



STALPROFIL S.A. Group

Report for Q3 of 2011

Dąbrowa Górnicza, November 14, 2011

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1. Description of significant accomplishments of the issuer in Q3 2011

In Q3 of 2011 STALPROFIL SA Group generated sales revenues by 13% higher than in the corresponding period of 2010, mainly managing to take advantage of a very good situation in the infrastructural market of gas transmission networks.

In its steel sales and processing segment, the Group managed to keep the sales value comparable to Q3 of 2010, even though the market situation was not as favorable as in H1 of 2011. In the reporting period the Group intensified its export sale of steel products, recording an increase in the foreign sales volume by 30%, with domestic sale lower by 17.5% than in the corresponding period of 2010. Reduction in domestic sales resulted from the lower tonnage of semis sold; sale of semis is characterized by significant irregularity and lower profitability. In Q3 of 2011 the basic priority in the Group's marketing policy in the steel segment was not the maximization of sales but safety of transactions and adequate profitability of transactions.

The results on the sale of steel structures produced by KOLB sp. z o.o. (steel segment) were also satisfactory when compared to other entities in this market. In Q3 of 2011 the volume of steel structures sold increased twice compared to the corresponding period in 2010 and amounted to the level of 520 t. In the reporting period KOLB sp. z o.o. completed the investments related to its production infrastructure, making it possible for the company to double its production capacity for steel structures.

The Group did also significantly increase its sales volumes in the infrastructural segment of transmission networks. In Q3 of 2011 Izostal S.A., being a major entity from this segment, increased its total sales of internal and external coating for steel pipes by over 55% (from 126,844 m² to 197,253 m²) against Q3 of 2010, which translated positively into the generated financial results of the company and entire Group (infrastructural segment of transmission networks generated 31.8% of revenues and 41.3% of gross sales profit of the entire Group).

An important accomplishment of Izostal in Q3 of 2011 was the conclusion of partial contracts for the deliveries of coated steel pipes to OGP Gaz – System S.A. for the total amount of around PLN 88,458 thousand, with the delivery term from November 2011 to May 2012. In addition to the actions to intensify sales, in Q3 of 2011 the Company performed works related to the construction of the Research and Development Center for steel

technologies and products, which will make it possible to market new innovative products. Izostal S.A. is planning to commission this investment by end of 2011.

Another company from the infrastructural segment, ZRUG Zabrze, showed much better results for 3 quarters of 2011 than it achieved in the corresponding period of 2010. In this period ZRUG Zabrze reported the following results: sales revenues of PLN 52,672 thousand and net profit of PLN 1,324 thousand, whereas for 3 quarters in 2010 sales revenues amounted to PLN 30,809 thousand and the company generated a net loss of PLN 639 thousand.

All the subsidiaries of Stalprofil recorded satisfactory financial results, and thanks to the effective marketing activities, their order books are full at least till end of 2011.

The favorable actual results, when compared to the corresponding period of 2010, stem from adequate investments and good preparation of the Group for the current market situation, through the effective orders contracting process, cost discipline, rational inventory management and ensuring a proper external borrowing level.

2. Factors and events having significant impact on the profit generated by STALPROFIL SA. Group

Stalprofil Group is divided in two basic segments of operations. They are:

- sales in the field of steel industry as the domain of Stalprofil S.A., including steel processing with production of steel structures by Kolb sp. z o.o.,
- activity related to the infrastructure of transmission networks for gas and other utilities, covering the production of anti-corrosion insulation for steel pipes by Izostal S.A., as well as construction and assembly services for transmission networks provided by ZRUG Zabrze Sp. z o.o.

Table 1. Results of Stalprofil S.A. Group for Q3 of 2011, segment-wise (PLN thousand)

STALPROFIL S.A. Group	Q3 2011			Q3 2010		
	Sales, processing and services in steel market	Infrastructure of transmission networks for gas and other utilities	Total	Sales, processing and services in steel market	Infrastructure of transmission networks for gas and other utilities	Total
Sales revenues	133 580	62 364	195 944	133 796	38 923	172 719
Percentage share in total revenues	68,2%	31,8%	100,0%	77,5%	22,5%	100,0%
Internal sales cost	120 271	53 001	173 272	117 098	31 074	148 172
Gross sales profit	13 309	9 363	22 672	16 698	7 849	24 547

The realized revenues of Stalprofil S.A. Group in Q3 of 2011 were at the level of PLN 195,944 thousand, which means they were by 13% higher than in Q3 of 2010.

The Group's revenues increased thanks to the sales results of Izostal S.A. and ZRUG Zabrze Sp. z o.o., dealing in the infrastructural segment of transmission networks. Much higher sales volume of anti-corrosion coated pipes and higher value of services related to the construction of pipelines resulted in the revenues higher by 60% than in Q3 of 2010.

The level of the Group's revenues in Q3 of 2011 was also influenced positively by the stable situation in the steel market (relatively high prices and stable demand for steel products), which let the Group keep the sales value at the level close to the one achieved in Q3 of 2010.

The results generated in both segments in Q3 of 2011 made it possible for Stalprofil Group to have an operating profit of PLN 12,317 thousand, that is at the level by about 8% lower than in Q3 of 2010.

The results of the Group in its core activity decreased by PLN 643 thousand due to the negative result of financial activity. The main financial costs item is the costs of interest on the utilized bank loans (PLN 1,099).

Group entities take actions on an ongoing basis to limit the financial costs by optimizing debt level and securing currency inflows, mainly with the use of natural hedging and forward transactions. Specifically, Stalprofil S.A. and Izostal S.A. are active in the currency markets as they are both exporters and importers.

The actual results of financial and operating activity of Stalprofil and its subsidiaries let Stalprofil S.A. Group generate a consolidated net profit of PLN 9,550 thousand in Q3 of 2011, that is 6% below last year's level. Net profit for the shareholders of the parent entity

amounted to PLN 7,712 thousand against PLN 9,956 thousand in Q3 of 2010 and was also lower due to the fact that the parent entity had decreased its shareholding in Izostal S.A. (from 95.16% to 60.28%), following the public issue (registered on 28.01.2011) of the shares of Izostal S.A.

Year to date for 3 quarters of 2011 Stalprofil Group generated the net profit for the shareholders of the parent entity in the amount of PLN 30,392 thousand, that is by 37% higher than in 3 quarters of 2010.

The generated profit is presented on conservative principles.

3. Factors that according to the issuer will influence their results in the time horizon of at least one coming quarter.

The main factor determining the actual results of Stalprofil SA Group is the current and forecast market situation in the steel distribution sector and infrastructural investments market, including mainly the market related to transmission networks for gas and other utilities.

Q3 of 2011 was the period of a stable market situation in the steel distribution market. According to the statistics of the Polish Union of Steel Distributors, whose members are mainly national representatives of the sector, including Stalprofil S.A., steel products stocks and volumes sold in Q3 of 2011 stabilized, and distributors were mildly active rebuilding their stocks. Stabilization in steel product prices witnessed in Q3 of 2011, at relatively high levels, had positive impact on the results of the steel distributors in this period.

Forecasts for the coming quarter assume further stabilization of prices. It should be supported by the reductions in production capacities announced by steel producers which will reduce the supply of steel products in the market. Medium-term forecasts for the future situation in the steel market are optimistic and assume an increase in apparent steel consumption in Poland by 9.5% in 2012, which is well above the forecasts for entire EU (2.5%) (source: World Steel Association).

In addition to the optimistic forecasts for the market in the segment of steel products, what should be noted are strongly favorable short and long-term forecasts for the gas transmission networks. This prospective infrastructural market of transmission networks for gas and other utilities is now growing faster. Favorable outlooks for this market demonstrate themselves in the projects implemented as part of revamping and construction of the national gas network, as well as the EU policy aiming at establishment of the integrated natural gas

transmission network, improved gas supplies security in the EU and setup of the common European energy market.

In the coming years (till 2014) the main player in this market (OGP Gaz-System SA) is planning to build over 1000 km of pipelines in Poland. Therefore, the prospects for companies making "large diameter" pipelines are good, including Izostal SA and ZRUG Zabrze sp. z o.o.

To be able to take full advantage of development possibilities in such a prospective market, the flagship company of this segment, that is Izostal S.A., decided to proceed with the next development investments co-financed by the EU funds. In 2011, the company will complete the construction of the Research and Development Center for steel technologies and products, which will make it possible to market new innovative products.

What is still important according to the Management Board, is to keep business transactions safe and to maintain a good credit rating. The Group, paying special attention to receivables collection, does not have any major problems now with payment backlogs from customers. The dominant majority of the Group's receivables have the insurance cover provided by the companies COFACE, KUKI and ATRADIUS. The Group entities aim to get from their customers some additional "hard" guarantees such as pledges, mortgages etc.

A negative phenomenon, especially for exporters, manifests itself in significant exchange rate fluctuations, and especially fluctuations between EUR and PLN. Group entities hedge their currency position, yet significant exchange rate fluctuations may result in the situation that there is no balance between exchange rates differences related to settlements with customers and hedging transactions.

4. Description of the issuer's Group organization, with information about the entities subject to consolidation

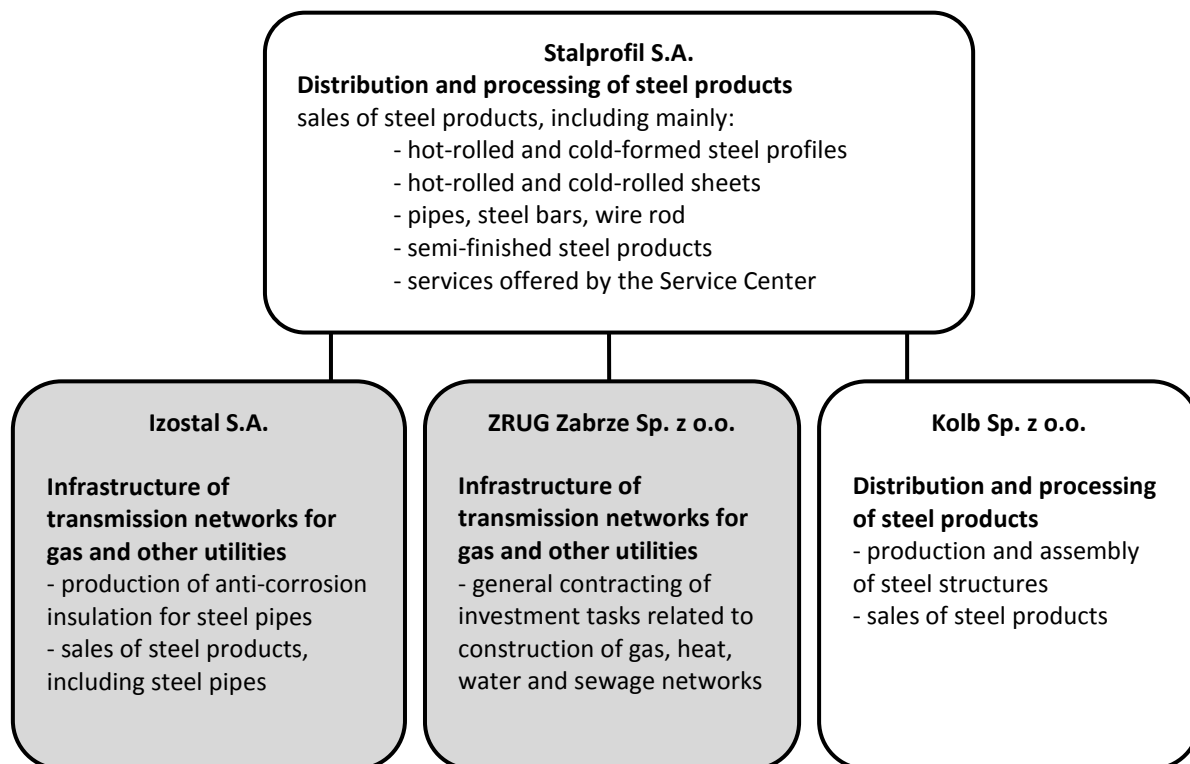
Stalprofil S.A. Group is divided into two basic segments of operations:

- 1) Sales, processing and services in the steel market, represented mainly by:
 - STALPROFIL S.A.
 - KOLB sp. z o.o.

2) Infrastructure of transmission networks for gas and other utilities, represented mainly by:

- IZOSTAL S.A
- ZRUG Zabrze Sp. z o.o.

Chart 1. STALPROFIL S.A. GROUP



- Sales, processing and services in steel market



- Infrastructure of transmission networks for gas and other utilities

As on the day of preparing this report, three subsidiaries are subject to consolidation obligation: Izostal S.A., ZRUG Zabrze sp. z o.o. and KOLB sp. z o.o.

Table 2. Shareholding of Stalprofil S.A. in the subsidiaries subject to consolidation (as on 30.09.2011)

Subsidiary	Number of shares/votes	Shareholding of Stalprofil S.A. in share capital
IZOSTAL S.A.	32 744 000	60,28%
ZRUG Zabrze sp. z o.o.	5 250	88,57%
KOLB sp. z o.o.	1 549	100,00%

The basic objects of Izostal S.A. include anti-corrosion insulation of steel pipes and sale of steel pipes. ZRUG Zabrze sp. z o.o. performs the works related to the construction and repairs of gas, heat, water and sewage networks.

KOLB sp. z o.o. produces and assembles steel structures, mainly for Polish and German markets.

All the subsidiaries complement each other, and the parent entity, i.e. Stalprofil S.A. in their objects.

5. Results of changes in the structure of the business entity

In the reporting period no significant changes in the structure of Stalprofil S.A. Group were effected.

6. Influence of seasonality on operations of Stalprofil SA Group in Q3 2011.

a) sales, processing and services in the steel market

Generally speaking, seasonality has no significant impact on the results of total sales of steel products. In normal weather conditions the Group compensates for the drop of demand in construction industry in winter through its periodical remodeling of the sales offer. The decline in the sales may occur in the case of particularly severe winters. It regards both Stalprofil S.A. and KOLB sp. z o.o.

b) infrastructure of transmission networks for gas and other utilities

The sales results of the Group in the segment of infrastructural networks for transmission of gas and other utilities depend on the seasons. Higher turnover is usually generated in this segment in quarters 2 to 4, depending on the weather conditions and works schedules adopted by investment project contractors. In winter, the intensity of investments such as construction of transmission networks drops, and is combined with delays in the performance of some already started works (e.g. civil works), which altogether has negative impact on the turnover of the subsidiaries operating in this segment – Izostal S.A. and, mainly, ZRUG Zabrze sp. z o.o.

In Q3 of 2011 seasonality had no major influence on the results of the Group.

7. Issue, buyback and repayment of debt and capital commercial papers in Q3 of 2011.

In the reporting period, Stalprofil S.A. did not issue, buy out or repay any debt notes or capital commercial papers.

8. Dividend payment (or declaration)

On 13.09.2011 Stalprofil S.A. paid the dividend for 2010, the amount of which was resolved on 26.05.2011 by the Annual General Meeting of Stalprofil S.A. at the level of PLN 0.25 per share.

9. List of events that followed the day on which the quarterly financial statement was prepared, which might influence the future financial results of Stalprofil S.A. Group.

Stalprofil S.A. Group did not record any events that followed the day on which the quarterly financial statement was prepared, which might influence the future financial results of Stalprofil S.A. Group.

10. Changes in contingent liabilities or assets since the closing of the previous business year

Change in the off-balance sheet liabilities from 31.12.2010 to 30.09.2011:

Table 3. Sureties granted by Stalprofil S.A. (PLN thousand):

Beneficiary	Debtor	Loan repayment date	Loan amount	Enforceability clause validity date	Enforceable amount	Delta
BRE Bank S.A.	ZRUG Zabrze Sp. z o.o.	15.01.2016	735	15.01.2017	960	originated
BRE Bank S.A.	ZRUG Zabrze Sp. z o.o.	28.03.2016	592	28.03.2017	770	originated
BRE Bank S.A.	ZRUG Zabrze Sp. z o.o.	30.11.2011	3 000	30.11.2013	4 500	increase from 1 500 to 3 000
BRE Bank S.A.	KOLB sp. z o.o.	06.04.2012	2 000	06.04.2013	2 600	increase from 1,600 to 2,000

On 1.04.2011 PKO BP SA released the bill of exchange surety provided by Stalprofil SA for up to PLN 22,000 thousand, which was one of the securities for the multi-purpose loan granted by PKO BP to Izostal S.A. in the amount of PLN 22,000 thousand.

On 20.06.2011 PKO BP S.A. released the surety for the loan taken by Izostal S.A. in the amount of PLN 26,000 thousand (surety had the form of the transfer of receivables due to Stalprofil S.A. from a commercial partner).

Table 4. Change in discount loan liabilities of Stalprofil S.A. from 31.12.2010 to 30.09.2011 (PLN thousand):

Bank	31.12.2010	30.09.2011	Delta
BRE Bank S.A.	266	567	+301
Kredyt Bank S.A.	3 058	1 463	-1 595

11. The Management Board's opinion on a possibility to realize the previously published results forecasts for 2011

Stalprofil S.A. did not publish any results forecasts for 2011 – either separate or consolidated..

12. Shareholding structure of Stalprofil S.A. as on the day of providing the quarterly report

The following table shows the shareholders of Stalprofil S.A. who - to the best possible knowledge - held at least 5% at the General Meeting as on the day of announcing this quarterly report. The information in the table is based on the information obtained from the shareholders in line with Art. 69 paragraph 1 of the Act of September 4, 2008 on amendments to the public offering act and conditions for marketing financial instruments in the organized trading system and public companies, and amendments to other laws.

Table 5. List of Stalprofil S.A. shareholders, holding at least 5% of the total number of shares at the General Shareholders' Meeting.

Shareholder	Number of shares	Shareholding	Number of votes	% of votes at the General Shareholders' Meeting
ArcelorMittal Poland S.A.	5 508 800	31,48%	10 948 800	32,68%
MZZ Pracowników Arcelor Mittal Dąbrowa Górnicza	3 135 000	17,92%	8 415 000	25,12%
Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK	1 722 100	9,84%	1 722 100	5,14%
MOZ NSZZ „Solidarność” ArcelorMittal Poland S.A.	1 320 000	7,54%	6 600 000	19,70%
Other shareholders	5 814 100	33,22%	5 814 100	17,36%
Total	17 500 000	100,00%	33 500 000	100,00%

13. Description of changes in the ownership of the issuer's shares or in the rights to the shares (options) held persons managing and supervising the company

To the information obtained by the Company, as on the day of providing this quarterly report, no members of the Management Board or the Supervisory Board held any issuer's shares or rights to these shares.

14. Court and administrative proceedings in the reporting period in the cases related to liabilities or receivables of a total value of at least 10% of the issuer's equity

In the reporting period neither Stalprofil SA nor its subsidiaries initiated or were covered by the court or administrative proceedings in cases related to liabilities or receivables of a total value of at least 10% of the issuer's equity.

15. Information about the transactions with affiliates concluded by the issuer or its subsidiaries

The main supplier of Stalprofil S.A. is an affiliated entity, ArcelorMittal Poland SA (with entities from ArcelorMittal Group), holding 32.68 % of votes at the General Shareholders' Meeting of the company. On 12.08.2011 the Management Board found out about the finalization (signing by the other parties to the contract) of the commercial contract between Stalprofil S.A. and ArcelorMittal Commercial Sections SA seated in Luxembourg and ArcelorMittal Warszawa sp. z o.o. seated in Warsaw. The agreement specifies the general conditions of commercial cooperation, the purpose of which is to intensify the sales of ArcelorMittal products in 2011 by the agency of Stalprofil S.A., including: sections and angles, I-bars and plain round bars, square bars and T-sections, referred to jointly as "merchant bars". According to Company estimates, over 2011 Stalprofil S.A. will purchase steel products from ArcelorMittal entities of a net value of at least PLN 162,500 thousand.

On 29.09.2011 Stalprofil S.A. concluded another commercial transaction with Izostal S.A., the object of which was the sale by Stalprofil S.A. of steel products to Izostal S.A. Following this transaction, the value of goods (steel products) sold by Stalprofil S.A. to this customer since 22.02.2011 (date of publishing the current report no. 4/2011) has exceeded 10% of the Company's equity. The total value of steel products sold by Stalprofil S.A. to Izostal S.A. from 22.02.2011 to 29.09.2011 was PLN 29,350 thousand (net).

The other commercial transactions of Stalprofil S.A. concluded in Q3 of 2011 with participation of ArcelorMittal Group entities. or subsidiaries – Izostal S.A., ZRUG Zabrze

sp. z o.o. and KOLB sp. z o.o., were of a typical and routine character. They were mainly about the supplies of semi-products and finished steel products and were concluded on arm's length conditions, and their nature and conditions were a result of ongoing operations of the issuer and affiliated entities. The routine commercial transactions were also conducted between subsidiaries of Stalprofil S.A., and it is a result of their complementary objects.

16. Sureties and guarantees granted by the issuer and its subsidiaries in the reporting period, corresponding to at least 10% of the issuer's equity

In the reporting period, neither Stalprofil S.A. nor its subsidiaries provided sureties or guarantees that would make at least 10% of the issuer's equity.

17. Other information important for evaluation of the issuer

In the reporting period no other information important for evaluation of the issuer came out.

18. Accounting policy adopted for preparation of the report

The report was prepared in a manner that ensures comparability of financial data. In the reporting period the accounting policy of Stalprofil S.A. Group entities stayed as specified in detail in the half-year report for H1 of 2011.

Table 6 Provisions as on 30.09.2011 (PLN thousand)

	Stalprofil S.A. Group	Stalprofil S.A.
provision for deferred income tax	2 854	23 552
provision for retirement and similar benefits	2 397	1 288
other provisions	427	280
TOTAL	5 678	25 120

Table 7 Current assets revaluation write-downs as on 30.09.2011 (PLN thousand)

	Stalprofil S.A. Group	Stalprofil S.A.
revaluation write-downs of principal receivables	4 360	4 133
inventory revaluation write-downs	1 902	83

19. Condensed consolidated financial statement and condensed separate financial statement for nine months closed on September 30, 2011

SELECTED FINANCIAL DATA STALPROFIL SA GROUP	(PLN thousand)		(EUR thousand)	
	3 quarters of 2011 year to date	3 quarters of 2010 year to date	3 quarters of 2011 year to date	3 quarters of 2010 year to date
	30.09.2011	31.12.2010	30.09.2011	31.12.2010
Net revenues from sale of products, goods and materials	578 629	470 204	143 179	117 472
Operating profit/loss	48 158	32 713	11 916	8 173
Gross profit/loss	45 109	28 768	11 162	7 187
Net profit (loss) for shareholders of parent entity	30 392	22 139	7 520	5 531
Operating cash flow	4 633	35 135	1 146	8 778
Investment cash flow	(25 680)	(8 213)	(6 354)	(2 052)
Financial activity cash flow	2 026	(32 494)	501	(8 118)
Change in cash and cash equivalents	(19 021)	(5 572)	(4 707)	(1 392)
	30.09.2011	31.12.2010	30.09.2011	31.12.2010
Total assets	528 041	469 664	119 705	118 593
Long-term liabilities	67 693	47 091	15 346	11 891
Short-term liabilities	158 468	152 469	35 924	38 499
Equity assigned to shareholders of parent entity	246 786	220 891	55 945	55 776
Share capital	1 750	1 750	397	442
Number of shares	17 500 000	17 500 000	17 500 000	17 500 000
Profit (loss) per one ordinary share (PLN / EUR)	1,74	1,27	0,43	0,32

SELECTED FINANCIAL DATA STALPROFIL SA	(PLN thousand)		(EUR thousand)	
	3 quarters of 2011 year to date	3 quarters of 2010 year to date	3 quarters of 2011 year to date	3 quarters of 2010 year to date
	30.09.2011	31.12.2010	30.09.2011	31.12.2010
Net revenues from sale of products, goods and materials	410 133	379 594	101 485	94 834
Operating profit/loss	27 435	26 100	6 789	6 521
Gross profit/loss	25 232	24 448	6 244	6 108
Net profit (loss)	20 323	19 496	5 029	4 871
Operating cash flow	5 825	26 304	1 441	6 572
Investment cash flow	(5 028)	(474)	(1 244)	(118)
Financial activity cash flow	(4 939)	(31 327)	(1 222)	(7 826)
Change in cash and cash equivalents	(4 142)	(5 497)	(1 025)	(1 373)
	30.09.2011	31.12.2010	30.09.2011	31.12.2010
Total assets	440 909	291 067	99 952	73 496
Long-term liabilities	39 709	1 213	9 002	306
Short-term liabilities	114 742	119 179	26 012	30 093
Equity	286 458	170 675	64 939	43 096
Share capital	1 750	1 750	397	442
Number of shares	17 500 000	17 500 000	17 500 000	17 500 000
Profit (loss) per one ordinary share (PLN / EUR)	1,16	1,11	0,29	0,28

Selected financial data presented in the financial statement have been converted to EUR as follows:

Items of consolidated comprehensive income statement, consolidated cash flow statement, profit (loss) per one ordinary share for 3 quarters of 2011 (three quarters of 2010) were converted according to the exchange rate being an arithmetic mean of mean exchange rates announced by the National Bank of Poland and effective on the last day of each month of these three quarters. This rate was EUR 1 = PLN 4.0413 (EUR 1 = PLN 4.0027).

Items of the consolidated financial position report were converted based on the mean exchange rate announced by the National Bank of Poland effective on the balance sheet date. This exchange rate as on September 30, 2011 was: - EUR 1 = PLN 4.4112 (as on December 31, 2010 - EUR 1 = PLN 3.9603). Balance sheet data of the previous period are presented as at the end of the business year 2010.

FINANCIAL POSITION STATEMENT (PLN thousand)
Stalprofil S.A. Group

ASSETS	As on 30.09.2011	As on 30.06.2011	As on 31.12.2010	As on 30.09.2010
Fixed assets (long-term)	186 431	175 294	162 377	156 925
Tangible fixed assets	177 977	167 244	154 782	149 740
Goodwill	3 816	3 816	3 816	3 816
Other intangible assets	754	811	294	208
Deferred income tax assets	3 651	3 214	3 354	3 076
Long-term receivables and prepayments	233	209	131	85
Current assets (short-term)	341 610	345 763	307 287	251 092
Inventory	155 827	162 411	130 126	107 137
Long-term receivables and prepayments	162 234	178 022	143 784	137 700
Receivables on account of income tax			548	
Long-term financial assets				17
Currency derivatives			34	
Cash and cash equivalents	23 549	5 330	32 795	6 238
Total assets	528 041	521 057	469 664	408 017

FINANCIAL POSITION STATEMENT (PLN thousand)
Stalprofil S.A. Group

LIABILITIES	As on 30.09.2011	As on 30.06.2011	As on 31.12.2010	As on 30.09.2010
Equity	301 880	292 330	270 104	199 859
Share capital	1 750	1 750	1 750	1 750
Surplus from the sale of shares above their face value	8 000	8 000	8 000	8 000
Spare and reserve capital	156 550	156 550	138 122	138 122
Retained and current profit/loss	80 486	72 774	73 019	48 408
Minority shares	55 094	53 256	49 213	3 579
Long-term liabilities	67 693	64 938	47 091	71 681
Provisions	1 665	1 717	1 738	1 529
Provision on account of deferred income tax	2 854	2 923	2 196	2 389
Long-term bank loans and credits	38 310	36 004	18 734	42 954
Other long-term financial liabilities	5 151	5 342	5 166	5 399
Long-term liabilities and accruals	19 713	18 952	19 257	19 410
Short-term liabilities	158 468	163 789	152 469	136 477
Provisions	1 159	1 239	1 874	822
Short-term bank loans and credits	51 185	60 560	57 756	40 737
Short-term part of long-term bank loans and credits	12 311	7 816	5 275	5 106
Other short-term financial liabilities	1 454	1 542	1 378	1 204
Short-term liabilities and accruals	91 059	91 953	86 186	87 260
Liabilities on account of income tax	815	668		1 348
Currency derivatives	485	11		-
Total liabilities	528 041	521 057	469 664	408 017

COMPREHENSIVE INCOME STATEMENT

(PLN thousand)

Stalprofil S.A. Group

CALCULATION BASIS	For the period from 01.07 to 30.09.2011	For the period from 01.01 to 30.09.2011	For the period from 01.07 to 30.09.2010	For the period from 01.01 to 30.09.2010
Revenues from sale of products, services, goods and materials	195 944	578 629	172 719	470 204
Costs of products, services, goods and materials sold	173 272	496 766	148 172	406 572
Gross sales profit/loss	22 672	81 863	24 547	63 632
Other income	673	4 938	626	2 629
Costs of goods sold	3 787	12 931	3 386	9 289
Overheads	6 977	20 781	6 468	19 818
Other costs	264	4 931	1 924	4 441
Operating profit/loss	12 317	48 158	13 395	32 713
Financial income	745	2 797	(272)	1 385
Financial costs	1 388	5 846	267	5 330
Gross profit/loss	11 674	45 109	12 856	28 768
Income tax	2 124	8 755	2 694	6 584
Net operating profit/loss	9 550	36 354	10 162	22 184
Net profit/loss for business year	9 550	36 354	10 162	22 184
Allocated to:				
Shareholders of parent entity	7 712	30 392	9 956	22 139
Minority shares	1 838	5 962	206	45
Total other income	-	-	-	-
Total income	9 550	36 354	10 162	22 184
Allocated to:				
Shareholders of parent entity	7 712	30 392	9 956	22 139
Minority shares	1 838	5 962	206	45
Profit per share: (PLN thousand)				
- basic profit based on financial result of a going concern		1,74		1,27
- basic profit based of the financial result for the business year		1,74		1,27

CASH FLOW STATEMENT (PLN thousand)
Stalprofil S.A. Group

INDIRECT METHOD	For the period from 01.07 to 30.09.2011	For the period from 01.01 to 30.09.2011	For the period from 01.07 to 30.09.2010	For the period from 01.01 to 30.09.2010
Cash flow from operating activity				
Profit/loss before taxation	10 342	38 786	12 363	27 614
Item adjustments:	26 559	(34 153)	9 313	7 521
Minority shares	1 838	5 962	206	45
Depreciation of fixed assets	1 835	5 475	1 670	5 441
Amortization of intangible assets	64	148	32	90
Interest costs and income	1 051	3 375	1 447	4 430
Profit/loss on investment activity	(4)	(5)	(33)	(511)
Change in provisions	(202)	(131)	(239)	462
Change in inventory	6 585	(25 700)	17 263	84
Change in receivables and prepayments	15 325	(19 038)	(21 071)	(39 457)
Change in liabilities and accruals	3 497	3 739	11 254	41 145
Paid/refunded income tax	(2 482)	(7 030)	(1 216)	(4 208)
Other adjustments	(948)	(948)		
Net cash flow from operating activity	36 901	4 633	21 676	35 135
Cash flow from investment activity				
Earnings from the sale of fixed assets and intangible assets	9	345	37	89
Earnings from interest	3	3	12	18
Other investment earnings - obtained subsidies	948	948		
Expenditure on the purchase of tangible fixed assets and intangible assets	11 563	27 120	3 221	8 005
Other	118	144	(102)	(315)
Net cash flow from investment activity	(10 485)	(25 680)	(3 274)	(8 213)
Cash flow from financial activity				
Earnings from loans and credits		10 223		
Net earnings from the issue of shares, bonds, bills of exchange and vouchers				
Repayment of credits and loans	4 704		12 581	27 965
Repayments of liabilities under financial lease contracts	279	555	345	356
Dividends paid to Company shareholders	4 366	4 366		
Interest paid	979	3 073	1 387	4 173
Other		(203)		
Net cash flow from financial activity	(10 328)	2 026	(14 313)	(32 494)
Increase/decrease in cash and cash equivalents	16 088	(19 021)	4 089	(5 572)
Cash, cash equivalents and credit lines in the current account at the beginning of the period	(14 800)	20 309	(15 514)	(5 853)
Gains/losses on exchange rate differences regarding valuation of cash, cash equivalents and credit lines in the current account				

CASH FLOW STATEMENT (PLN thousand)**Stalprofil S.A. Group**

INDIRECT METHOD	For the period from 01.07 to 30.09.2011	For the period from 01.01 to 30.09.2011	For the period from 01.07 to 30.09.2010	For the period from 01.01 to 30.09.2010
Cash, cash equivalents and credit lines in the current account at the end of the period	1 288	1 288	(11 425)	(11 425)

STATEMENT OF CHANGES IN EQUITY (PLN thousand)
Stalprofil S.A. Group

	Allocated to shareholders of parent entity							Minority shares	Total equity
	Share capital	Surplus from the sale of shares above their face value	Treasury shares	Spare and reserve capital	Reserve capital from revaluation of assets	Retained and current profit/loss	Total		
As on 01.07.2011	1 750	8 000	-	156 550	-	72 774	239 074	53 256	292 330
Changes in equity in Q3 2011	-	-	-	-	-	7 712	7 712	1 838	9 550
Profit/loss for business year						7 712	7 712	1 838	9 550
Total revenues and costs shown in Q3 2011	-	-	-	-	-	-	-	-	-
Issue of share capital							-		-
As on 30.09.2011	1 750	8 000	-	156 550	-	80 486	246 786	55 094	301 880
Balance as on 01.01.2011	1 750	8 000	-	138 122	-	73 019	220 891	49 213	270 104
Changes in equity over 9 months of 2011	-	-	-	18 428	-	11 964	30 392	5 962	36 354
Appropriation of net profit				18 428		(18 428)	-		-
Profit/loss for business year						30 392	30 392	5 962	36 354
Total revenues and costs shown in 9 months of 2011	-	-	-	-	-	(4 497)	(4 497)	(81)	(4 578)
Cost of shares issue by a subsidiary						(122)	(122)	(81)	(203)
Dividends						(4 375)	(4 375)		(4 375)
As on 30.09.2011	1 750	8 000	-	156 550	-	80 486	246 786	55 094	301 880

STATEMENT OF CHANGES IN EQUITY (PLN thousand)
Stalprofil S.A. Group

	Allocated to shareholders of parent entity							Minority shares	Total equity
	Share capital	Surplus from the sale of shares above their face value	Treasury shares	Spare and reserve capital	Reserve capital from revaluation of assets	Retained and current profit/loss	Total		
Balance as on 01.01.2010	1 750	8 000	-	133 643	-	32 673	176 066	3 534	179 600
Changes in equity in 2010	-	-	-	4 479	-	25 236	29 715	335	30 050
Appropriation of net profit				4 479		(4 479)	-		-
Profit/loss for business year						29 715	29 715	335	30 050
Total revenues and costs shown in 2010	-	-	-	-	-	15 110	15 110	45 344	60 454
Issue of shares by a subsidiary						17 035	17 035	45 344	62 379
Dividends						(1 925)	(1 925)		(1 925)
As on 31.12.2010	1 750	8 000	-	138 122	-	73 019	220 891	49 213	270 104
Balance as on 01.01.2010	1 750	8 000	-	133 643		32 673	176 066	3 534	179 600
Changes in equity over 9 months of 2010	-	-	-	4 479	-	17 660	22 139	45	22 184
Appropriation of net profit				4 479		(4 479)	-		-
Profit/loss for business year						22 139	22 139	45	22 184
Total revenues and costs shown in 9 months of 2010	-	-	-	-	-	(1 925)	(1 925)	-	(1 925)
Dividends						(1 925)	(1 925)		(1 925)
As on 30.09.2010	1 750	8 000	-	138 122	-	48 408	196 280	3 579	199 859

FINANCIAL POSITION STATEMENT (PLN thousand)
Stalprofil S.A.

ASSETS	As on 30.09.2011	As on 30.06.2011	As on 31.12.2010	As on 30.09.2010
Fixed assets (long-term)	207 406	219 057	81 309	79 314
Tangible fixed assets	37 582	37 527	37 650	35 649
Other intangible assets	176	213	114	104
Long-term financial assets	168 335	180 140	42 083	42 083
Deferred income tax assets	1 313	1 177	1 462	1 478
Current assets (short-term)	233 503	235 575	209 758	196 427
Inventory	129 053	123 692	106 895	88 657
Long-term receivables and prepayments	94 304	105 199	97 199	102 497
Receivables on account of income tax				
Long-term financial assets	3 035	6 037	2 512	17
Currency derivatives			34	
Cash and cash equivalents	7 111	647	3 118	5 256
Total assets	440 909	454 632	291 067	275 741

FINANCIAL POSITION STATEMENT (PLN thousand)
Stalprofil S.A.

LIABILITIES	As on 30.09.2011	As on 30.06.2011	As on 31.12.2010	As on 30.09.2010
Equity	286 458	293 346	170 675	167 368
Share capital	1 750	1 750	1 750	1 750
Surplus from the sale of shares above their face value	8 000	8 000	8 000	8 000
Spare and reserve capital	156 550	156 550	138 122	138 122
Reserve capital from revaluation of assets	99 835	111 826		
Retained and current profit/loss	20 323	15 220	22 803	19 496
Long-term liabilities	39 709	42 647	1 213	16 084
Provisions	1 157	1 157	1 157	1 042
Provision on account of deferred income tax	23 552	26 490	56	42
Long-term bank loans and credits	15 000	15 000		15 000
Short-term liabilities	114 742	118 639	119 179	92 289
Provisions	411	498	1 368	404
Short-term bank loans and credits	49 691	57 360	54 900	30 381
Other short-term financial liabilities				
Short-term liabilities and accruals	63 714	60 449	62 486	60 486
Liabilities on account of income tax	441	321	425	986
Currency derivatives	485	11		32
Total liabilities	440 909	454 632	291 067	275 741

COMPREHENSIVE INCOME STATEMENT (PLN thousand)

Stalprofil S.A.

CALCULATION BASIS	For the period from 01.07 to 30.09.2011	For the period from 01.01 to 30.09.2011	For the period from 01.07 to 30.09.2010	For the period from 01.01 to 30.09.2010
Revenues from sale of products, goods and materials	131 434	410 133	131 537	379 594
Costs of products, goods and materials sold	118 346	363 177	115 732	333 522
Gross sales profit/loss	13 088	46 956	15 805	46 072
Other income	351	3 454	211	496
Costs of goods sold	2 891	10 495	2 798	7 894
Overheads	2 835	8 407	2 714	8 700
Other costs	241	4 073	1 777	3 874
Operating profit/loss	7 472	27 435	8 727	26 100
Financial income	68	1 635	(294)	1 236
Financial costs	1 208	3 838	(664)	2 888
Gross profit/loss	6 332	25 232	9 097	24 448
Income tax	1 229	4 909	1 819	4 952
Net operating profit/loss	5 103	20 323	7 278	19 496
Net profit/loss for business year	5 103	20 323	7 278	19 496
Total other income	(11 991)	99 835	-	-
- Gains/losses on valuation of financial assets carried to equity	(14 804)	123 253		
- Income tax related to the items shown under total other income	2 813	(23 418)		
Total income	(6 888)	120 158	7 278	19 496

	Note number	For the period from 01.01 to 30.09.2011	For the period from 01.01 to 30.09.2010
Profit (loss) per share: (PLN thousand)			
- basic profit based on financial result of a going concern		1,16	1,11
- basic profit based of the financial result for the business year		1,16	1,11

CASH FLOW STATEMENT

(PLN thousand)

Stalprofil S.A.

INDIRECT METHOD	For the period from 01.07 to 30.09.2011	For the period from 01.01 to 30.09.2011	For the period from 01.07 to 30.09.2010	For the period from 01.01 to 30.09.2010
Operating cash flow				
Profit/loss before taxation	6 593	25 004	9 063	23 736
Item adjustments:	13 258	(19 179)	6 634	2 568
Depreciation of fixed assets	496	1 524	503	1 546
Amortization of intangible assets	38	84	18	30
Gains (losses) on exchange rate differences				
Costs and income on interest	672	2 022	757	2 373
Profit (loss) on investment activity		22		6
Change in provisions	(212)	(878)	(617)	(463)
Change in inventory	(5 361)	(22 158)	11 284	(5 140)
Change in receivables and prepayments	10 762	3 056	(5 891)	(27 405)
Change in liabilities and accruals	8 233	1 814	1 392	34 838
Paid/refunded income tax	(1 370)	(4 665)	(812)	(3 217)
Other corrections				
Operating net cash flow	19 851	5 825	15 697	26 304
Investment activity cash flow				
Earnings from the sale of fixed assets and intangible assets		83		
Earnings on interest	110	207	13	13
Repayments of loans				
Expenditure on the purchase of tangible fixed assets and intangible assets	680	1 817	106	487
Net expenditure on the acquisition of subsidiaries and associated entities				
Loans granted		3 501		
Other				
Investment activity net cash flow	(570)	(5 028)	(93)	(474)
Cash flow - financial activity				
Earnings from loans and credits		1 646		
Repayments of loans and credits	8 493		15 000	28 900
Dividends paid to Company shareholders	4 366	4 366		
Interest paid	809	2 219	800	2 427
Net cash flow - financial activity	(13 668)	(4 939)	(15 800)	(31 327)
Increase/reduction in cash and cash equivalents	5 613	(4 142)	(196)	(5 497)
Cash, cash equivalents and overdrafts at the beginning of the period	(16 282)	(6 527)	(1 897)	3 404
Gains/losses on exchange rate differences - valuation of cash, cash equivalents and overdrafts				
Cash, cash equivalents and overdrafts at the end of the period	(10 669)	(10 669)	(2 093)	(2 093)

STATEMENT OF CHANGES IN EQUITY (PLN thousand)

Stalprofil S.A.

	Share capital	Surplus from the sale of shares above their face value	Treasury shares	Spare and reserve capital	Reserve capital from revaluation of assets	Retained and current profit/loss	Total
As on 01.07.2011	1 750	8 000	-	156 550	111 826	15 220	293 346
Changes in equity in Q3 2011	-	-	-	-	(11 991)	5 103	(6 888)
Gains/losses on revaluation of tangible fixed assets					(14 804)		(14 804)
Income tax on equity items or items carried from equity					2 813		2 813
Profit/loss for business year						5 103	5 103
Total revenues and costs shown in Q3 2011	-	-	-	-	-	-	-
As on 30.09.2011	1 750	8 000	-	156 550	99 835	20 323	286 458

Balance as on 01.01.2011	1 750	8 000	-	138 122	-	22 803	170 675
Changes in equity over 9 months of 2011	-	-	-	18 428	99 835	1 895	120 158
Gains/losses on revaluation of tangible fixed assets					123 253		123 253
Appropriation of net profit				18 428		(18 428)	-
Income tax on equity items or items carried from equity					(23 418)		(23 418)
Profit/loss for business year						20 323	20 323
Total revenues and costs shown in 9 months of 2011	-	-	-	-	-	(4 375)	(4 375)
Dividends						(4 375)	(4 375)
As on 30.09.2011	1 750	8 000	-	156 550	99 835	20 323	286 458

STATEMENT OF CHANGES IN EQUITY (PLN thousand)

Stalprofil S.A.

	Share capital	Surplus from the sale of shares above their face value	Treasury shares	Spare and reserve capital	Reserve capital from revaluation of assets	Retained and current profit/loss	Total
Balance as on 01.01.2010	1 750	8 000	-	133 643	-	6 404	149 797
Changes in equity in 2010	-	-	-	4 479	-	18 324	22 803
Appropriation of net profit				4 479		(4 479)	-
Profit/loss for business year						22 803	22 803
Total revenues and costs shown in 2010	-	-	-	-	-	(1 925)	(1 925)
Dividends						(1 925)	(1 925)
As on 31.12.2010	1 750	8 000	-	138 122	-	22 803	170 675
Balance as on 01.01.2010	1 750	8 000	-	133 643	-	6 404	149 797
Changes in equity over 9 months of 2010	-	-	-	4 479	-	15 017	19 496
Appropriation of net profit				4 479		(4 479)	-
Profit/loss for business year						19 496	19 496
Total revenues and costs shown in 9 months of 2010	-	-	-	-	-	(1 925)	(1 925)
Dividends						(1 925)	(1 925)
As on 30.09.2010	1 750	8 000	-	138 122	-	19 496	167 368