FINANCIAL RESULTS
3RD QUARTER 2016

Warsaw
15 November 2016

I-III Q2016

We sold **2.9 m** pcs of furniture

Turnover **PLN 785 m**

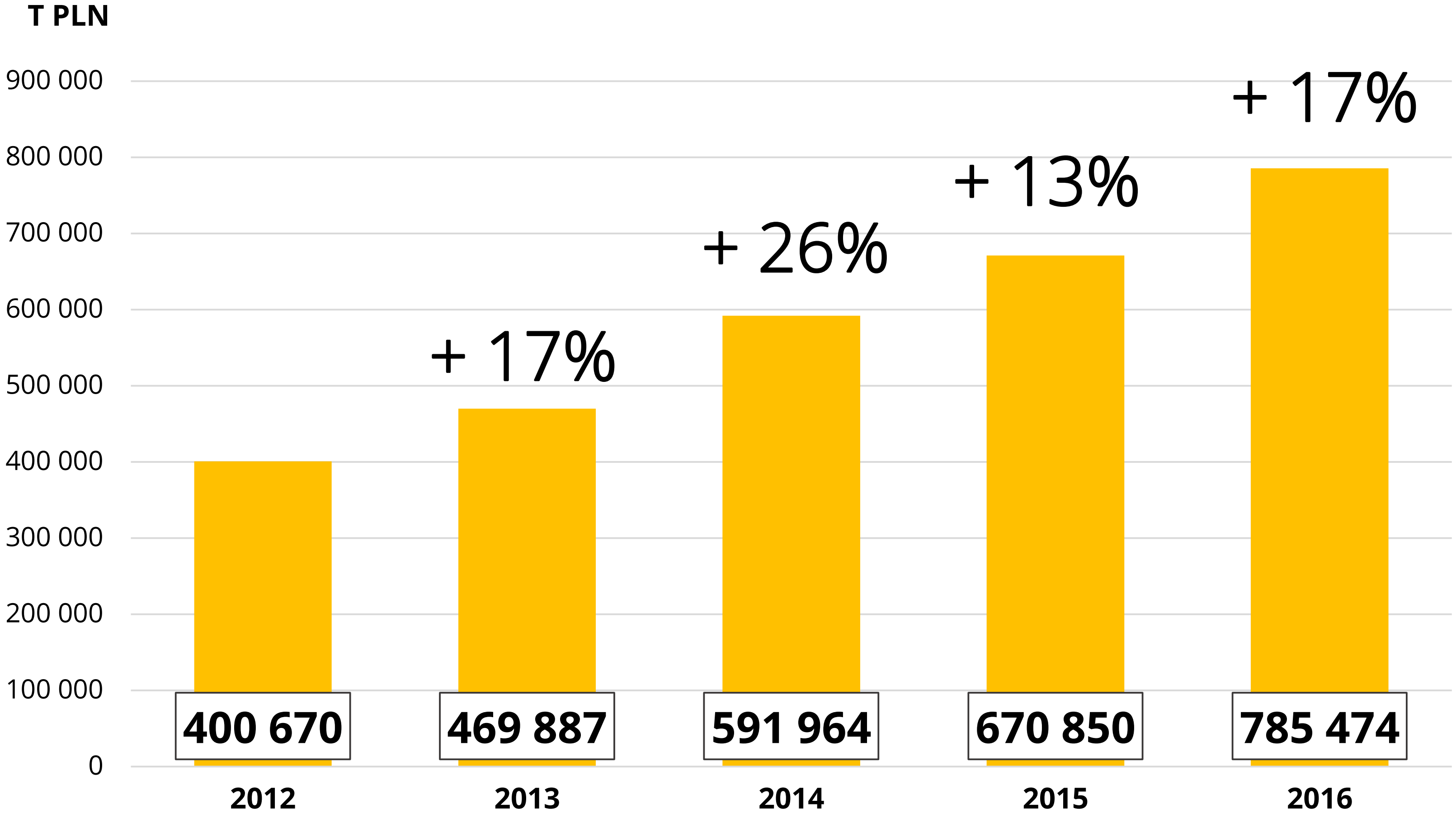
17 % MORE THAN IN I-III Q2015

EBITDA margin **15.3 %**

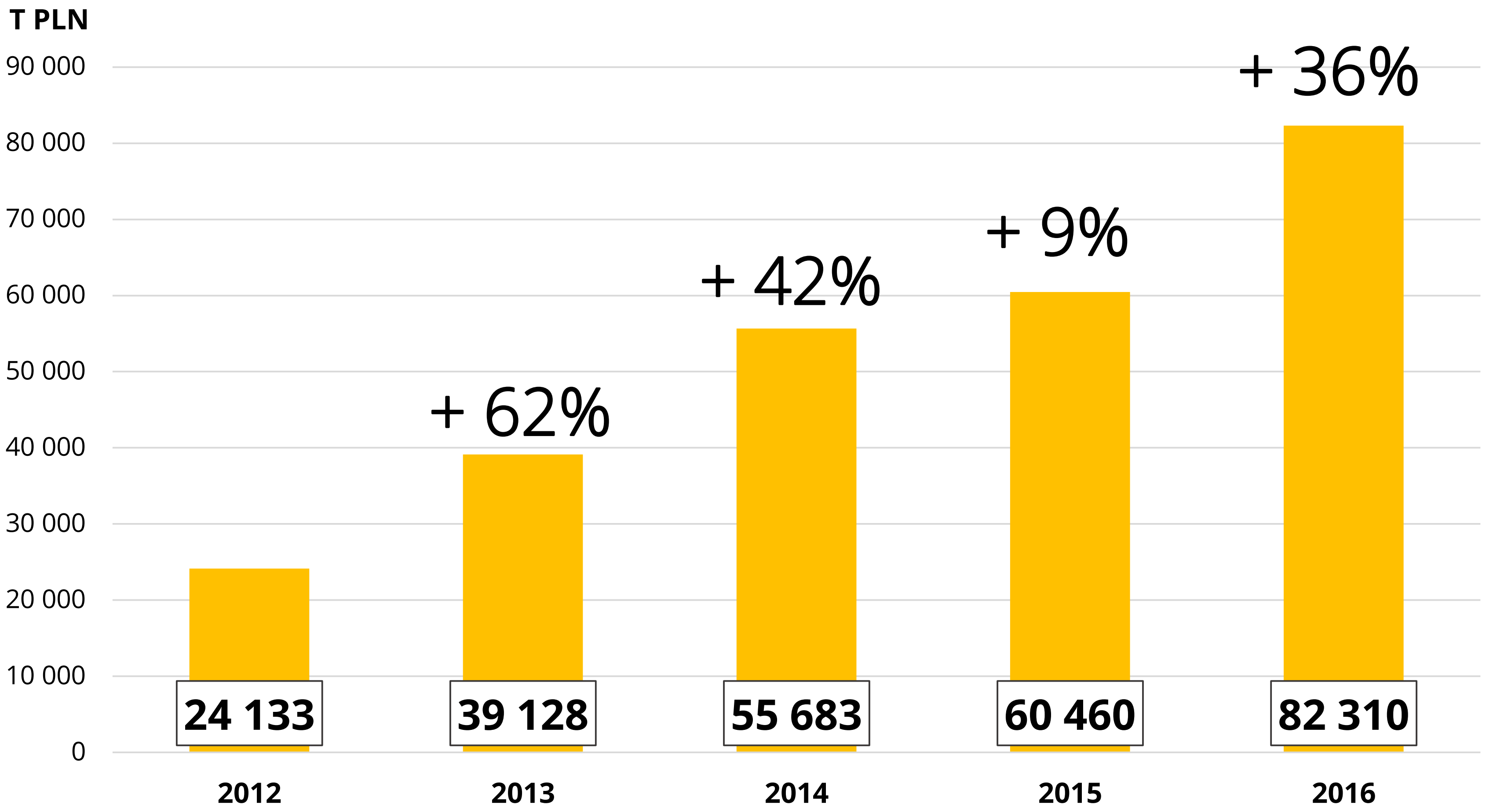
Net profit margin **10.5 %**

16 % MORE THAN IN I-III Q2015

SALES REVENUE IN I-IIIQ



NET PROFIT IN I-IIIQ



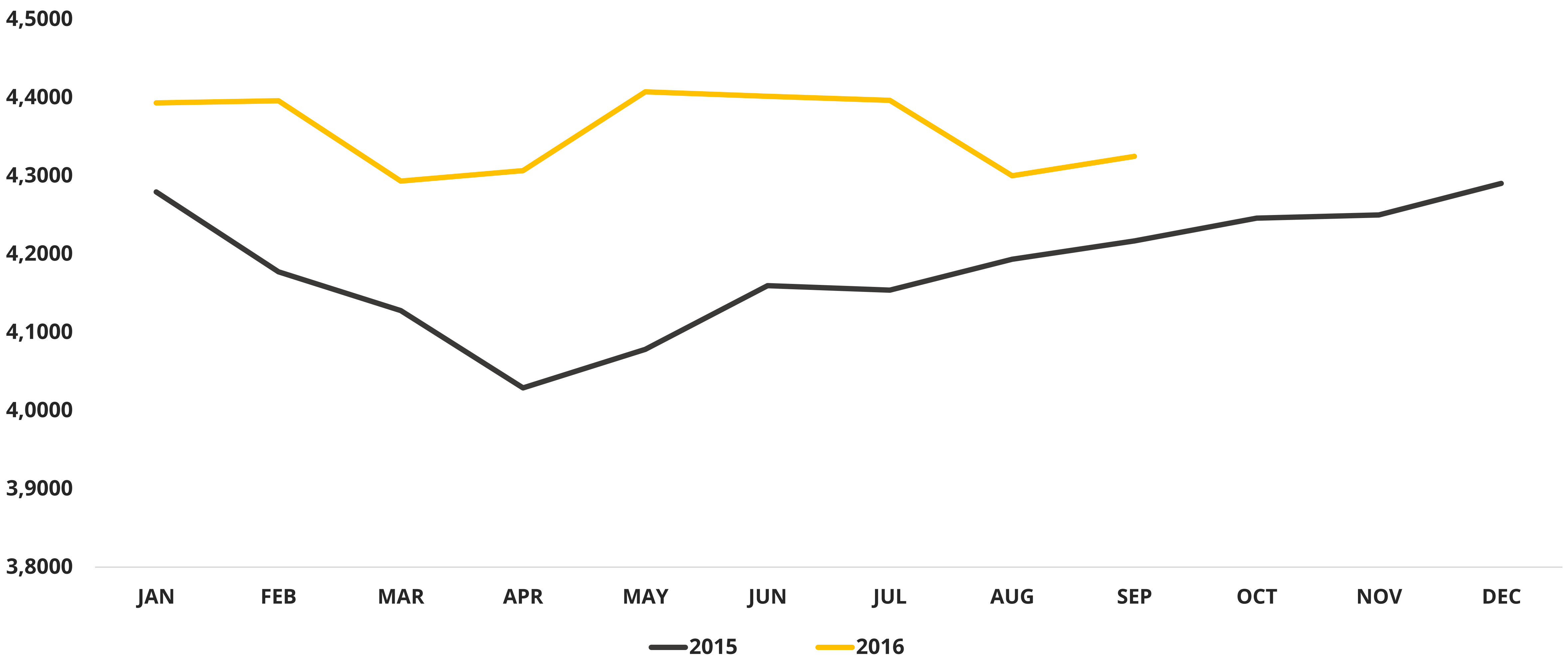
FINANCIAL DATA I-IIIQ

T PLN	I-III Q 2014	I-III Q 2015	I-III Q2015 vs I-III Q2014	I-III Q 2016	I-III Q2016 vs I-III Q2015
Sales revenue	**591 964**	**670 850**	**13,3%**	**785 474**	**17,1%**
Gross profit on sales	213 551	239 260	12,0%	302 178	26,3%
Gross margin	**36,1%**	**35,7%**	**-1,1%**	**38,5%**	**7,9%**
Cost of sales	118 364	141 682	19,7%	160 361	13,2%
Result on sales	**95 187**	**97 578**	**2,5%**	**141 817**	**45,3%**
Sales margin	**16,1%**	**14,5%**	**-9,5%**	**18,1%**	**24,1%**
G&A costs	**25 194**	**26 460**	**5,0%**	**35 177**	**32,9%**
As % of sales	**4,3%**	**3,9%**	**-7,3%**	**4,5%**	**13,5%**
Result on other operations	-1 496	-3 184	112,8%	-3 070	-3,6%
Operating profit	**68 497**	**67 934**	**-0,8%**	**103 570**	**52,5%**
Operating margin	**11,6%**	**10,1%**	**-12,5%**	**13,2%**	**30,2%**
EBITDA	**80 914**	**82 069**	**1,4%**	**120 403**	**46,7%**
EBITDA margin	**13,7%**	**12,2%**	**-10,5%**	**15,3%**	**25,3%**
Result on financial operations	1 637	1 142	-30,2%	-168	-114,7%
Gross profit	**70 134**	**69 076**	**-1,5%**	**103 402**	**49,7%**
As % of sales	**11,8%**	**10,3%**	**13,1%**	**13,2%**	**27,8%**
Net profit	**55 683**	**60 481**	**8,6%**	**82 310**	**36,1%**
Net profit margin	**9,4%**	**9,0%**	**-4,2%**	**10,5%**	**16,2%**
Net profit per share	**2,34**	**2,55**	**8,6%**	**3,44**	**35,2%**

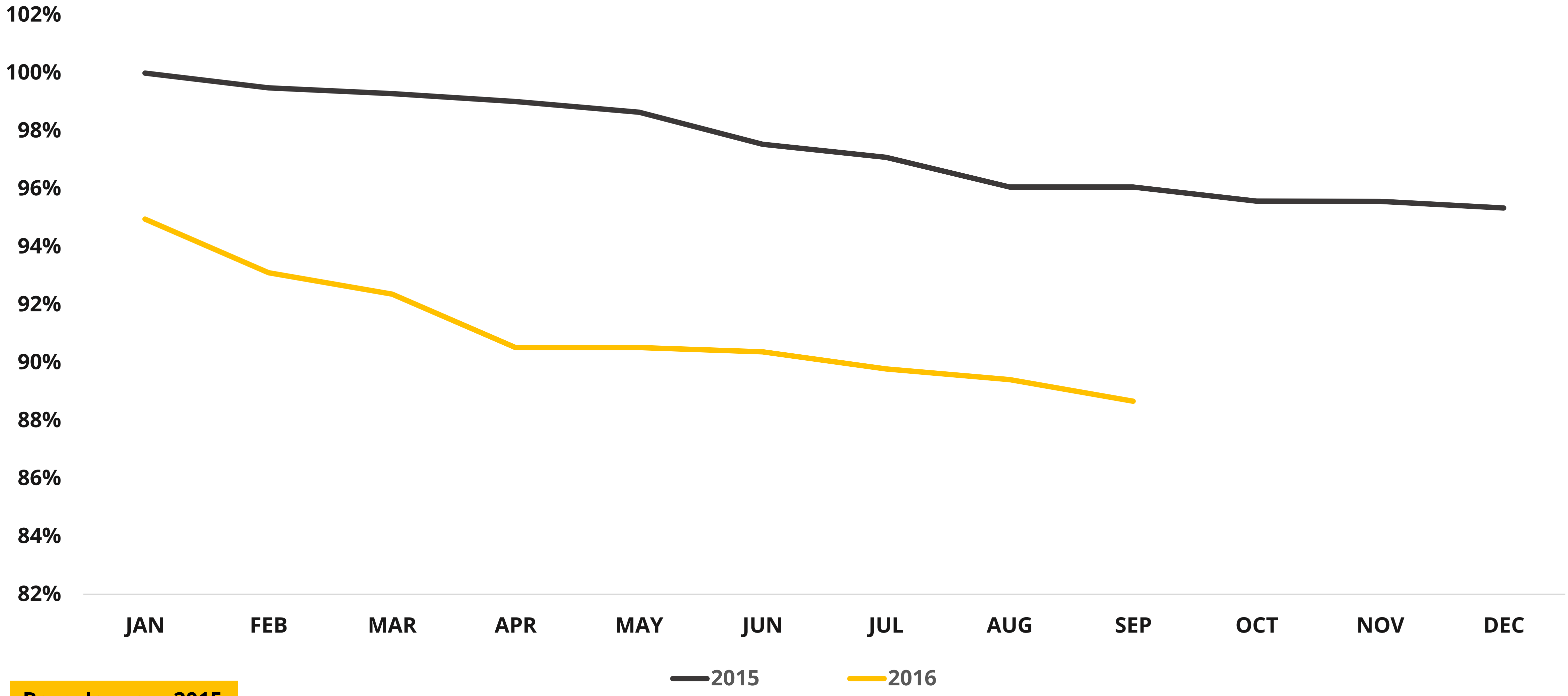
FINANCIAL DATA – Q3 COMPARATIVE DATA

T PLN	III Q2014	III Q2015	III Q2015 vs III Q2014	III Q2016	III Q2016 vs III Q2015
Sales revenue	**189 172**	**224 158**	**18,5%**	**244 991**	**9,3%**
Gross profit on sales	64 713	79 861	23,4%	92 982	16,4%
Gross margin	**34,2%**	**35,6%**	**4,1%**	**38,0%**	**6,5%**
Cost of sales	37 531	47 576	26,8%	47 392	-0,4%
Result on sales	**27 182**	**32 285**	**18,8%**	**45 590**	**41,2%**
Sales margin	**14,4%**	**14,4%**	**0,2%**	**18,6%**	**29,2%**
G&A costs	**7 823**	**8 848**	**13,1%**	**11 938**	**34,9%**
As % of sales	**4,1%**	**3,9%**	**-4,6%**	**4,9%**	**23,4%**
Result on other operations	-176	-1 563	788,1%	-1 004	-35,8%
Operating profit	**19 183**	**21 874**	**14,0%**	**32 648**	**49,3%**
Operating margin	**10,1%**	**9,8%**	**-3,8%**	**13,3%**	**36,6%**
EBITDA	**23 306**	**26 665**	**14,4%**	**38 272**	**43,5%**
EBITDA margin	**12,3%**	**11,9%**	**-3,4%**	**15,6%**	**31,3%**
Result on financial operations	-194	312	260,8%	2 007	543,3%
Gross profit	**18 989**	**22 186**	**16,8%**	**34 655**	**56,2%**
As % of sales	**10,0%**	**9,9%**	**-1,4%**	**14,1%**	**42,9%**
Net profit	**15 284**	**23 389**	**53,0%**	**28 330**	**21,1%**
Net profit margin	**8,1%**	**10,4%**	**29,1%**	**11,6%**	**10,8%**
Net profit per share	**0,64**	**0,98**	**53,0%**	**1,19**	**20,4%**

EUR/PLN AVERAGE EXCHANGE RATE



AVERAGE COST OF THE RAW CHIPBOARD

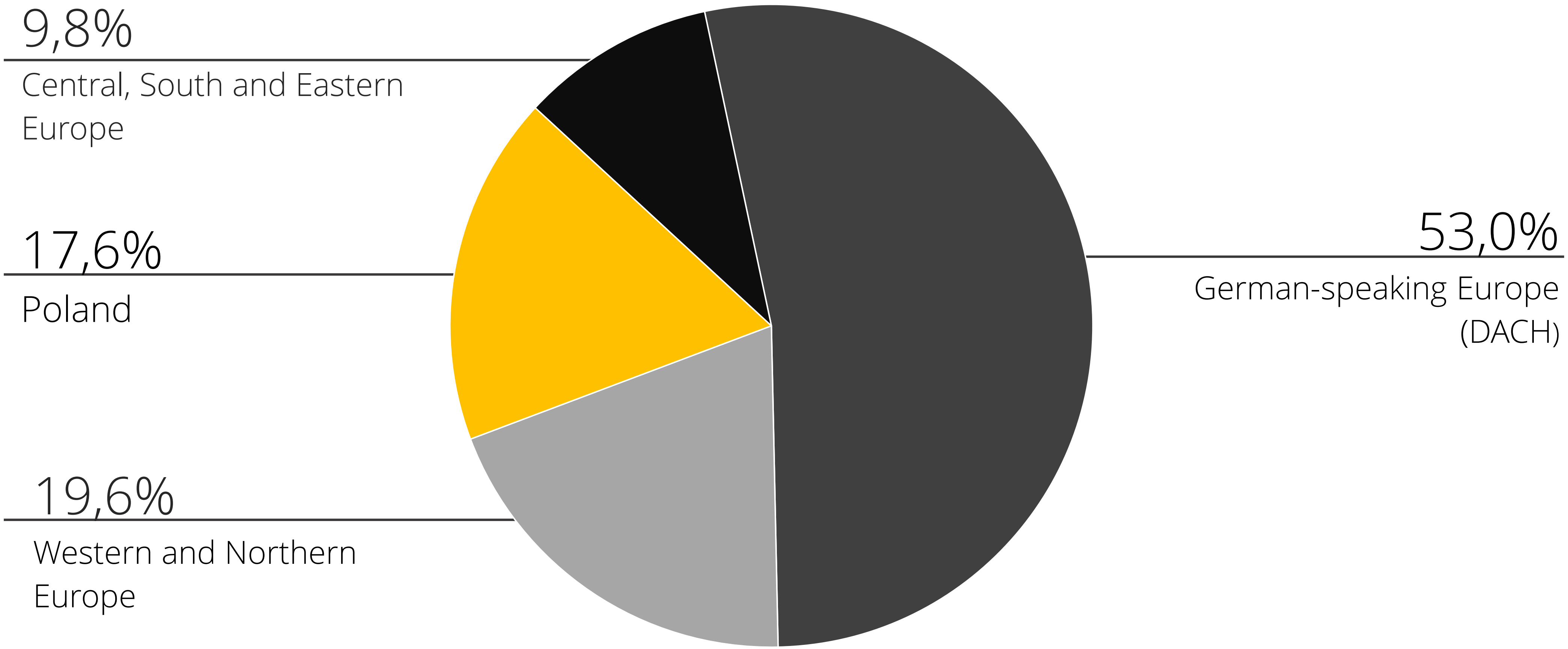


Base: January 2015

FINANCIAL INDICATORS

	2012	2013	2014	I - IIIQ 2015	I - IIIQ 2016
Current ratio	2,66	3,21	3,17	2,63	3,09
Quick ratio	1,52	2,00	1,85	1,49	2,23
Debt ratio	0,28	0,31	0,34	0,33	0,41
ROE	10%	15%	18%	13%	15%

GEOGRAPHICAL STRUCTURE OF SALES IN I-III Q2016



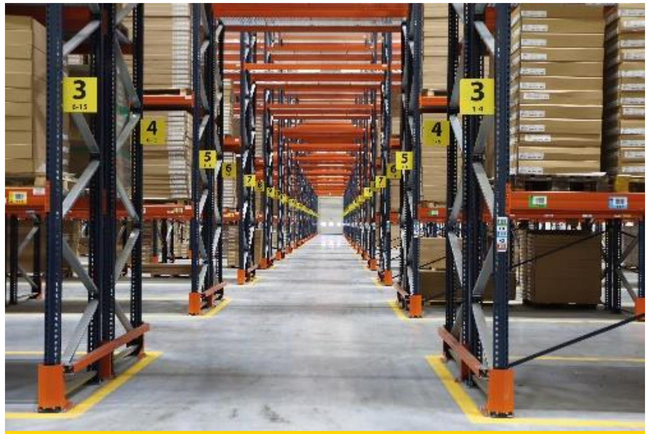
STRATEGIC PRODUCTION CAPACITY DEVELOPMENT PLAN UNTIL 2021

BUILDING OUR OWN CHIPBOARD FACTORY

INVESTMENT COST: PLN 320 M
LAUNCH DATE: 1 Q 2018

BUILDING THE FIFTH FURNITURE FACTORY

INVESTMENT COST: PLN 250 M
LAUNCH DATE: 1 Q 2019



EXPANSION OF WAREHOUSE CAPACITY

INVESTMENT COST: PLN 50 M
LAUNCH DATE: GRADUAL EXPANSION 2017-2020

2017 2018 2019 2020 2021

NEW INVESTMENT IN THE SUWALKI SPECIAL ECONOMIC ZONE

NEW INVESTMENT - WAREHOUSE

- Launch date

  2017

- Employment

  150 people

NEW INVESTMENT - CHIPBOARD PRODUCTION DEPARTMENT

- Launch date

2018

- Employment

150 people

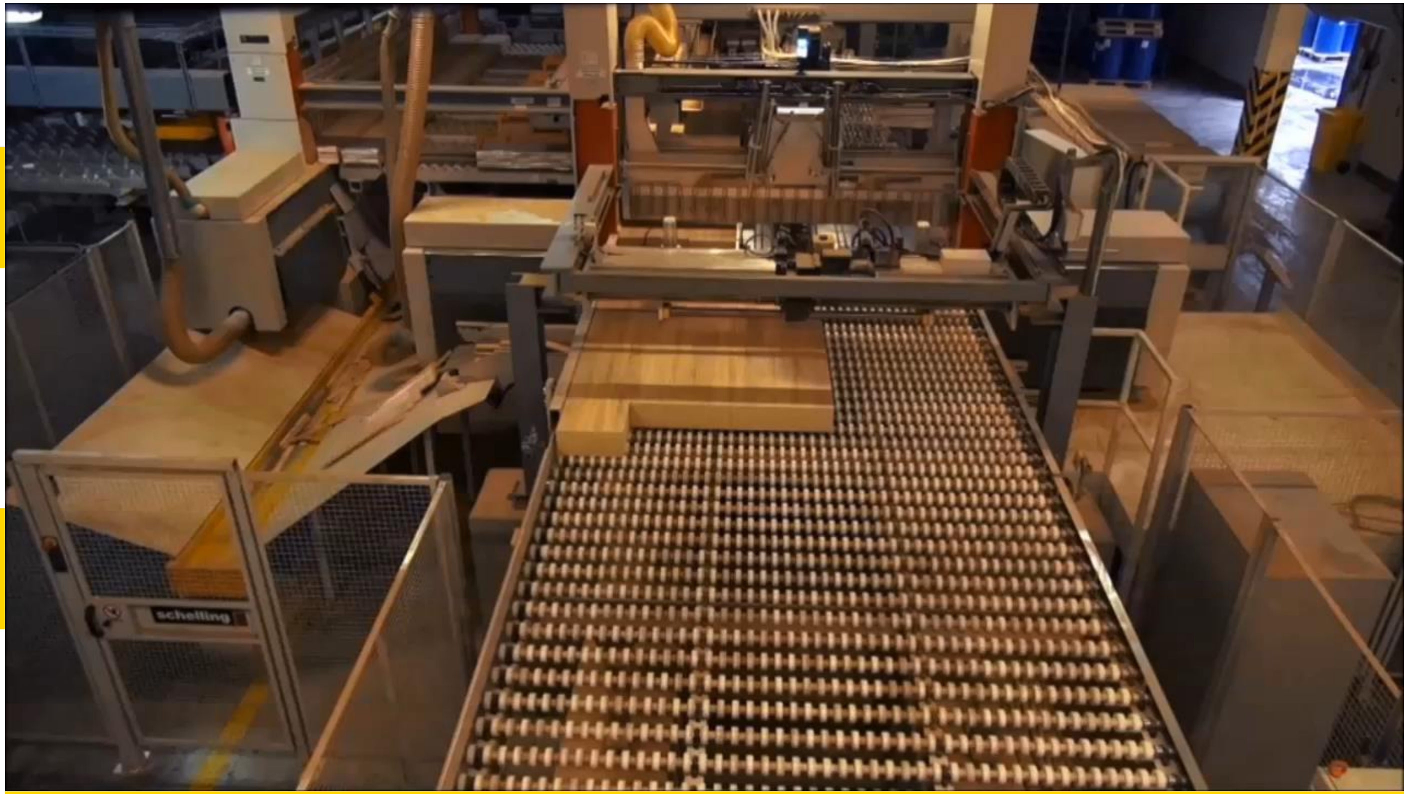
NEW INVESTMENT - FURNITURE FACTORY

- Launch date

2019

- Employment

700 people



NEW INVESTMENT

PLN 700 MILLION

TOTAL COST OF ALL INVESTMENTS

FORTE'S ANNUAL CONTRIBUTIONS TO THE BUDGET OF SUWAŁKI - TODAY

PIT **PLN 3 million**

CIT **PLN 2 million**

PROPERTY TAX **PLN 2 million**

ANUALLY PLN **7 million**

NEW INVESTMENT

Planned annual contributions to the budget of Suwałki in respect of the new FORTE investment:

PIT - ca. **PLN 4 million** a year

CIT - ca. **PLN 2 million** a year

Property taxes - ca. **PLN 4 million** a year

Annually PLN **10 million**

FORTE GROUP IN SUWAŁKI – EMPLOYMENT

2016

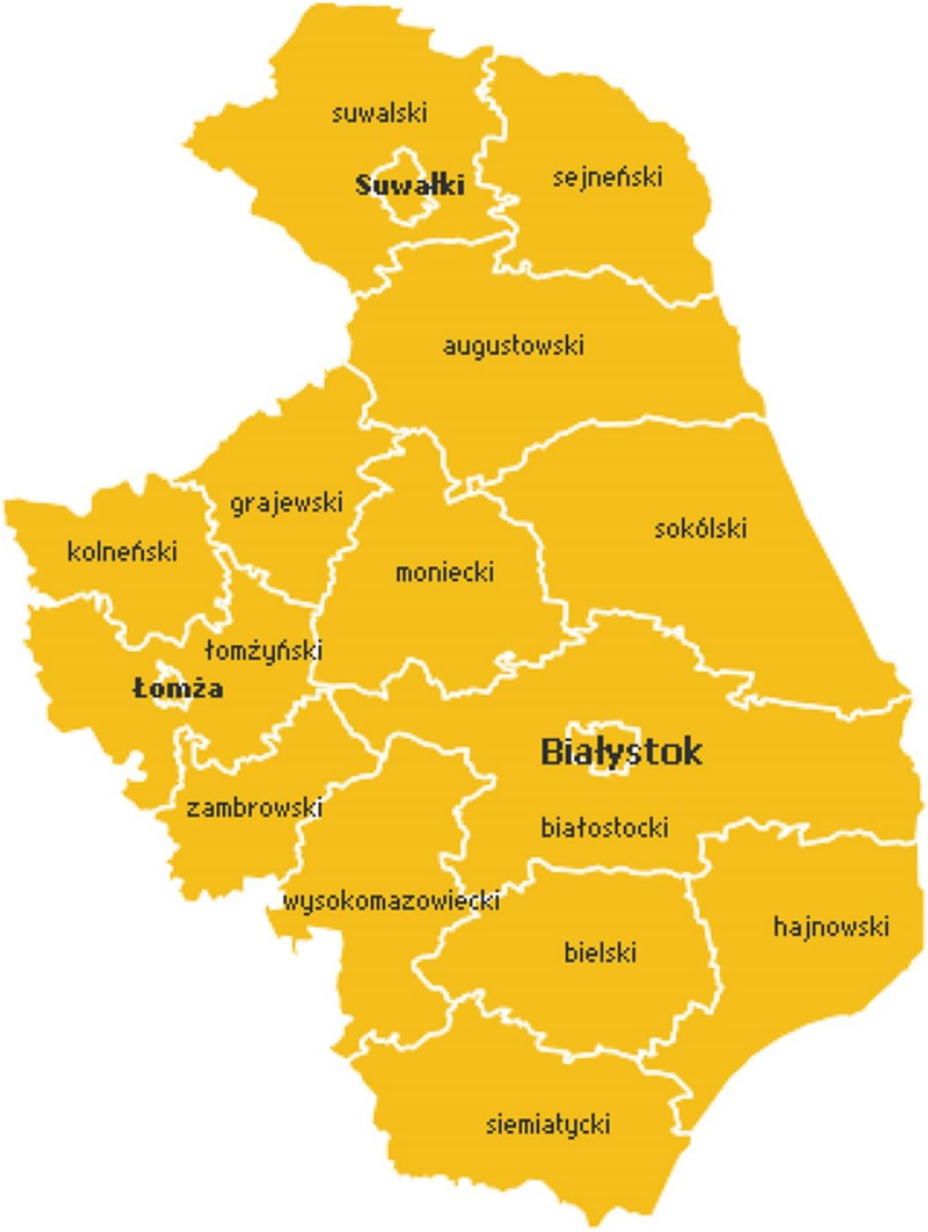
Number of employees: **845** people

2020

Number of employees: **1 800** people

BENEFITS OF THE INVESTMENT

- We will create **1000 different jobs**
- We will make a significant **contribution to the city budget**
- We will contribute to the **improvement of infrastructure,** transportation and the connection of utilities
- We support and will always support **vocational and higher education**
- We will develop **a new range of services**
- We will open a **company kindergarten**



THANK YOU FOR YOUR ATTENTION