

DATE: September 8th 2017

Subject: [Workforce reduction as part of reorganisation process](#)

Contents:

Current Report No. 30/2017

Further to Current Report No. 17/2016 of June 21st 2016, concerning the beginning of another stage of reorganisation at RAFAKO S.A., the Management Board of RAFAKO S.A. of Racibórz (the „**Company**”) announces that on September 8th 2017 the Company's Management Board made a decision to reduce employment at the Company by way of collective redundancies in accordance with the Act on Special Rules Governing Termination of Employment for Reasons Not Attributable to Employees of March 13th 2003.

The decision to launch a collective redundancy process is part of the next phase of changes aimed at building a flexible, more cost-effective organisation adapted to current market conditions. The analytical process conducted as part of the next stage of the reorganisation project yielded a list of optimisation recommendations covering resources, processes and fixed costs. The expected annual savings to be achieved following the implementation of all of the recommendations are expected to total approximately PLN 25m, starting from the second quarter of 2018.

The Management Board also announces that:

- today it notified the company trade unions of the reasons and conditions of the planned collective redundancies in writing,
- the workforce reduction is planned to be carried out in the period from the end of consultation with the company trade unions to March 31st 2018,
- the collective redundancies will cover a maximum of 325 employees, representing 18% of the total number of employees in the Company as at August 30th 2017,
- the final number of employees to be made redundant as well as the related costs and savings will be known at the end of the consultation process with the trade unions,
- the above initial assumptions regarding the amount of savings that the collective redundancies may potentially generate will be communicated to the trade unions during the consultation,
- on September 8th 2017, a meeting is to be held with the trade unions, whose purpose will be to formally launch the redundancy process. The Management Board expects that the meeting will result in reaching the agreement referred to in Art. 3 of the Act on Special Rules Governing Termination of Employment for Reasons Not Attributable to Employees, • The Company plans to complete the current stage of the reorganisation process by March 31st 2018,

Legal basis: Art. 17.1 of the Market Abuse Regulation - confidential information.

Agnieszka Wasilewska-Semail – President of the
Management Board Jarosław Dusilo – Vice President
of the Management Board