

Report's type **Current Report**
Number **12/2018**
Entity **LUG S.A.**

Topic: Estimated consolidated selected financial data of the LUG S.A. Capital Group for II quarter and I half of the year 2018.

The LUG S.A. Management Board with its registered office in Zielona Góra ("LUG", "Issuer"), due to receiving on August 6, 2018 the estimated value of selected financial data of the LUG S.A. Capital Group for the second quarter and for the first half of year 2018 and their changes in relation to the financial results presented in analogical periods of previous years, hereby provides the estimated consolidated financial data for the second quarter and for the first half of 2018, together with comparable data for the same periods of financial years 2015-2017.

Both, the second quarter and the first half of 2018, have brought satisfying financial results and their positive dynamics relative to analogical periods of previous years. Second quarter of the year, in relation to the second quarter of 2017, brought a significant increase in sales revenues, which is an increase of + 25.0%. This result is an effect of the continuation of the sales revenue growth trend and a summary of a very good quarter of the LUG S.A. Capital Group. In the second quarter of 2018, revenues reached a record level of over PLN 41 million. Also at the level of gross profit on sales, the Issuer generated a satisfying value of over PLN 17 million, which in comparison with the result of over PLN 12 million from the second quarter of 2017, is an increase of 39.4%. The gross margin on sales reached the level of 43.0% (by 4.4pp higher than a year before). The EBITDA result increased by 49.0% to the level of nearly PLN 3.5 million. In the second quarter of 2018, net profit increased by 15% y/y, compared to the second quarter of 2017, reaching the level of nearly PLN 1.5 million.

Increasingly for the first and second quarter of 2018, positive dynamics was also recorded in each of the presented areas, in relation to the corresponding periods in previous years. Increased revenues from the sales of the first half of the year, showed growth of 20.2%, while the gross profit on sales increased by 29.7%. The growing net profit result showed an increase of 23%.

Very good results for the second quarter of 2018 obtained by the LUG S.A. Capital Group confirm the stable development of the Group companies, consistent with the adopted strategic development directions for 2017-2021. In the reporting period, there were no one-off events that would have an extraordinary impact on the presented results. The development of the LUG S.A. Capital Group



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companies is organic and involves the development and implementation of lighting projects and long-term contracts.

The final values of financial data presented in this report will be published in the periodic report for the second quarter of 2018.

Law basis: Art. 17 para. 1 MAR – confidential information

Company Representatives:

Ryszard Wtorkowski – The President of the Management Board