of broad competencies Capital Group Mostostal Zabrze among others energy projects, rail projects, projects sheets hard abrasive (production and processing).
- Further diversification of the Company's activities, both in geographical and product terms. Leaving the tasks associated insignificantly with core activity of KOPEX S.A. or tasks of a low profitability, building new competences.
- Further continuation of the program of optimizing the use of assets of the Group and the program of optimization of production processes. The incorporation processes, sales and liquidation and the optimization of production processes will limit the technical manufacturing cost in all aspects of cost.
- Dynamizing the after-market services and service operations by building competencies in China (creating Kopex Taian), expansion of Company Kopex Sibir in Russia, and developing aftermarket facilities in the region of Vorkuta.
- Stabilization in the field of mining services provided by the company Kopex – PBSz and Dalbis. The results of this sector in the context of a slowdown in the mining industry, are particularly good. The Companies regularly participates in tenders announced by the investors, acquiring new contracts.
- Maintaining a good level of performance in the mining sector - electrical and electronic equipment. Elgór+Hansen is a leader in the studies, production and implementation of electrical equipment in explosion-proof enclosures. providing maneuvering kits for power supply and haulage for shearers and longwall systems, boxes of apparatus and explosion-proof equipment for road headers, as well as electrical equipment for longwall systems. Elgór+Hansen is also a supplier of electrical equipment for plow system produced by company CATERPILLAR, delivered to the Polish mines. In many subsets of the product in the field of power systems and power distribution in Polish mines Elgór+Hansen will in subsequent quarters have a good position.

SIGNATURES

Member of the Board

Piotr Broncel

Member of the Board

Marek Uszko

Member of the Board

Krzysztof Zawadzki

President of the Board

Bogusław Bobrowski

The person responsible for bookkeeping:

Director of Accounting and Taxes
Main Accountant

Alina Mazurczyk

Katowice, 24.02.2016