



## March FY2017 production update

**Current report no. 5/2017**

**Dated April 14, 2017**

The Board of Directors of Coal Energy S.A. (the "Company") hereby provides update on coal production in March FY2017. The financial year 2017 of the Company commenced on the 1<sup>st</sup> July 2016 and will end on the 30<sup>th</sup> June 2017.

<i>in tonnes</i>	March FY2017	March FY2016	change % y-o-y	change in tonnes y-o-y	February FY2017	change % m-o-m	change in tonnes m-o-m
<b>Total coal production</b>	<b>2 010</b>	<b>25 637</b>	<b>-92.2%</b>	<b>-23 627</b>	<b>22 025</b>	<b>-90.9%</b>	<b>-20 015</b>

Production of coal from mining composed 2 010 tonnes of dual purpose coal.

Considerable decrease in coal output is associated mostly with trade blockade in the region of military conflict that is preventing passage of cargo traffic (namely coal, coke, and iron ore) across the contact line. Assets of the Company that are located on the territory, which is not under Ukrainian control, were temporarily idled as transportation of coal to ultimate customer turned out to be impossible.

Unfortunately, Company's business remains exposed to political risks in connection with the ongoing military conflict in the East of Ukraine. Management stays focused on preserving assets and personnel and hopes for an early resolution of the situation, both connected with trade blockade and with military conflict in general in line with Minsk Agreements.

The Company will duly inform the capital market participants about any developments and decisions regarding this matter.

Signatures of individuals authorized to represent the Company:

Elena Belousova

Legal grounds: Art. 56 of the Polish Act of 29 July 2005 on the public offering, conditions governing the introduction of financial instruments to organized trading system and on public companies, and the Luxembourg Act of 11 January 2008 on transparency obligations of securities issuers, as amended.