



INTERIM CONDENSED QUARTERLY REPORT for the third quarter of 2017

Prepared in accordance with International Financial Reporting Standards
in the form approved by the European Union

Wrocław, 29 November 2017

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SELECTED CONSOLIDATED FINANCIAL DATA

SPECIFICATION	01.01.- 30.09.2017	01.01.- 30.09.2016	01.01.- 30.09.2017	01.01.- 30.09.2016
Work Service Capital Group	in thousands PLN	in thousands PLN	in thousands EUR	in thousands EUR
Revenues from sales	1 824 882	1 643 239	428 714	376 132
EBITDA (operating profit + depreciation)	52 192	45 900	12 261	10 506
Profit from the sale	40 584	36 312	9 534	8 312
Profit on operating activities (EBIT)	41 672	35 934	9 790	8 225
Gross profit (loss)	15 232	14 072	3 578	3 221
Net profit (loss) from continued and discontinued operations	-69 705	18 845	-16 376	4 314
Net cash flows from operating activities	-33 560	51 844	-7 884	11 867
Net cash flows from investing activities	39 628	-22 813	9 310	-5 222
Net cash flows from financing activities	-34 164	-29 453	-8 026	-6 742
Total net cash flow	-28 096	-421	-6 600	-96
Number of ordinary shares of the Company for the purposes of calculating earnings per share in pieces	65 094 823	65 094 823	65 094 823	65 094 823
Earnings per share	-1.23	0.13	-0.29	0.03
Number of shares diluted for the purpose of calculating diluted earnings per share in pieces	65 836 829	65 914 429	65 836 829	65 914 429
Diluted earnings per share	-1.22	0.13	-0.29	0.03
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
Assets	1 147 750	1 300 887	266 355	294 052
Liabilities and liability reserves	878 242	943 590	203 811	213 289
Long-term liabilities	345 903	342 551	80 273	77 430
Short-term liabilities	532 339	601 039	123 538	135 859
Equity (Fund)	269 508	357 297	62 544	80 763
Share capital (Fund)	6 509	6 509	1 511	1 471
Supplementary capital (Fund)	326 984	330 652	75 882	74 741

SELECTED SEPARATE FINANCIAL DATA

SPECIFICATION	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016
Work Service SA	in thousands PLN	in thousands PLN	in thousands EUR	in thousands EUR
Revenues from sales	426 714	422 199	100 247	96 640
EBITDA (operating profit + depreciation)	-4 246	1 831	-998	419
Profit from the sale	-9 568	-3 770	-2 248	-863
Profit on operating activities (EBIT)	-8 070	-1 962	-1 896	-449
Gross profit (loss)	-49 219	2 751	-11 563	630
Net profit (loss)	-49 219	1 606	-11 563	368
Net cash flows from operating activities	-61 730	21 917	-14 502	5 017
Net cash flows from investing activities	370 814	-91 209	87 114	-20 877
Net cash flows from financing activities	-289 005	68 660	-67 895	15 716
Total net cash flow	20 079	-631	4 717	-144
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
Assets	797 782	855 124	185 139	193 292
Liabilities and liability reserves	555 041	563 848	128 807	127 452
Long-term liabilities	224 341	217 447	52 062	49 152
Short-term liabilities	326 013	342 493	75 657	77 417
Equity (Fund)	242 741	291 276	56 332	65 840
Share capital (Fund)	6 509	6 509	1 511	1 471
Supplementary capital (Fund)	285 451	287 459	66 244	64 977

CAPITAL GROUP CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of financial position of the Capital Group

as at 30 September 2017

	as on 30.09.2017	as on 31.12.2016
FIXED ASSETS	534 032 643.94	669 785 900.39
Intangible assets	47 827 827.57	61 125 772.37
Goodwill	401 272 613.33	549 644 468.78
Tangible fixed assets	24 816 982.24	31 206 729.05
Investment real estates	5 779 851.21	1 614 844.06
Other long-term assets	4 234 660.01	4 309 062.91
Other long-term financial assets	29 421 371.82	2 892 510.29
Deferred income tax assets	19 926 135.91	18 156 629.28
Accruals	753 201.85	810 883.65
CURRENT ASSETS	613 717 369.47	631 100 874.41
Inventory	20 952 006.85	28 342 462.32
Trade and other receivables	463 000 724.33	432 902 983.22
Other financial assets	28 520 047.44	29 236 323.28
Other short-term assets	6 855 283.79	9 351 436.26
Cash and cash equivalents	76 519 151.56	104 614 790.71
Prepayments	17 870 155.50	26 652 878.62
TOTAL ASSETS	1 147 750 013.41	1 300 886 774.80
EQUITY	269 508 130.33	357 297 068.85
Share capital	6 509 482.30	6 509 482.30
Supplementary capital (Fund)	326 984 207.71	330 652 018.76
Capital from option valuation	-53 773 718.65	- 53 773 718.65
Net profit (loss)	-80 199 632.98	2 417 610.83
Foreign exchange differences	-8 093 902.12	-5 277 227.57
Equity attributable to non-controlling shareholders	78 081 694.07	76 768 903.18
LIABILITIES	878 241 883.08	943 589 705.95
Long-term liabilities	345 902 714.67	342 550 843.29
Long-term loans and credits	193 923 532.20	125 543 041.61
Deferred income tax liabilities	4 484 179.78	3 033 436.01
Liabilities for pension benefits	0.00	0.00
Provisions for other liabilities and charges	1 348 113.07	1 762 321.65
Other liabilities	146 146 889.62	212 212 044.02
Short-term liabilities	532 339 168.41	601 038 862.66
Trade and other liabilities	412 985 207.26	472 498 015.89
Short-term loans and credits	86 010 995.15	96 183 204.57
Provisions for other liabilities and charges	33 342 966.00	32 357 642.20
TOTAL LIABILITIES	1 147 750 013.41	1 300 886 774.80

Consolidated Statement of comprehensive income of the Capital Group

for the period of 3 months ended 30 September 2017 and for the period of 9 months ended 30 September 2017

CONTINUED OPERATIONS	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016	01.07.2017- 30.09.2017	01.07.2016- 30.09.2016
Revenues	1 824 882 365.83	1 643 239 221.51	619 717 552.65	556 188 312.04
Net revenues from sales of products	1 825 032 163.24	1 642 446 193.27	619 890 855.64	555 914 326.05
Variation in stocks of products	-149 797.41	780 140.64	-173 302.99	274 019.67
Manufacturing cost of products for entity's own purposes	0.00	0.00	0.00	0.00
Net income on sale of goods and materials	0.00	12 887.61	0.00	-33.68
Operating costs	1 784 297 870.03	1 606 927 600.80	610 155 567.81	538 378 101.81
Depreciation	10 519 962.54	9 965 492.21	3 679 470.30	3 388 284.03
Consumption of materials and energy	12 348 822.65	6 907 516.17	3 760 689.53	1 857 199.40
Outside services	214 694 104.75	149 434 317.49	86 428 354.13	58 681 034.31
Taxes and charges	2 523 045.99	4 534 676.61	752 752.85	1 626 135.78
Remuneration	1 225 086 428.45	1 133 942 560.92	416 529 781.12	378 327 960.29
Social insurance and other benefits	288 571 889.85	275 268 771.44	96 940 263.84	91 733 984.81
Other generic expenses	30 553 615.79	26 874 265.96	2 064 256.04	2 763 503.19
Value of goods and materials sold	0.00	0.00	0.00	0.00
Profit (loss) on sales	40 584 495.80	36 311 620.71	9 561 984.84	17 810 210.23
Other operating incomes	14 493 426.49	13 888 660.36	5 237 066.86	3 528 706.25
Other operating costs	13 406 122.57	14 266 126.50	386 256.32	3 967 936.93
Profit (loss) on operating activities	41 671 799.72	35 934 154.57	14 412 795.38	17 370 979.57
Financial incomes	3 547 895.57	1 777 962.44	219 497.18	466 870.94
Financial costs	29 987 401.72	23 640 495.73	6 045 807.69	8 345 033.97
Gross profit (loss)	15 232 293.58	14 071 621.28	8 586 484.87	9 492 816.51
Income tax	11 428 208.82	10 824 219.92	4 727 447.46	3 271 283.63
Net profit (loss) from continued operations	3 804 084.75	3 247 401.36	3 859 037.41	6 221 532.89

DISCONTINUED OPERATIONS

Net profit (loss) from discontinued operations	-73 508 931.08	15 597 957.84	-2 896 270.00	4 611 694.00
Net profit (loss)	-69 704 846.33	18 845 359.20	962 767.41	10 833 226.89
Measurement of shares by the equity method	0.00	0.00	0.00	0.00
Minority shareholders profit (loss)	10 494 786.65	10 078 022.79	3 615 377.21	5 118 478.48
Net profit attributable to				
- Shareholders of the parent company	-80 199 632.98	8 767 336.41	-2 652 609.80	5 714 748.41
- Non-controlling interests	10 494 786.65	10 078 022.79	3 615 377.21	5 118 478.48

Net profit	-69 704 846.33	18 845 359.20	962 767.41	10 833 226.89
Exchange differences on conversion of foreign entities	-2 816 674.55	6 290 458.55	1 675 408.50	-3 928 263.06
Total revenue for the period	-72 521 520.88	25 135 817.75	2 638 175.91	6 904 963.81
- Including attributable to minority capital	8 988 500.14	13 442 001.37	4 889 709.40	2 157 024.51
- including attributable to shareholders of parent company	-81 510 021.02	11 693 816.38	-2 251 533.49	4 747 939.30
Net profit	-69 704 846.33	18 845 359.20	962 767.41	10 833 226.87
Other comprehensive income				
Items not to be reclassified to the income statement in future periods:				
- none				
Items that may be reclassified to the income statement in future periods:				
- Foreign exchange differences from translation of foreign operation	-2 816 674.55	6 290 458.55	1 675 408.50	-3 928 263.06
Other comprehensive income in total	-2 816 674.55	6 290 458.55	1 675 408.50	-3 928 263.06
Comprehensive income for the period	-72 521 520.88	25 135 817.75	2 638 175.91	6 904 963.81
- of which attributable to minority interest in equity	8 988 500.14	13 442 001.37	4 889 709.40	2 157 024.51
- of which attributable to shareholders of the parent entity	-81 510 021.02	11 693 816.38	-2 251 533.49	4 747 939.30
Profit per share from continuing and discontinued operations attributable to shareholders of the parent entity during the year (in PLN)				
From continuing operations:				
- basic	-0.10	-0.11	0.00	0.01
- diluted	-0.10	-0.11	0.00	0.01
From discontinued operations				
- basic	-1.13	0.24	-0.04	0.07
- diluted	-1.12	0.24	-0.04	0.07

Consolidated Statement of cash flows of the Capital Group

for the period of 9 months ended 30 September 2017

	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016
Net profit (loss)	-80 199 632.98	8 767 336.38
Total adjustment	46 639 287.25	43 077 163.49
Depreciation	12 623 903.83	11 792 299.39
(Profit) loss on foreign exchange differences	0.00	0.00
Interest and participation in profits (dividends)	13 401 360.70	14 523 849.36
(Profit) loss on investing activities	-313 752.00	-496 248.64
Change in reserves	3 590 810.23	3 838 872.89
Change in inventory	4 293 861.26	-3 857 792.02
Change of receivables with the exception of receivables from income tax	-168 413 724.16	-941 391.64
Change in short-term liabilities excluding credits and loans and income tax from legal persons	103 898 117.64	6 923 213.33
Change in accruals	-6 887 250.45	-9 704 793.80
Other adjustments	75 346 651.40	12 845 428.49
Income tax on profit before tax	13 637 254.42	13 392 197.89
Income tax paid	-4 537 945.62	-5 238 471.76
Net cash flows from operating activities	-33 560 345.71	51 844 499.87
Cash flow on investment activity		
Incomes	130 037 119.79	1 280 949.82
Disposal of intangible and tangible fixed assets	332 762.59	135 207.69
Sale of investment property and intangible assets	0.00	0.00
From financial assets, including:	1 531 434.58	1 145 742.13
a) in related entities	0.00	0.00
Interest	0.00	0.00
b) in other entities	1 531 434.58	1 145 742.13
Interest	1 531 434.58	1 145 742.13
acquisition of financial assets	0.00	0.00
Other investment income	128 172 922.62	0.00
Expenditures	90 408 829.08	24 093 618.56
Purchase of intangible and tangible fixed assets	4 870 195.52	6 952 342.48
Investments in real estate and intangible assets	0.00	0.00
For financial assets, including:	80 706 833.07	6 290 096.21
a) in related entities	76 749 637.07	6 290 096.21
acquisition of financial assets	76 749 637.07	6 290 096.21
b) in other entities	3 957 196.00	0.00
acquisition of financial assets	3 957 196.00	0.00
Other investment expenses	4 831 800.50	10 851 179.88
Cash flow on investment activity	39 628 290.70	-22 812 668.74

Cash flow on financial activity		
Incomes	81 169 836.27	17 085 000.00
Credits and loans	59 759 744.57	0.00
Issuance of debt securities	20 000 000.00	17 085 000.00
Net income from issuance of shares	0.00	0.00
Other financial income	1 410 091.70	0.00
Expenditures	115 333 420.43	46 537 557.80
Dividends and other expenses for owners	0.00	24 302.04
Other than payments for owners. expenses related to profit distribution	0.00	4 177 650.10
Credits and loans repayments	0.00	24 186 120.47
Redemption of debt securities	100 000 000.00	0.00
Due to other financial liabilities	0.00	0.00
Payment of liabilities on account of financial leasing contracts	400 625.13	2 433 941.87
Interest	14 932 795.30	15 669 591.50
Other financial expenses	0.00	45 951.82
Net cash flows from financing activities	-34 163 584.16	-29 452 557.80
Total net cash flow	-28 095 639.15	-420 726.68
Balance sheet change in cash and cash equivalent, including:	-28 095 639.15	-420 726.68
change of cash resources due to exchange rate differences	0.00	0.00
Cash resources at the beginning of period	104 614 790.71	57 904 049.27
Cash and cash equivalents at end of period	76 519 151.56	57 483 322.59
Position 'other adjustments' includes		
change of differences from conversions	7 841 797.30	3 321 855.97
change in real estate kept for investment purposes	-4 165 007.16	0.00
other changes in capitals	-1 209 744.65	10 348.20
managerial programme	684 602.46	1 371 707.42
change of item other assets	2 570 555.38	-1 684 005.89
changes in shares attributable to non-controlling shareholders	8 043 360.43	9 825 522.79
Profit/loss on sale of other assets	1 867 165.08	0.00
profit/loss from the sale of ITK Group	-79 337 186.06	0.00
loss on revaluation to fair value of the Proservice Group	139 051 108.61	0.00
	75 346 651.40	12 845 428.49

Change in receivables, except for income tax receivables, includes:

increase in receivables net of factoring reflected in the balance sheet	-69 261 184.94
decrease in non-recourse factoring	38 806 396.86
ITK receivables as at the date of sale	-27 553 858.91
Russian Group receivables as at the date of sale	-33 732 054.35
receivables of the APT Group companies as at the acquisition date	11 732 927.35
decrease in receivables from the sale of other assets	-1 195 307.01
receivables paid by Exact for the acquisition of companies-presentation change-transfer to investment activity	3 957 196.00
increase in receivables from the sale of Russian companies	-27 500 000.00
change of presentation of sales price of Russian companies (transfer to other adjustments)	7 000 000.00
write-off for receivables in Work Service SA for receivables from sold Russian companies	-70 667 839.16
Change in receivables, except for income tax receivables	-168 413 724.15

Change in short-term liabilities except for loans and corporate income tax includes:

decrease in trade liabilities reflected in the balance sheet	-9 937 580.88
trade liabilities of the Russian Group as at the date of sale	9 405 824.08
trade liabilities of ITK and former ITK Group companies as at the date of sale	17 181 531.29
liabilities of the APT companies as at the acquisition date	-739 947.04
increase in tax liabilities	5 416 595.67
decrease in other liabilities	-44 654 882.59
adjustment for CIT liabilities	-9 099 308.80
adjustment for lease transferred to another item	400 625.13
payments for acquired companies-change of presentation-transfer to investment activity	42 522 791.33
payment for the acquisition of additional shares in Work Service Gmbh Co&KG-change of presentation	17 769 906.34
change of presentation of the written-off liabilities of the Proservice Group from loans to financial operations	75 632 563.10
Change in short-term liabilities except for loans and corporate income tax	103 898 117.64

Consolidated statement of changes in equity of Capital Group

01.01.2017-30.09.2017	Share capital	Other capital/supplementary capital	Capital from option valuation	Other capital/exchange rate differences on conversion of subsidiaries	Net result	Equity attributable to shareholders of parent company	Equity attributable to non-controlling shareholders	Equity with a capital of minority shareholders
As on 31 December 2016	6 509 482.30	330 652 018.76	-53 773 718.65	-5 277 227.57	2 417 610.83	280 528 165.67	76 768 903.19	357 297 068.85
The capital increase	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	-80 199 632.99	-80 199 632.99	0.00	-80 199 632.99
Exchange differences on conversion of financial statements of foreign entities	0.00	0.00	0.00	-2 816 674.55	0.00	-2 816 674.55	0.00	-2 816 674.55
Distribution of profit for 2016:	0.00	2 417 610.83	0.00	0.00	-2 417 610.83	0.00	0.00	0.00
Purchasing of the companies from APT Group	0.00	0.00	0.00	0.00	0.00	0.00	746 711.37	746 711.37
Managers programme	0.00	684 602.46	0.00	0.00	0.00	684 602.46	0.00	684 602.46
Minorities result	0.00	0.00	0.00	0.00	0.00	0.00	10 494 786.65	10 494 786.65
Other	0.00	59 255.63	0.00	0.00	0.00	59 255.63	807 932.14	867 187.77
Operations pertaining to transactions with the ITK Group	0.00	-5 560 279.72	0.00	0.00	0.00	-5 560 279.72	-10 736 639.27	-16 296 918.99
Dividend payment by APT	0.00	-1 269 000.25	0.00	0.00	0.00	-1 269 000.25	0.00	-1 269 000.25
As on 30 September 2017	6 509 482.30	326 984 207.71	-53 773 718.65	-8 093 902.12	-80 199 632.98	191 426 436.24	78 081 694.07	269 508 130.33

Consolidated statement of changes in equity (comparative data)

01.01.2016-31.12.2016	Share capital	Other capital/supplementary capital	Capital from option valuation	Other capital/exchange rate differences on conversion of subsidiaries	Net result	Equity attributable to shareholders of parent company	Equity attributable to non-controlling shareholders	Equity with a capital of minority shareholders
As on 31 December 2015	6 509 482.30	312 423 026.32	-35 131 379.85	-25 785 799.10	27 616 454.29	285 631 783.95	43 526 215.57	329 157 999.52
The capital increase in Exact Systems SA	0.00	0.00	0.00	0.00	0.00	0.00	30 000 000.00	30 000 000.00
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	2 417 610.83	2 417 610.83	0.00	2 417 610.83
Exchange differences on conversion of financial statements of foreign entities	0.00	0.00	0.00	20 508 571.54	0.00	20 508 571.54	0.00	20 508 571.54
Exercise of Fiege option	0.00	0.00	16 490 239.50	0.00	0.00	16 490 239.50	0.00	16 490 239.50
Valuation of the issue of series B and C in Exact Systems SA	0.00	0.00	-35 132 578.30	0.00	0.00	0.00	0.00	0.00
Transfer of profit for 2015 to reserve capital	0.00	27 616 454.29	0.00	0.00	-27 616 454.29	0.00	0.00	0.00
Purchasing shares from minorities	0.00	-10 803 279.03	0.00	0.00	0.00	-10 803 279.03	-5 663 368.17	-16 466 647.20
Managers programme	0.00	1 599 897.24	0.00	0.00	0.00	1 599 897.24	0.00	1 599 897.24
Minorities result	0.00	0.00	0.00	0.00	0.00	0.00	13 083 705.88	13 083 705.88
Other	0.00	-184 080.06	0.00	0.00	0.00	-184 080.06		-184 080.06
Payment of dividends	0.00	0.00		0.00	0.00	0.00	-4 177 650.10	-4 177 650.10
As on 31 December 2016	6 509 482.30	330 652 018.76	-53 773 718.65	-5 277 227.57	2 417 610.83	280 528 165.67	76 768 903.19	357 297 068.85

01.01.2016-30.09.2016	Share capital	Other capital/supplementary capital	Capital from option valuation	Other capital/exchange rate differences on conversion of subsidiaries	Net result	Equity attributable to shareholders of parent company	Equity attributable to non-controlling shareholders	Equity with a capital of minority shareholders
As on 31 December 2015	6 509 482.30	312 423 026.32	-35 131 379.85	-25 785 799.10	27 616 454.29	285 631 783.96	43 526 215.57	329 157 999.52
The capital increase	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net profit (loss) for the financial year	0.00	0.00	0.00	0.00	8 767 336.41	8 767 336.41	0.00	8 767 336.41
Exchange differences on conversion of financial statements of foreign entities	0.00	0.00	0.00	6 290 458.55	0.00	6 290 458.55	0.00	6 290 458.55
Distribution of profit for 2015:	0.00	27 616 454.29	0.00	0.00	-27 616 454.29	0.00	0.00	0.00
Purchasing shares from minorities	0.00	811 371.12	0.00	0.00	0.00	811 371.12	-1 013 871.12	-202 500.00
Managers programme	0.00	1 371 707.42	0.00	0.00	0.00	1 371 707.42	0.00	1 371 707.42
Minorities result	0.00	0.00	0.00	0.00	0.00	0.00	10 078 022.79	10 078 022.79
Other	0.00	10 348.20	0.00	0.00	0.00	10 348.20	0.00	10 348.20
Dividend payment	0.00	0.00	0.00	0.00	0.00	0.00	-4 177 650.10	-4 177 650.10
Increase in the capital of Exact Systems S.A.	0.00	0.00	0.00	0.00	0.00	0.00	17 085 000.00	17 085 000.00
As on 30 September 2016	6 509 482.30	342 232 907.35	-35 131 379.85	-19 495 340.56	8 767 336.41	302 883 005.65	65 497 717.13	368 380 722.78

ADDITIONAL NOTES TO THE CONDENSED REPORT OF THE CAPITAL GROUP FOR THE THIRD QUARTER OF 2017

1. Information on the Work Service Capital Group

1.1. The Parent Company

The Parent Company of the Work Service Capital Group is a company Work Service S.A. Parent Company's registered office is located in Wrocław, at Gwiaździsta 66. The company was established by notarial deed dated 12 December 2000 drawn up in a Notary Office in Oleśnica (Files no. A No. 7712/2000). The company is registered in the National Court Register, in Register of Entrepreneurs kept by the District Court for Wrocław - Fabryczna in Wrocław, 6th Commercial Division of the National Court Register under the number KRS 0000083941. The Company was entered into the register of Entrepreneurs of National Court Register on 28 January 2002. Work Service S.A is the successor of Work Service Sp. z o.o.

The core business of the Company according to the Polish Classification of Activities (PKD 7820Z) are activities related to recruitment and provision of personnel.

Work Service SA is an employment agency specialising in employment services, in modern human resource solutions, providing services in the area of recruitment, the provision of skilled workers to customers, consulting and human resource management.

Company name, address and communication numbers:

Company name	Work Service S.A.
Legal form	Joint stock company
Address	53-413 Wrocław, ul. Gwiaździsta 66
Phone	+48 (071) 37 10 900
Fax	+48 (071) 37 10 938
E-mail	work@workservice.pl
Website	www.workservice.pl

Work Service SA operates under Polish law. The bases of the Company's operations are: Commercial Companies Code and the regulations of the General Meeting, the Supervisory Board and Management Board.

1.2. Basic information on the Work Service Capital Group

Introduction to the consolidated financial statements for the third quarter of 2017 was drawn up on the basis of separate financial statements of the Capital Group and compiled in a manner that the Group constitutes a single entity.

The basis for preparation of the consolidated report is the report of Parent Company, prepared in accordance with International Financial Accounting Standards that have been approved by the European Union and restated financial statements of subsidiaries. The consolidated financial statements has been adjusted by the amounts of mutual revenues, expenses, unrealised margins and balances arising from transactions between Group companies. Individual financial statements, constituting the basis for preparation of the consolidated financial statements, have been prepared on assumption of continuation of activities of entities within the Capital Group in the foreseeable future, and the belief that there are no circumstances indicating a threat to the continuation of activities.

The core business of the companies comprising the Capital Group is:

- Temporary work – offering work for temporary employees,
- merchandising and promotions - professional service of the sales process,
- recruitment of employees, personal counselling,
- personnel and payroll services,
- outsourcing.

As of 30 September 2017 the Management Board of Work Service SA was composed of:

- Maciej Witucki - President
- Piotr Gajek - Vice President
- Paul Andrew Christodoulou - Vice President
- Tomasz Ślęzak - Vice President
- Iwona Szmitkowska - Vice President
- Krzysztof Rewers - Vice President

On 20th April 2017 the Supervisory Board of the Issuer, acting pursuant to §17(2) of the Company's Articles of Association and § 14(2)(b) of the Bye-laws of the Supervisory Board, appointed Mr Krzysztof Rewers to perform the duties of Vice-President of the Management Board of Work Service S.A. as of 1 May 2017.

On 20 July 2017, the Issuer received document dated on 12 July 2017 containing the resignation of Mr. Robert Knights from the position of the Vice President of the Management Board of Work Service S.A. with effect on 12 July 2017. Mr. Robert Knights as a reason of resignation pointed health problems.

Supervisory Board of Work Service S.A. as at 30 September 2017 was composed of:

- Panagiotis Sofianos – Chairman of Supervisory Board
- Tomasz Misiak – Deputy Chairman of the Supervisory Board
- Krzysztof Kaczmarczyk – Member of the Supervisory Board
- Everett Kamin – Member of the Supervisory Board
- Pierre Mellinger – Member of the Supervisory Board
- Piotr Kamiński – Member of the Supervisory Board
- Robert Ługowski – Member of the Supervisory Board
- Tomasz Hanczarek – Member of the Supervisory Board
- John Leone – Member of the Supervisory Board

In the three quarters of 2017 there were no changes in the composition of the Supervisory Board of Work Service SA.

As on 30 September 2017 the Work Service Capital Group comprised of the following economic entities:

Companies with share capital of Work Service SA - direct					
Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share in the total number of votes at the General Meeting	Method of consolidation
Finance Care Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	29.12.2005	100.00%	100.00%	Full
Industry Personnel Services Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	30.11.2003	100.00%	100.00%	Full
Exact Systems S.A.	42-200 Częstochowa, ul. Focha 53	24.09.2007	69.09%	69.09%	Full
Antal Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	30.04.2007	100.00%	100.00%	Full
Work Service International Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	06.07.2006	100.00%	100.00%	Full
Proservice Worldwide (Cypr) Ltd.	Nicosia, Agiou Pavlou 15, Ledra House, Agios Andreas P.C.1105	04.04.2008	51.00%	51.00%	Full
Clean Staff Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	19.02.2010	100.00%	100.00%	Full
Sellpro Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	20.03.2009	100.00%	100.00%	Full
Virtual Cinema Studio Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	20.12.2002	50.00%	50.00%	Not Subject to consolidation
Krajowe Centrum Pracy Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	16.05.2011	75.00%	75.00%	Full
Prohuman 2004 Kft.	194 Budapest, Kiss János altábornagy utca 32.	21.12.2013	75.00%	75.00%	Full
Work Express Sp. z o.o.	40-265 Katowice, ul. Murckowska 14	02.01.2014	100.00%	100.00%	Full
Work Service SPV Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	29.01.2014	77.72%	77.72%	Full
Work Service Czech s.r.o.	Londýnská 730/59, Vinohrady, 120 00 Praha 2	30.01.2004	100.00%	100.00%	Full
Work Service East Lcc	Charków, ul. Sumska 50, rejon charkowski, województwo charkowskie, Ukraina	03.02.2017	100.00%	100.00%	Full

Companies related by Proservice Worldwide (Cypr) Ltd.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
ZAO Work Service Russia	Moskwa, Biuro 45 Olkhovskaya ST, bld.1 105066	04.04.2008	99.00%	99.00%	Full
ProService Worldwide Limited, Brytyjskie Wyspy Dziewicze	Brytyjskie Wyspy Dziewicze, Office of Aleman, Cordero, Galindo & Lee Trust (BVI) Limited, skr.poczt.3175, Road Town Tortola	04.04.2008	100.00%	100.00%	Full
Janveer Limited (BVI)	Quijano Chambers, P.O. Box 3159, Road Town, Tortola, BVI	01.04.2015	100.00%	100.00%	Full

Companies related by ZAO Work Service Russia

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
EMG Management	191015, Petersburg, Kałużski pereulok, bud 3A	10.02.2015	100.00%	100.00%	Full
EMG Leasing	191015, Petersburg, Kałużski pereulok, bud 3	10.02.2015	100.00%	100.00%	Full
IT Kontrakt o.o.o.	4th floor, bld. 23, 38 A, 2nd Khutorskaya str., Moscow	12.02.2015	100.00%	100.00%	Full

Companies related by Work Service International Sp. z o. o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Work Service Slovakia s.r.o.	831 03 Bratislava, Škultétyho 1	04.09.2007	53.50%	53.50%	Full
Work Service SPV Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	29.01.2014	15.29%	15.29%	Full
ZAO Work Service Russia	Moskwa, Biuro 45 Olkhovskaya ST, bld.1 105066	20.02.2013	1.00%	1.00%	Full

Companies related by Work Service Czech s.r.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Antal International s.r.o.	Anglicka 140/20, Vinohrady, 120 00 Praha 2	19.09.2014	100.00%	100.00%	Full

Companies related by Exact Systems SA

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Automotive Assembly Systems Sp. z o. o.	53-413 Wrocław, ul. Gwiaździsta 66	01.03.2007	100.00%	100.00%	Full
Exact Systems Czech Republik s.r.o.	Na Honech 832/16 Hrabová, 720 00 Ostrava	29.01.2007	100.00%	100.00%	Full
Exact Systems Slovakia s.r.o.	010 01 Zilina, Jána Kalinčiaka 22	17.10.2006	100.00%	100.00%	Full
AO Exact Systems Russia	24 Surikova Street, 125080 Moscow	21.03.2011	100.00%	100.00%	Full
Exact Systems Kalite Kontrol Ltd. Sti.	Akdeniz Mah. Vali Kazim Dirik Cad. No: 32/32 Konak Izmir	03.04.2012	99.00%	99.00%	Full
Exact Systems s.r.l. Rumunia	Blv. Aviatorilor, No. 18, Floor 1, Apt. 3, Bucharest, Romania	24.09.2007	99.97%	99.97%	Full
Exact Systems Ltd.	Afroditis, 25 Clarion Business Centre 1060 Nicosia Cyprus	19.12.2012	100.00%	100.00%	Full
Exact Systems Ltd. (UK)	Unit 1, Cottesbrook Park, Heartlands Business Park, Daventry, NN118YL, England	15.11.2013	100.00%	100.00%	Full
Work Service SPV Sp. z o.o.	53-413 Wrocław, ul. Gwiaździsta 66	29.01.2014	6.99%	6.99%	Full
Exact Systems Hungary LLC	Hungaria krt.140-144, 1146 Budapest	10.07.2015	100.00%	100.00%	Full
Control + Rework Service NV	Hoogstraat 69 3600 Genk Belgia	15.09.2015	100.00%	100.00%	Full
Control + Rework Service Polska Sp. z o.o.	44-100 Gliwice ul. Wiejska 52	15.09.2015	100.00%	100.00%	Full
Exact Systems China Ltd	3F Qianjiang Tower, 971 Dong Fang Rd. Pudong District, Shanghai PR China 200122	19.02.2016	100.00%	100.00%	Full

Companies related by Industry Personnel Services Sp. z o.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Work Service Slovakia s.r.o.	831 03 Bratislava, Škultétyho 1	05.05.2011	46.50%	46.50%	Full
Krajowe Centrum Pracy Sp. z o.o.	53-413 Wrocław, Gwiaździsta 66	28.03.2013	25.00%	25.00%	Full

Companies related by Work Service Slovakia s.r.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Work Service Outsourcing Slovakia s.r.o.	831 03 Bratislava, Škultétyho 1	05.09.2011	100.00%	100.00%	Full
Work Service SK s.r.o.	831 03 Bratislava, Škultétyho 1	01.06.2016	100.00%	100.00%	Full
Antal International s.r.o.	831 03 Bratislava, Škultétyho 1	01.04.2016	100.00%	100.00%	Full

Companies related by Automotive Assembly Systems Sp. z o.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Exact Systems Kalite Kontrol Ltd. Sti.	Akdeniz Mah. Vali Kazim Dirik Cad. No: 32/32 Konak Izmir	03.04.2012	1.00%	1.00%	Full
Exact Systems s.r.l. Rumunia	Blv. Aviatorilor, No. 18, Floor 1, Apt. 3, Bucharest, Romania	24.09.2007	0.03%	0.03%	Full

Companies related by Prohuman 2004 Kft

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Prohuman Outsourcing Kft.	1194 Budapest, Kiss János altábornagy utca 32.	21.12.2013	100.00%	100.00%	Full
Human Existence Kft.	3525 Miskole, Arany Janos ter.1. mfsz 18.	08.07.2014	100.00%	100.00%	Full
Enloyd Kft.	1194 Budapest, Kiss Janos altábornagy utca 32, Hungary	16.02.2015	100.00%	100.00%	Full
HR GLOBAL d.o.o.	Ljubljana, Cesta 24. Junija 25, 1231 Ljubljana-Crnuce	03.12.2015	100.00%	100.00%	Full
HR Rent Kft	7743 Romonya, Béke utca 51	10.12.2015	100.00%	100.00%	Full
Profield 2008 Kft	2724 Újlengyel, Ady Endre utca 41	17.12.2015	100.00%	100.00%	Full
APT Resources&Services s.r.l.	67 Constantin Dobrogeanu Gherea Street, attic floor, office no. 1, 1 st District, Bucharest, Romania	28.02.2017	80.00%	80.00%	Full
APT Human Resources s.r.l.	67 Constantin Dobrogeanu Gherea Street, attic floor, office no. 1, 1 st District, Bucharest, Romania	28.02.2017	80.00%	80.00%	Full
APT Broker s.r.l.	67 Constantin Dobrogeanu Gherea Street, attic floor, office no. 1, 1 st District, Bucharest, Romania	28.02.2017	80.00%	80.00%	Full
APT Finance Broker s.r.l.	67 Constantin Dobrogeanu Gherea Street, attic floor, office no. 1, 1 st District, Bucharest, Romania	28.02.2017	80.00%	80.00%	Full

Companies related by HR GLOBAL d.o.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Naton Ljudski potencial d.o.o.	Zvonimirova 2/III, 100000 Zagreb, Croatia	03.12.2015	100.00%	100.00%	Full
Naton kadrovsko svetovanje d.o.o.	Ljubljana, Cesta 24. Junija 25, 1231 Ljubljana-Crnuce	03.12.2015	100.00%	100.00%	Full

Companies related by Work Express Sp. z o.o.					
Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Outsourcing Solutions Partner Sp. z o.o.	ul. Murckowska 14, 40-265 Katowice	02.01.2014	100.00%	100.00%	Full
Clean24h Sp. z o.o.	ul. Bankowa 20, 42-320 Niegowa	02.01.2014	100.00%	100.00%	Full
LogistykaPL Sp. z o.o.	ul. Warszawska 1, 42-350 Koziegłowy	02.01.2014	100.00%	100.00%	Full
Workbus Sp. z o.o.	Batalionów Chłopskich 8, 42-425 Kroczyce	02.01.2014	100.00%	100.00%	Full

Companies related by Work Service GmbH & Co.KG					
Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Exact Systems GmbH	02826 Gorlitz, Emmerichstr.43	12.08.2009	100.00%	100.00%	Full
IT Kontrakt GmbH	An den Treptowers 1 D-12435 Berlin	05.04.2012	100.00%	100.00%	Full
Work Service 24 GmbH	An den Treptowers 1 D-12435 Berlin	23.08.2011	100.00%	100.00%	Full
Work Service Deutschland GmbH	Mainzer Strasse 178, 67547 Worms	26.06.2014	100.00%	100.00%	Full
Work Service Outsourcing Deutschland GmbH	Domhof 8, 48268 Greven	26.06.2014	100.00%	100.00%	Full
Work Service GP GmbH	Gauermannngasse 2 1010 Wiedeń	24.03.2014	100.00%	100.00%	Full
Enloyd GmbH	Berlin, An den Treptowers 1, 12435	21.11.2014	100.00%	100.00%	Full

Companies related by Work Service SPV Sp. z o.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Work Service Gmbh & Co.KG	c/o CMS Hasche Sigle, Breite Str. 3, 40213 Düsseldorf	26.06.2014	74.00%	74.00%	Full

Companies related by Work Service Deutschland GmbH

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Work Service Fahrschule Gmbh	Domhof 8, 48268 Greven	29.07.2015	100.00%	100.00%	Full

Companies related by Krajowe Centrum Pracy Sp. z o.o.

Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Kariera.pl Sp. z o.o.	53-413 Wrocław, ul. Gwiazdzista 66	03.11.2016	51.00%	51.00%	Full

Companies related by Profield 2008 Kft

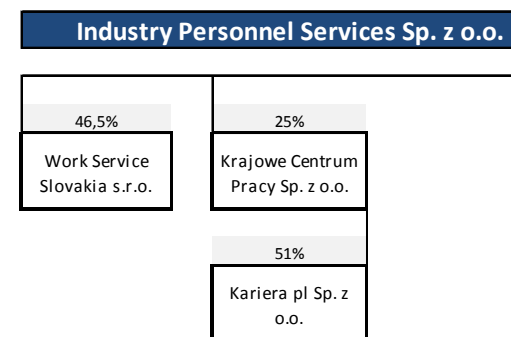
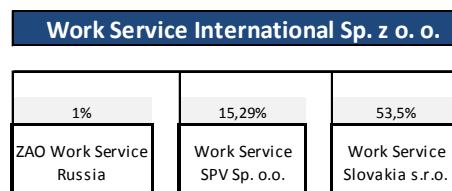
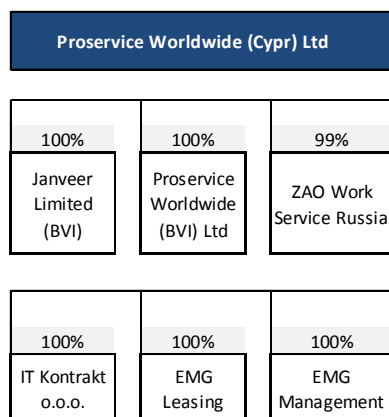
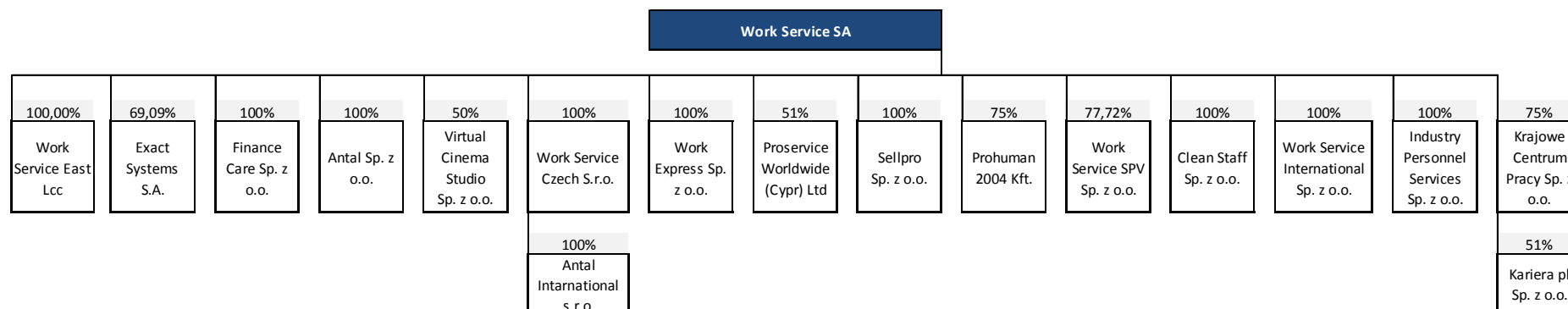
Company name	Registered office	Control acquisition date	Percentage of the subsidiary's share capital	% Share of the subsidiary in the total number of votes at the General Meeting	Method of consolidation
Finance Care Hungary Pénzügyi Tanácsadó Kft	H-1146 Budapest, Hungária krt. 140-144, HU25790722	08.11.2016	100.00%	100.00%	Full

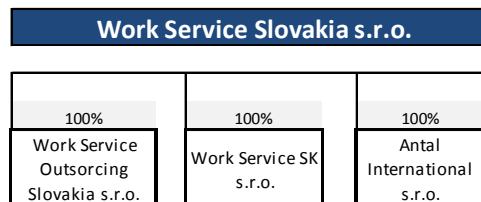
Related entities of the Parent Company are the entities included in the consolidated financial statements, i.e. all Capital Group companies except for the Company Virtual Cinema Studio sp. z o.o.

Due to the fact that the Work Service SA does not have the control over the company Virtual Cinema Studio sp. z o.o., understood in accordance with § 19 of IFRS 3, as "the ability to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities", it is not consolidated by method of acquisition. On the other hand, the application of the principle of materiality referred to § 31 of IAS 1, disables this company from consolidation under the equity method as a related entity.

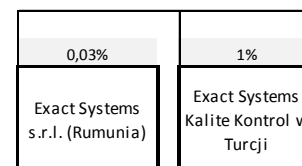
The exclusion of the above mentioned company from consolidation does not affect the economic decisions taken by users on the basis of the financial statements.

The structure of Work Service SA Capital Group as at 30.09.2017

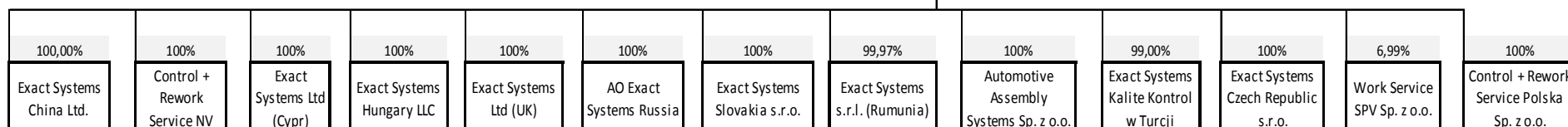




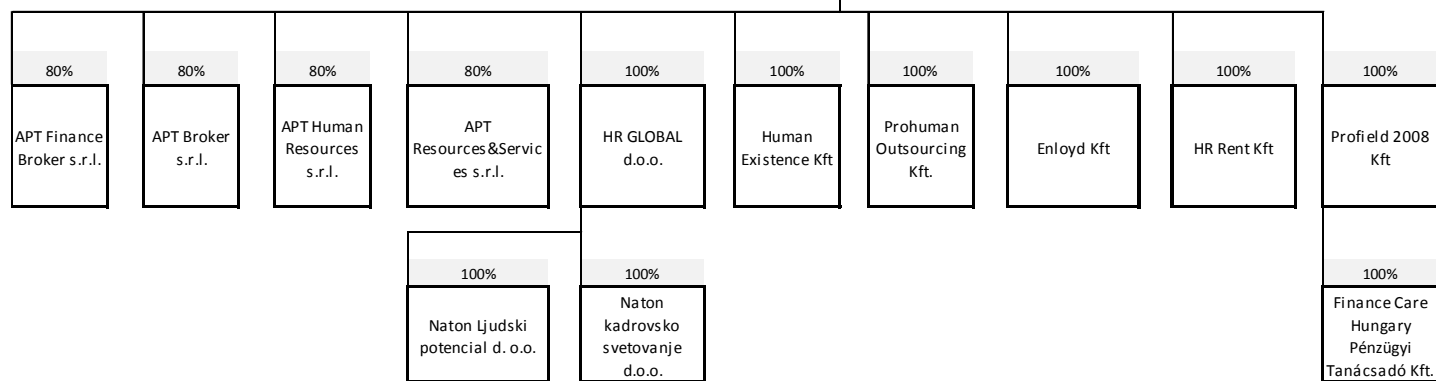
Automotive Assembly Systems Sp. z o.o.

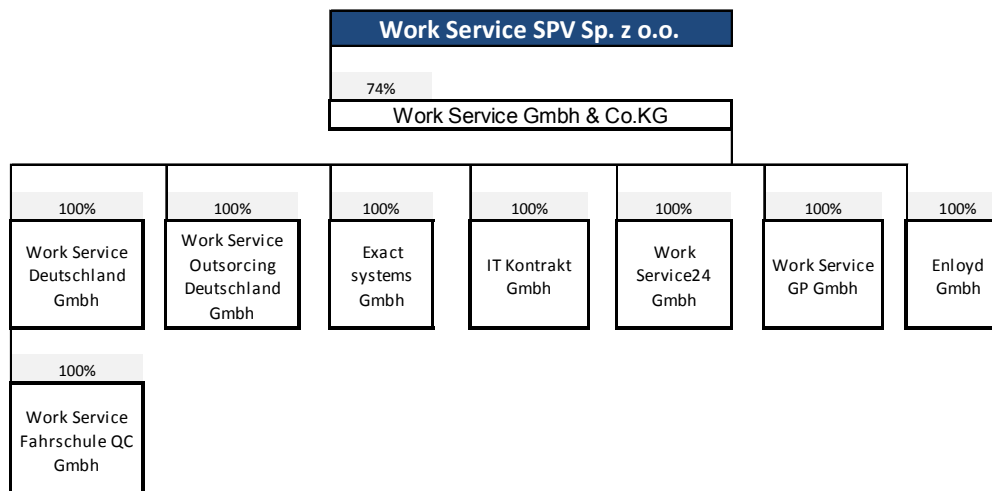
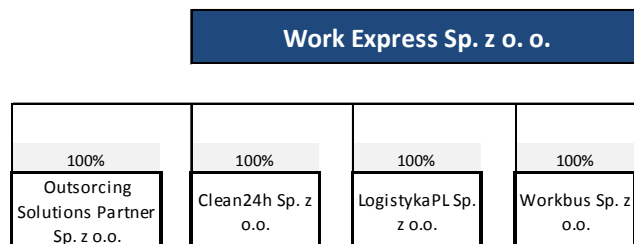


Exact Systems S.A.



Prohuman 2004 Kft





1.3 Scope of activities of Work Service Capital Group companies

The Work Service Capital Group provides services in the field of human resource management. It specialises in seeking and recruitment of skilled workers, personal consulting, outsourcing functions related to human resources management and auxiliary processes in enterprises and offering solutions based on the use of temporary employment contracts. Capital Group operates throughout the country through regional offices and representative offices as well as abroad, at the territory of Europe and Asia. The business of Work Service Capital Group is based on the ability to integrate the needs of businesses in terms of cost optimisation and structure of employment, with available resources of the labour market, which is the amount of economically active people, with their skills and labour cost.

Work Service SA – This is the Parent Company of the Work Service Group. The company's activity is based on the provision of services: temporary employment, HR consulting, recruitment, competency assessment, outplacement, providing personnel and payroll services.

Antal Sp. z o.o. - the main business of the company are paramedical services, ranging from services to support pregnant women (such as shopping expert, customising the interior to the needs and safety of young children), through the care of newborns, infants and young children. Offered care services are performed by midwives, nannies and governesses. The company's activity is also personal counselling, particularly in the areas of recruitment, selection and sourcing of employees for specific middle and senior management positions of various industries, in sales and marketing, logistics, IT / computer, production, public relations, legal, human resources, finance and accounting, and banking departments.

Finance Care Sp. z o.o. – in cooperation with insurance companies and banks, Care Finance company provides outsourcing services for listed companies.

Industry Personnel Services Sp. z o.o. - carries out tasks related to managing the management projects of separated parts or entire production plants.

Sellpro Sp. z o.o. - merchandising and promotions - professional service of sales process, also performs services related to recruitment and provision of personnel, business consultancy and management, activities related to databases, market research.

Clean Staff Sp. z o.o. - the Company's business are complex cleaning services of healthcare facilities, other functional buildings and private objects.

Work Service International Sp. z o.o. – provides services related to temporary work and recruiting workers on international markets.

Work Service Czech s.r.o. – provides services related to temporary work, outsourcing and recruitment of employees in Czech Republic.

Work Service Slovakia s.r.o. - indirect subsidiary of Work Service SA, through the company Industry Personnel Services Sp. z o o, which is the majority shareholder and Work Service International Sp. z o.o. (which holds the remaining shares in the Work Service Slovakia s.r.o). The company carries out the range of services analogous to those offered by the Parent Company in the domestic market, but in Slovakia.

Work Service Outsourcing Slovakia s.r.o. - share capital of the company in whole is covered by Work Service Slovakia s.r.o. Its core business is, among others, HR consultancy, development and sale of research and analysis of labour markets.

Work Service24 GmbH – indirect subsidiary of Work Service SA, which 100% owner is the Work Service GmbH & Co. KG. The registered office of the company is Hoppegarten near Berlin. Its core business is employment services in the labour market (including headhunting services, conducting recruitment), hiring employees (temporary work), the development and sale of research and analysis of labour markets.

Exact Systems S.A. - the company provides specialised services in the field of control, selection and repair of components and assemblies primarily in the automotive industry, but also ICT sector.

Exact Systems s.r.l. – indirect subsidiary of Work Service SA, through the companies Exact Systems S.A. (99.97%) and Automotive Assembly Systems Sp. z o.o. (0.03%). Company dedicated for handling of the Romanian market, providing services in the field of control, selection and repair of components and assemblies primarily in the automotive industry.

Automotive Assembly Systems Sp. z o.o. - the company provides services in the field of sub-assembly, which consists of combining two / three components into one unit constituting a module or ready component, which can then be further assembled in the finished product.

Exact Systems Slovakia s.r.o. - the company dedicated for handling of the Slovak market, providing services within control, selection and repair of components and assemblies primarily in the automotive industry.

Exact Systems Czech Republic s.r.o. - the company dedicated for handling of the Czech market, provides services in the field of control, selection and repair of components and assemblies primarily in the automotive industry.

Exact Systems GmbH - company dedicated for handling of the German market, provides services in the field of control, selection and repair of components and assemblies primarily in the automotive industry.

Exact Systems Kalite Kontrol Lti Sti. - 99% of the shares in the company were acquired by the company Exact Systems SA, and 1% of the shares were acquired by Automotive Assembly Systems Sp. z o.o. (100% subsidiary of company Exact Systems S.A.), the Company is dedicated to handle the Turkish market, provides services in the field of control, selection and repair of components and assemblies primarily in the automotive industry.

AO Exact Systems based in Moscow (Russia) – indirect subsidiary of Work Service SA, 100% owner of the company is a company Exact Systems S.A. The Company is a provider of solutions for the selection, repair, sorting parts and components and finished products for the automotive companies in the Russian Federation and Ukraine. The recipients of the services provided by the company are, in particular, suppliers and sub-suppliers to the automotive industry and car manufacturers, as well as plants of volume production profile of electronic and household appliances.

Exact Systems China Ltd. - the company dedicated for handling of the Chinese market, providing services within control, selection and repair of components and assemblies primarily in the automotive industry

Exact Systems Limited - A 100% subsidiary of Exact Systems S.A. The main business of the company is financing of Exact Systems Group companies in the form of loans concluded on market terms. Up to 30 December 2014 the scope of activity of the company also included provision of rights to use intellectual property rights

Exact Systems Ltd (UK) - 100% of the shares in the company were acquired by the company Exact Systems S.A. The company is dedicated to handling the market in the UK, providing services for the control, selection and repair of components and assemblies primarily in the automotive industry.

Proservice Worldwide (Cyprus) Limited – The statutory objects of the company covers a very wide range of economic activity possible to take within the limits of the requirements arising from the applicable provisions of law, including: commercial activities, management, consulting (including the provision of advisory services to companies belonging to the same group capital), providing support (including financial) to the companies belonging to the same group, business travel and hospitality, as well as conducting and engaging in any other activity and perform any activity deemed advisable by the Management Board for the purposes of the company and that may directly or indirectly increase the company's value or profitability of any business, property or rights of the company. The Company is currently not engaged in operating activities. The Company is currently not engaged in operating activities.

Proservice Worldwide Limited based in the British Virgin Islands – the task of the company is to handle outsourcing personnel - key customer of Proservice groups - outside the Russian Federation.

ZAO Work Service Russia - company engaged in the area of outsourcing in the Russian Federation, provides services in outsourcing of logistics, industrial merchandising and consulting services.

IT Kontrakt GmbH – indirect subsidiary of Work Service SA. The company dedicated to handle the German market in the range analogous to company IT Kontrakt Sp. z o.o.

IT Kontrakt o.o.o. - indirect subsidiary of Work Service SA, which is owned in 100% by ZAO Work Service Russia. The company dedicated to handle the Russian market in the range analogous to company IT Kontrakt Sp. z o.o.

Krajowe Centrum Pracy Sp. z o.o. with registered office in Wroclaw - the purpose of establishment of the company is to conduct the business offering to customers specialised solutions in the field of both permanent and temporary recruitment of specialists also in foreign markets, outsourcing of common functions for the raw materials and power generation industry.

Work Express Sp. z o.o. - A direct subsidiary of the Parent Company, in which Work Service SA holds 100% of shares. As a temporary work agency it offers comprehensive organisation of the process of temporary workers employment. The second activity of the company are job placement services and human resource consulting. The third area of business are services of process outsourcing. Using their knowledge and experience gained during servicing companies in the TSL industry in the field of temporary work, the company has created innovative solutions for customers in the following industries: IT, consumer electronics, clothing, food, heavy industry, online stores.

Outsourcing Solutions Partner Sp. z o.o. - Indirect subsidiaries of Work Service SA 100% owner of the company is a company Work Express Sp. z o.o (in 100% subsidiary of Work Service SA).

Clean24h Sp. z o.o. - Indirect subsidiaries of Work Service SA 100% owner of the company is a company Work Express Sp. z o.o (in 100% subsidiary of Work Service SA).

LogistykaPL Sp. z o.o. - Indirect subsidiaries of Work Service SA 100% owner of the company is a company Work Express Sp. z o.o (in 100% subsidiary of Work Service SA).

Workbus Sp. z o.o. - Indirect subsidiaries of Work Service SA 100% owner of the company is a company Work Express Sp. z o.o (in 100% subsidiary of Work Service SA).

Prohuman 2004 Kft - a direct subsidiary of the Parent Company, in which the Work Service SA holds 75% stake. The company is one of the largest recruitment agencies operating on the Hungarian market. Prohuman operates on the Hungarian market of personal services since 2004. The company is a part of the Prohuman Group Capital Group, covering a total of five companies operating in different areas (comprehensive HR services, merchandising, sales promotions, marketing events, telemarketing).

Prohuman Outsourcing Kft. - Indirect subsidiaries of Work Service SA 100% owner of the company is a company Prohuman 2004 Kft (75% subsidiary of Work Service SA).

Work Service SPV Sp. z o.o. - The company in 97.84% is a subsidiary of Work Service SA (directly WSSA has a 77.72% stake, and indirectly through shares of: Exact Systems SA-4.84%, Work Service International Sp. z o.o. – 15.29%. Its establishment is related to the implementation of the provisions of the agreement with Fiege Logistik Stiftung & Co. KG with its registered office in Greven, Germany.

Enloyd GmbH – the company conducts the activity analogous to the activity of Antal Sp. z o.o. on the German market. The company's capital was fully covered by the company Work Service GmbH & Co. KG The Company was registered on 23.03.2015.

Enloyd Kft – the company conducts the activity analogous to the activity of Antal Sp. z o.o. on the Hungarian market. The share capital of the company was fully covered by Prohuman 2004 Kft, which is a 75% subsidiary of Work Service SA.

Antal International s.r.o. (Czech Republic) – the company conducts the activity analogous to the activity of Antal Sp. z o.o. on the Czech market. The share capital of the company was fully covered by Work Service Czech s.r.o, which is a 100% subsidiary of Work Service SA.

Antal International s.r.o. (Slovakia) – the company conducts the activity analogous to the activity of Antal Sp. z o.o. on the Slovakian market. The share capital of the company was fully covered by Work Service Slovakia s.r.o, which is an indirect subsidiary of Work Service SA.

EMG Leasing - the company based in Pittsburgh, 100 % subsidiary of ZAO Work Service Russia (100% subsidiary of Work Service SA). The company provides services of workers leasing in north-west Russia.

EMG Uprawlenie (EMG Management) - a company based in Pittsburgh, a 100% subsidiary of OAO Work Service Russia (100% subsidiary of Work Service). The company provides recruitment services of employees in north-west Russia.

Janveer Limited (BVI) - the company based in the British Virgin Islands, the 100% subsidiary of Proservice Worldwide Ltd (BVI) (100% subsidiary of Work service SA). The company provides services of employees outsourcing, selection of personnel, personal counselling and temporary work

Control + Rework Service Polska Sp. Z o.o. – the company operates in the outsourcing industry and specialises in quality control for the automotive industry on the Polish market

Control + Rework Service NV – the company operates in the outsourcing industry and specialises in quality control for the automotive industry on the Belgian market

Exact Systems Hungary LLC – the company dedicated to offer services on the Hungarian market, it provides services in terms of control, selection and repair of parts and components mostly in the automotive industry.

Work Service Fahrschule QC GmbH (the former name: Fortuncorona GmbH) – an indirect subsidiary of Work Service SA. Specialised training of workers in the logistics industry constitutes the main object of the company’s operations. The company’s operations are aimed at improving workers’ qualifications by enabling them to obtain additional licences to operate machinery and devices used in the logistics industry. The company also offers category C+E driving courses to its own employees and external clients.

Human Existence Kft.- - Indirect subsidiaries of Work Service SA 100% of company shares is owned by company Prohuman 2004 Kft (75% subsidiary of Work Service SA). Company is engaged in leasing of temporary workers and outsourcing. It operates in the north-eastern Hungary.

Work Service Deutschland GmbH- Indirect subsidiaries of Work Service SA The company is involved in intermediation on the labour market, hiring employees (temporary work), mainly in the logistics industry. The company combines the logistics know-how with the knowledge of human resources and implements intelligent staffing solutions for the trade and logistics industry. The company operates in the German market.

Work Service Gmbh & Co. KG with the seat in Dusseldorf, Germany - a limited partnership under German law (Holding Company), in which the Work Service SPV Sp. z o.o and Fiege Logistik Stiftung & Co. KG with the seat in Greven, Germany is limited partners, and Work Service GP GmbH based based in Vienna, is the general partner. The share capital of the Holding Company (fixed capital) amounts to 100,000 euros. On the date of registration of the Holding Company (i.e. as at 4 September 2014) Fiege Logistik Stiftung & Co. KG with the seat in Greven, Germany held a participating interest of 77.000 euro i.e. 77% of the capital of Holding Company, and Work Service SPV Sp. z o.o. held a share of 23,000 euros, i.e. 23% of the capital of Holding Company. The company Work Service SPV Sp. z o.o has an equity participation of 74,000 euros, i.e. 74% of capital of Holding Company and the company Fiege Logistik Stiftung & Co. KG, based in Greven, Germany has an equity participation of 26,000 euros, i.e. 26% of the capital of the Holding Company. Work Service GP GmbH, based in Vienna, which is the general partner of Holding Company, has no equity participation in it. The purpose of the Holding Company is the management of shares in other companies.

Work Service Outsourcing Deutschland GmbH – Indirect subsidiaries of Work Service SA The company offers services related to the outsourcing of processes, with special adjustment for logistics. The company operates in the German market. The uniqueness of the company is based on training and providing staff development according to customer needs. These trainings are held in more than 100 locations of the company or in cooperation with its partners in Germany.

Work Service GP GmbH – a company established and operating under the laws of Austria. The company is the general partner of Work Service GmbH & Co. KG.

HR-Rent Kft. - This company provides temporary employment in Hungary Baranya country and abroad (Austria, Germany).

Profield 2008 Kft. - is engaged in the provision of full-scope intermediary services of various financial products, i.e. financial outsourcing services.

HR Global d.o.o. - a holding company for the subsidiaries.

Naton kadrovsko svetovanje d.o.o.- the oldest HR agency in Slovenia. It holds second to third place according to size and number of agency workers in Slovenia.

Naton ljudski potencijali d.o.o. (Croatia) - the company specializes and covers Croatia with special skills recruitment, mostly in Pharma sector.

Work Service SK s.r.o.- indirect subsidiary of Work Service SA, through the company Work Service Slovakia s.r.o. The company carries out the range of services analogous to those offered by the Parent Company in Slovakia.

Kariera.pl Sp. z o.o. – a 51% subsidiary of Krajowe Centrum Pracy Sp. z o.o. The Company is the administrator of “kariera.pl” service, dedicated to premium segment candidates (employees and job offers for middle and senior managers and professionals).

Finance Care Hungary Pénzügyi Tanácsadó Kft. - as part of cooperation with insurance companies and banks, the company provides outsourcing services for these entities in the Hungarian market.

APT Resources&Services s.r.l – The company was established in 1994. It primarily operates in the following sectors: IT, banking and finance, engineering, retail, medical and pharmaceutical. The company provides services related to temporary work, recruitment and selection of employees and HR outsourcing.

APT Human Resources s.r.l. - the core operations of the company include providing temporary work, mostly in the following industries: food production, energy, finance and banking, insurance

APT Broker s.r.l. - the company provides financial intermediation services for the banking sector.

APT Finance Broker s.r.l. - the company provides financial intermediation services for the banking sector.

Work Service East Lcc – the company intermediates in hiring employees abroad.

2. Statement of Management Board on the compliance of accounting policies

The Management Board of Work Service SA hereby declares that, to the best knowledge, this semi annual consolidated financial statements and separate statements of Work Service SA and comparative information have been prepared in accordance with the applicable accounting principles, and that the report give a true and fair view of the financial position of the Work Service Capital Group.

3. Accounting principles applied

The basis of preparation of these interim condensed financial statements is the Minister of Finance Regulation of 19 February 2009 on current and periodic information published by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state (Journal of Laws of 2014, pos. 133) and it was drawn up in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and, in the extent not covered by the above standards, in accordance with the requirements of the Act of 29 September 1994 on accounting (Journal of Laws 2016 pos.1047) and the implementing regulations issued thereunder.

Certain Group entities maintain their accounting books in accordance with the policies (rules) specified in the Act on accounting of 29 September 1994 (the "Act") as amended and the regulations issued thereunder ("Polish Accounting Standards"). The consolidated financial statements include adjustments not included in the books of accounts of the Group introduced to make their financial statements compliant with IFRS.

Consolidated financial statements, as on 30 September 2017, was drawn up on the basis of the financial statements of the companies included the Capital Group in accordance with the historical cost principle.

Both the condensed consolidated financial statements and separate financial statements contain data as at 30 September 2017 and for the period from 1 January 2017 to 30 September 2017. Comparative data are presented as at 31 December 2016 for the consolidated statement of financial position and separate statements of financial position and for the period from 1 January 2016 to 30 September 2016 for the consolidated statement of comprehensive income, consolidated statement of cash flows, consolidated statement of changes in an equity and separate statements of comprehensive income, the separate cash flow statement, the separate statement of changes in equity.

Selected financial data in the initial part of the report are presented in EUR in accordance with § 85 of the Regulation of Finance of 19 February 2009 (Journal of Laws 2014 pos.133). The exchange rate as of the last day was used for balance sheet items and for items from the income statement and statement of cash flows, the average exchange rate during the period was used.

	Average EUR exchange rate in the period	EUR exchange rate on the last day of the period
01.01-30.09.2016	4.3688	4.3120
01.01-31.12.2016	4.3757	4.4240
01.01-30.09.2017	4.2566	4.3091

The accounting principles adopted in these consolidated financial statements were applied on a continuous basis and are compliant with the accounting principles applied in the last audited annual consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) approved by the European Union for the year ended 31 December 2016, apart from changes described below.

The change in the accounting policy regards the manner of presenting costs in the income statement.

The management board of Work Service SA decided that from 1 January 2017 costs will be presented using the nature of expense method. In the opinion of the management board, such information will be more useful and adequate to the shareholders.

The change in the accounting policy is voluntarily, it was intended to ensure that the information presented in the consolidated financial statements of the Work of service Capital Group is more useful and reliable.

4. Summary and explanation of differences between the data presented in these condensed consolidated financial statements and the data published in previous financial statements

In these condensed financial statements we did not make the adjustments of previously published data.

5. Revenues and results for individual segments of continuing operations in the period from the beginning of the year

An operating segment is a component of an entity:

- a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- b) which operating results are regularly reviewed by the main body responsible for operating decision in the unit and using the results to decide on the allocation of resources to the segment and when assessing the segment, as well as
- c) in the case of which separate financial information are available.

In accordance with the requirements of IFRS 8, operating segments should be identified on the basis of internal reports on components that are regularly reviewed by the persons deciding on the allocation of resources to the segment and assessing its financial performance.

The Capital Group assumes that the basic division into segments is the breakdown by economic activities. Economic activities of the Capital Group are carried out in separate subsidiaries. The vast majority of the Group's business relates to temporary work. In this report, the Capital Group has revealed information on the revenue broken down by industry segments - because in such an arrangement, it is analysed by the Management Board of the Parent Company.

The Management Board of Parent Company monitors the operating results of segments to make appropriate business decisions. The basis of assessment is the operating result, which is measured in the same manner as operating profit in the consolidated financial statements after taking into account the elimination of intersegment transactions (as outlined in the attached tables below). Transaction prices used in transactions between operating segments are determined on a commercial basis as transactions with unrelated parties.

The accounting policies used in the preparation of the financial data for the reportable segments are consistent with the Group's accounting policies described in clause 1.1.5 of the additional note to the consolidated financial statements for the year 2016 "Basic accounting policies".

Group financing (including finance costs and finance income), income taxes and share in the profit or loss of entities accounted for using the equity method are monitored at Group level and are not allocated to the segments.

Group does not use asymmetric allocation of costs and revenues for reportable segments.

Group presents the value of the profit or loss for each reportable segment, and does not represent the total assets and liabilities for each reportable segment, as these amounts are not regularly provided to main body responsible for taking operating decisions. The Group does not disclose the allocation of revenue from external customers for specific titles of products and services as the information on this topic are not available and the cost of its obtaining would be excessive.

The Group does not disclose the division of depreciation costs between segments because these data are not relevant to the business and are not submitted for review by the authorities responsible for making decisions.

The following tables present data on the revenues and costs of the Group's business segments for the quarter ended on: 30 September 2017 and comparative data for the quarter ended on 30 September 2016, as well as increasing data for the first 9 months 2017 and the first 9 months of 2016.

Continued activity 01.01.2017-30.09.2017

	Temporary work	Other	Unallocated	Total	Exclusions	Operations total
Revenues						
Sales to external customers	1 408 384 618	416 497 748		1 824 882 366		-
Internal sale	105 407 427	68 876 123		174 283 550	-174 283 550	-
Total segment revenue	1 513 792 045	485 373 871		1 999 165 916	-174 283 550	1 824 882 366
Costs						
The costs of external suppliers	1 288 599 033	277 154 179		1 565 753 213		
The costs form Group suppliers	95 832 656	40 172 448		136 005 104	-136 005 104	-
Total segment costs	1 384 431 690	317 326 627		1 701 758 317	-136 005 104	1 565 753 213
Result						
Segment profit (loss)	119 785 584	139 343 569		259 129 153		259 129 153
Unallocated costs			265 090 362	265 090 362	-46 545 704	218 544 657
Other Operating revenue						
Sales to external customers			14 493 426	14 493 426	0	
Internal sale			10 156 177	10 156 177	-10 156 177	-
Total segment revenue			24 649 603	24 649 603	-10 156 177	14 493 426
Other Operating costs						
The costs of external suppliers			13 406 123	13 406 123	0	
The costs form Group suppliers			4 566 737	4 566 737	-4 566 737	-
Total segment costs			17 972 859	17 972 859	-4 566 737	13 406 123
Result						
Profit (loss) from operating activities of the segment						41 671 800
Financial income						
Sales to external customers			3 547 896	3 547 896		-
Internal sale			108 560 874	108 560 874	-108 560 874	-
Total segment revenue			112 108 770	112 108 770	-108 560 874	3 547 896
Financial costs						
The costs of external suppliers			29 987 402	29 987 402		-
The costs form Group suppliers			116 185 056	116 185 056	-116 185 056	-
Total segment costs			146 172 458	146 172 458	-116 185 056	29 987 402
Result						
Profit (loss) on business activities						15 232 294
Result						
Gross profit (loss)						15 232 294
Tax			11 428 209	11 428 209		11 428 209
Result						
Net profit (loss) of the segment						3 804 085

Continued activity 01.01.2016-30.09.2016

	Temporary work	Other	Unallocated	Total	Exclusions	Operations total
Revenues						
Sales to external customers	1 277 965 427	365 273 795		1 643 239 222		-
Internal sale	120 313 914	66 366 657		186 680 570	-186 680 570	-
Total segment revenue	1 398 279 340	431 640 451		1 829 919 792	-186 680 570	1 643 239 222
Costs						
The costs of external suppliers	1 155 481 174	238 506 886		1 393 988 060		
The costs form Group suppliers	114 168 927	31 895 758		146 064 686	-146 064 686	-
Total segment costs	1 269 650 101	270 402 644		1 540 052 746	-146 064 686	1 393 988 060
Result						
Segment profit (loss)	122 484 253	126 766 908		249 251 161		249 251 161
Unallocated costs			260 625 865	260 625 865	-47 686 324	212 939 541
Other Operating revenue						
Sales to external customers			13 888 660	13 888 660	0	
Internal sale			15 473 937	15 473 937	-15 473 937	-
Total segment revenue			29 362 598	29 362 598	-15 473 937	13 888 660
Other Operating costs						
The costs of external suppliers			14 266 126	14 266 126	0	
The costs form Group suppliers			648 926	648 926	-648 926	-
Total segment costs			14 915 052	14 915 052	-648 926	14 266 126
Result						
Profit (loss) from operating activities of the segment						35 934 155
Financial income						
Sales to external customers			1 777 962	1 777 962		-
Internal sale			43 229 518	43 229 518	-43 229 518	-
Total segment revenue			45 007 481	45 007 481	-43 229 518	1 777 962
Financial costs						
The costs of external suppliers			23 640 496	23 640 496		-
The costs form Group suppliers			10 471 763	10 471 763	-10 471 763	-
Total segment costs			34 112 259	34 112 259	-10 471 763	23 640 496
Result						
Profit (loss) on business activities						14 071 621
Result						
Gross profit (loss)						14 071 621
Tax			10 824 220	10 824 220		10 824 220
Result						
Net profit (loss) of the segment						3 247 401

Continued activity 01.07.2017-30.09.2017

	Temporary work	Other	Unallocated	Total	Exclusions	Operations total
Revenues						
Sales to external customers	476 775 450	142 942 103		619 717 553		-
Internal sale	33 313 161	21 832 966		55 146 126	-55 146 126	-
Total segment revenue	510 088 610	164 775 069		674 863 679	-55 146 126	619 717 553
Costs						
The costs of external suppliers	438 051 326	99 215 905		537 267 231		
The costs form Group suppliers	31 354 670	12 054 123		43 408 793	-43 408 793	-
Total segment costs	469 405 996	111 270 028		580 676 024	-43 408 793	537 267 231
Result						
Segment profit (loss)	38 724 124	43 726 198		82 450 322		82 450 322
Unallocated costs			87 211 290	87 211 290	-14 322 953	72 888 337
Other Operating revenue						
Sales to external customers			5 237 067	5 237 067	0	
Internal sale			2 394 346	2 394 346	-2 394 346	-
Total segment revenue			7 631 412	7 631 412	-2 394 346	5 237 067
Other Operating costs						
The costs of external suppliers			386 256	386 256	0	
The costs form Group suppliers			261 011	261 011	-261 011	-
Total segment costs			647 267	647 267	-261 011	386 256
Result						
Profit (loss) from operating activities of the segment						14 412 795
Financial income						
Sales to external customers			219 497	219 497		-
Internal sale			9 147 246	9 147 246	-9 147 246	-
Total segment revenue			9 366 743	9 366 743	-9 147 246	219 497
Financial costs						
The costs of external suppliers			6 045 808	6 045 808		-
The costs form Group suppliers			4 104 740	4 104 740	-4 104 740	-
Total segment costs			10 150 548	10 150 548	-4 104 740	6 045 808
Result						
Profit (loss) on business activities						8 586 485
Result						
Gross profit (loss)						8 586 485
Tax			4 727 447	4 727 447		4 727 447
Result						
Net profit (loss) of the segment						3 859 037

Continued activity 01.07.2016-30.09.2016

	Temporary work	Other	Unallocated	Total	Exclusions	Operations total
Revenues						
Sales to external customers	440 007 426	116 180 886		556 188 312		-
Internal sale	39 680 918	22 481 365		62 162 283	-62 162 283	-
Total segment revenue	479 688 343	138 662 251		618 350 595	-62 162 283	556 188 312
Costs						
The costs of external suppliers	394 179 939	75 239 181		469 419 120		
The costs form Group suppliers	37 879 564	11 838 385		49 717 949	-49 717 949	-
Total segment costs	432 059 503	87 077 566		519 137 069	-49 717 949	469 419 120
Result						
Segment profit (loss)	45 827 487	40 941 706		86 769 192		86 769 192
Unallocated costs			84 347 167	84 347 167	-15 388 185	68 958 982
Other Operating revenue						
Sales to external customers			3 528 706	3 528 706	0	
Internal sale			4 235 627	4 235 627	-4 235 627	-
Total segment revenue			7 764 333	7 764 333	-4 235 627	3 528 706
Other Operating costs						
The costs of external suppliers			3 967 937	3 967 937	0	
The costs form Group suppliers			610 426	610 426	-610 426	-
Total segment costs			4 578 363	4 578 363	-610 426	3 967 937
Result						
Profit (loss) from operating activities of the segment						17 370 980
Financial income						
Sales to external customers			466 871	466 871		-
Internal sale			3 604 393	3 604 393	-3 604 393	-
Total segment revenue			4 071 264	4 071 264	-3 604 393	466 871
Financial costs						
The costs of external suppliers			8 345 034	8 345 034		-
The costs form Group suppliers			2 789 401	2 789 401	-2 789 401	-
Total segment costs			11 134 435	11 134 435	-2 789 401	8 345 034
Result						
Profit (loss) on business activities						9 492 817
Result						
Gross profit (loss)						9 492 817
Tax			3 271 284	3 271 284		3 271 284
Result						
Net profit (loss) of the segment						6 221 533

Revenue from external customers attributed to the country in which the entity is established (Poland) and assigned to all other countries jointly in which the entity derives its revenues, are presented in the table below:

NET REVENUES	2017	[%]	2016	[%]
	3 Quarters	share	3 Quarters	share
Poland	931 239 859	51.0%	863 231 735	52.5%
Abroad	893 642 507	49.0%	780 007 486	47.5%
Total	1 824 882 366	100.0%	1 643 239 222	100.0%

NET REVENUES	2017	[%]	2016	[%]
	3rd Quarter	share	3rd Quarter	share
Poland	306 477 684	16.8%	295 464 164	53.1%
Abroad	313 239 868	17.2%	260 724 148	46.9%
Total	619 717 553	34.0%	556 188 312	100.0%

The Group does not identify the distribution of fixed assets located in the country in which the entity is established and located in all other countries jointly, in which the entity maintains its assets. From the Group's point view, such a division is not relevant to the business.

Structure of sale of services of the Work Service Capital Group together with comparative data in geographical foreign markets.

NET REVENUES	2017	[%]	2016	[%]
	3 Quarters	share	3 Quarters	share
Poland	931 239 859	51.0%	863 231 735	52.5%
Czech Republic	84 452 368	4.6%	65 381 642	4.0%
Slovakia	58 562 930	3.2%	56 081 014	3.4%
Germany	221 377 619	12.1%	225 851 201	13.7%
Russia	2 259 985	0.1%	1 182 971	0.1%
Romania	71 440 757	3.9%	8 621 316	0.5%
Turkey	12 318 426	0.7%	9 684 763	0.6%
Hungary	357 893 934	19.6%	340 723 634	20.7%
England	8 680 221	0.5%	6 072 455	0.4%
Belgium	18 157 544	1.0%	17 447 158	1.1%
Slovenia	57 028 879	3.1%	48 940 158	3.0%
China	942 403	0.1%	21 175	0.0%
Croatia	527 441	0.0%	0	0.0%
Total	1 824 882 366	100.0%	1 643 239 222	100.0%

NET REVENUES	2017	[%]	2016	[%]
	3rd Quarter	share	3rd Quarter	share
Poland	306 477 684	49.5%	295 464 164	53.1%
Czech Republic	28 909 101	4.7%	22 398 827	4.0%
Slovakia	19 086 106	3.1%	16 551 407	3.0%
Germany	79 973 598	12.9%	76 402 698	13.7%
Russia	785 504	0.1%	440 449	0.1%
Romania	30 030 392	4.8%	3 532 713	0.6%
Turkey	3 044 136	0.5%	3 312 378	0.6%
Hungary	122 211 496	19.7%	115 348 213	20.7%
England	3 169 091	0.5%	1 939 666	0.3%
Belgium	6 781 771	1.1%	4 797 570	0.9%
Slovenia	18 634 193	3.0%	15 979 053	2.9%
China	500 991	0.1%	21 175	0.0%
Croatia	113 491	0.0%	0	0.0%
Total	619 717 553	100.0%	556 188 312	100.0%

Due to the fact that the activity of the Parent Company is homogeneous in terms of the type of services, significant clients and the legal environment, the Company determines its entire activities as temporary employment segment (77% of total services provided). Accordingly, the Company does not identify reportable segments.

The share of the top 10 customers in the total revenues of Work Service Capital Group.

NET REVENUES	2017 3 quarters	[%] share
Automotive	130 080 689	7.1%
Call center	69 400 399	3.8%
Industry and other	30 903 274	1.7%
Electronics	26 710 214	1.5%
Other services	24 368 050	1.3%
Other services	21 259 262	1.2%
Financial and Insurance Services	21 079 940	1.2%
Automotive	16 567 126	0.9%
Automotive	14 614 551	0.8%
Other services	12 310 506	0.7%

SEPARATE FINANCIAL STATEMENTS OF WORK SERVICE SA

Statement of Financial Position of Work Service SA as at 30 September 2017

ASSETS	as at 30.09.2017	as at 31.12.2016
FIXED ASSETS	530 858 358.17	607 077 354.87
Intangible assets	36 379 610.48	36 230 028.37
Tangible fixed assets	11 911 837.91	12 225 191.40
Investment real estates	4 051 188.00	0.00
Other financial assets	402 588 386.62	538 840 964.25
Other long-term assets	4 234 660.00	4 234 660.00
Other long-term financial assets	59 462 000.00	3 075 000.00
Deferred income tax assets	12 065 856.14	12 065 856.14
Accruals	164 819.02	405 654.71
CURRENT ASSETS	266 923 630.15	248 046 390.96
Inventories	11 294 195.14	9 666 322.01
Trade and other receivables	94 918 219.42	70 313 132.73
Other financial assets	133 060 416.02	161 364 592.84
Other short-term assets	4 830 026.08	4 830 026.08
Cash and cash equivalents	20 239 554.49	161 019.56
Accruals	2 581 219.00	1 711 297.74
TOTAL ASSETS	797 781 988.32	855 123 745.83
LIABILITIES		
EQUITY	242 741 421.09	291 275 509.88
Share capital	6 509 482.30	6 509 482.30
Supplementary capital	285 450 630.04	287 458 678.33
Net profit (loss)	-49 218 691.25	-2 692 650.75
LIABILITIES AND RESERVES		
Provisions for liabilities	4 583 778.70	3 900 774.70
Deferred income tax provision	1 888 415.10	1 888 415.10
Provisions for retirement and similar benefits	1 063 479.81	983 893.75
Other provisions (short-term)	1 631 883.79	1 028 465.85
Long-term liabilities	224 340 710.21	217 447 133.13
1. To related entities	0.00	0.00
2. To other entities	224 340 710.21	217 447 133.13
Long-term loans and credits	191 956 855.21	123 588 042.21
Liabilities from issuance of debt securities	32 383 855.00	91 797 244.30
Other financial liabilities	0.00	1 889 298.78
Other liabilities	0.00	172 547.84
Short-term liabilities	326 013 119.99	342 493 328.12
1. To related entities	229 235 082.69	195 766 764.74
2. To other entities	96 778 037.30	146 726 563.38
Liabilities from issuance of debt securities	0.00	19 691 508.89
Other financial liabilities	6 407 346.58	8 720 371.85
Credits and loans	21 916 989.31	25 029 249.90
Trade payables	7 494 294.94	8 118 060.37
Liabilities for taxes, duties, insurance and other benefits	39 909 074.43	57 570 763.16
Liabilities for remuneration	15 520 452.17	20 666 079.93
Other liabilities	5 529 879.87	6 930 529.28
3. Special funds	0.00	0.00
Accruals	102 958.33	7 000.00
TOTAL LIABILITIES	797 781 988.32	855 123 745.83

**Statement of comprehensive income of Work Service SA for the period of
3 months ended 30 September 2017 and 9 months ended 30 September 2017**

	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016	01.07.2017- 30.09.2017	01.07.2016- 30.09.2016
Revenues	426 713 978.96	422 198 504.43	139 364 099.43	147 657 239.89
Net revenues from sales of products	425 292 412.93	421 246 577.76	138 978 587.08	147 288 128.74
Variation in stocks of products	1 421 566.03	951 926.67	385 512.35	369 111.15
Manufacturing cost of products for entity's own purposes	0.00	0.00	0.00	0.00
Net income on sale of goods and materials	0.00	0.00	0.00	0.00
Operating costs	436 281 896.36	425 968 081.02	143 222 707.66	147 448 304.87
Depreciation	3 823 918.99	3 792 461.59	1 293 252.22	1 116 881.01
Consumption of materials and energy	1 849 487.40	1 510 018.93	538 753.64	468 759.23
Outside services	90 462 773.06	83 225 313.01	29 405 911.75	28 994 737.69
Taxes and charges	822 007.14	530 349.21	194 431.55	192 516.06
Remuneration	281 140 412.89	278 893 318.89	92 927 668.53	97 231 168.43
Social insurance and other benefits	54 570 439.91	52 776 508.11	17 796 196.89	18 209 970.06
Other generic expenses	3 612 856.97	5 240 111.28	1 066 493.08	1 234 272.39
Value of goods and materials sold	0.00	0.00	0.00	0.00
Profit (loss) on sales	-9 567 917.40	-3 769 576.59	-3 858 608.23	208 935.02
Other operating incomes	8 661 798.48	7 505 183.08	2 513 674.25	2 153 819.26
Other operating costs	7 164 213.22	5 697 138.19	1 540 103.57	1 669 200.48
Profit (loss) on operating activities	-8 070 332.14	-1 961 531.70	-2 885 037.55	693 553.80
Profit from the sale of subsidiary ITK	68 688 052.34	0.00	0.00	0.00
Loss from the sale of 49% of shares in the subsidiary Proservice gross of impairment losses	-144 912 967.88	0.00	-981 216.82	0.00
Operating profit (loss) ADJUSTED	-84 295 247.68	-1 961 531.70	-3 866 254.37	693 553.80
Financial incomes	62 592 756.73	26 643 885.48	2 967 157.60	407 329.35
Financial costs	27 516 200.30	21 931 525.63	6 477 445.47	7 123 891.85
Gross profit	-49 218 691.25	2 750 828.15	-7 376 542.24	-6 023 008.70
Income tax	0.00	1 144 379.21	0.00	215 057.00
Net profit (loss)	-49 218 691.25	1 606 448.94	-7 376 542.24	-6 238 065.70
Other comprehensive income				
Items that will not be reclassified to profit or loss in subsequent periods:				
- none				
Items that may be reclassified to profit or loss in subsequent periods :				
- none				
Total other comprehensive income	0.00	0.00	0.00	0.00
Comprehensive income for the period	-49 218 691.25	1 606 448.94	-7 376 542.24	-6 238 065.70
Net profit (loss) attributable to shareholders:	-49 218 691.25	1 606 448.94	-7 376 542.24	-6 238 065.70
Earnings per share from continuing and discontinued operations attributable to shareholders during the year (in PLN)				
From continuing operations:				
- basic	-0.76	0.02	-0.11	-0.10
- diluted	-0.75	0.02	-0.11	-0.10
From discontinued operations:				
- basic	0	0	0	0
- diluted	0	0	0	0

Statement of Cash Flows of Work Service SA for the period of 9 months ended 30 September 2017

	01.01.2017-30.09.2017	01.01.2016-30.09.2016
A. Cash flow on operating activity		
I. Net profit (loss)	-49 218 691.25	1 606 448.94
II. Total adjustment	-12 511 806.33	20 310 572.86
1. Depreciation	3 823 918.99	3 792 461.59
2. Profit (Loss) due to exchange rate differences	0.00	-6 656 153.77
3. Interest and participation in profits (dividends)	7 753 948.32	-5 489 988.35
4. Profit (loss) on investment activities	-7 051 321.44	0.00
5. Change in reserves	1 137 435.09	1 522 186.33
6. Change in inventory	-1 627 873.13	-970 255.28
7. Change in receivables	-30 593 882.25	1 927 484.33
8. Change in current liabilities, except for loans and credits	-20 540 522.78	25 728 124.83
9. Change in accruals	-533 127.24	-914 994.24
10. Other adjustments	35 119 618.11	1 371 707.42
III. Net cash flows from operating activities (I+II)	-61 730 497.58	21 917 021.80
B. Cash flow on investment activity		
I. Incomes	374 474 425.80	339 377 024.03
1. Disposal of intangible fixed assets	0.00	0.00
2. Disposal of investment property and intangible assets	0.00	0.00
3. From financial assets, including:	374 474 425.80	339 377 024.03
a) in related entities	312 834 466.12	278 812 558.21
b) in other entities	61 639 959.68	60 564 465.82
- disposal of financial assets	0.00	0.00
- dividends and profit sharing	0.00	0.00
- Repayment of long-term loans	61 613 296.55	60 445 205.43
- interest	26 663.13	119 260.39
- Other income from financial assets	0.00	0.00
4. Other investment income	0.00	0.00
II. Expenditures	3 660 147.61	430 585 541.52
1. Acquisition of intangible and tangible fixed assets	3 660 147.61	4 595 034.46
2. Investments in real estate and intangible assets	0.00	0.00
3. For financial assets, including:	0.00	425 990 507.06
a) in related entities	0.00	363 337 155.73
b) in other entities	0.00	62 653 351.33
- acquisition of financial assets	0.00	0.00
- long-term loans granted	0.00	62 653 351.33
4. Other investment expenses	0.00	0.00
III. Net cash flows from investing activities (I-II)	370 814 278.19	-91 208 517.49

C. Cash flow on financial activity		
I. Incomes	455 772 964.92	91 329 041.23
1. Net incomes on issue of shares and other capital instruments and additional payments to capital	0.00	0.00
2. Credits and loans	435 772 964.92	91 329 041.23
3. Issuance of debt securities	20 000 000.00	0.00
4. Other financial income	0.00	0.00
II. Expenditures	744 778 210.60	22 668 589.36
1. Acquisition of shares (stocks)	0.00	0.00
2. Dividends and other payments for owners	0.00	0.00
3. Other than payments for owners, expenses related to profit distribution	0.00	0.00
4. Credits and loans repayments	634 140 346.57	8 550 000.00
5. Redemption of debt securities	100 000 000.00	0.00
6. Due to other financial liabilities	0.00	0.00
7. Payment of liabilities on account of financial leasing contracts	0.00	1 744 679.95
8. Interest	10 183 432.94	11 581 095.64
9. Other financial expenses	454 431.09	792 813.77
III. Net cash flows from financial activities (I-II)	-289 005 245.68	68 660 451.87
D. Net cash flow total (A.III. + B.III + C.III)	20 078 534.93	-631 043.82
E. Balance sheet change in cash and cash equivalents, including:	20 078 534.93	-631 043.82
- change of cash resources due to exchange rate differences	0.00	0.00
F. Cash resources at the beginning of period	161 019.56	985 588.17
G. Cash resources at the end of period, including	20 239 554.49	354 544.35
- with restricted availability	0.00	0.00

Statement of changes in equity of Work Service SA

01.01.2017-30.09.2017	Share capital	Other capital / supplementary capital	Retained earnings	Equity capital
As at 1 January 2017	6 509 482.30	287 458 678.33	-2 692 650.75	291 275 509.88
Net profit (loss) for the financial year	0.00	0.00	-49 218 691.25	-49 218 691.25
Managers programme	0.00	684 602.46	0.00	684 602.46
Distribution of result for 2016 to supplementary capital:	0.00	-2 692 650.75	2 692 650.75	0.00
As at 30 September 2017	6 509 482.30	285 450 630.04	-49 218 691.25	242 741 421.09

01.01.2016-31.12.2016	Share capital	Other capital / supplementary capital	Retained earnings	Equity capital
As at 1 January 2016	6 509 482.30	270 989 281.45	14 869 499.64	292 368 263.39
Net profit (loss) for the financial year	0.00	0.00	-2 692 650.75	-2 692 650.75
Managers programme	0.00	1 599 897.24	0.00	1 599 897.24
Distribution of result for 2015 to supplementary capital:	0.00	14 869 499.64	-14 869 499.64	0.00
As at 31 December 2016	6 509 482.30	287 458 678.33	-2 692 650.75	291 275 509.88

01.01.2016-30.09.2016	Share capital	Other capital / supplementary capital	Retained earnings	Equity capital
As at 1 January 2016	6 509 482.30	270 989 281.45	14 869 499.64	292 368 263.39
Net profit (loss) for the financial year	0.00	0.00	1 606 448.94	1 606 448.94
Managers programme	0.00	1 371 707.42	0.00	1 371 707.42
Distribution of result for 2015 to supplementary capital:	0.00	14 869 499.64	-14 869 499.64	0.00
As at 30 September 2016	6 509 482.30	287 230 488.51	1 606 448.94	295 346 419.75

OVERVIEW OF THE INTERIM REPORT OF THE WORK SERVICE GROUP FOR THE 3 QUARTERS OF 2017

1. Significant achievements or failures of the Company in the first three quarters of 2017, including a list of the biggest events related to them.

The table below presents the selected items of the profit and loss account, including the profit/loss from continued and discontinued operations (including the ITK Group till 30.06.2017 and Proservice profit/loss) for the period 01.01.2017-30.09.2017 and for the period 01.01.2016-30.09.2016.

Selected items of the profit and loss account (in PLN) from discontinued and continued operations	2017 – 3Q	2016 – 3Q	Growth 2017/2016
Sales revenue	1 975 027 097.21	1 819 817 720.00	8.53%
Operating expenses	1 923 161 155.82	1 764 707 763.45	8.98%
Sales profit (loss)	51 865 941.39	55 109 956.55	-5.89%
Operating profit (loss)	51 913 460.32	55 020 253.92	-5.65%
EBITDA	64 537 364.15	66 812 553.31	-3.41%
Gross profit (loss)	-56 067 591.92	32 237 557.09	-273.92%
Net profit (loss)	-80 199 632.99	8 767 336.41	-1014.75%

Source: Work Service Capital Group

The table below presents the selected items of the profit and loss account from continued operations for the Work Service Capital Group for the period 01.01.2017-30.09.2017 and for the period 01.01.2016-30.09.2016.

Selected items of the profit and loss account (in PLN) from continued operations	2017 – 3Q	2016 – #Q	Growth 2017/2016
Sales revenue	1 824 882 365.83	1 643 239 221.51	11.05%
Operating expenses	1 784 297 870.03	1 606 927 600.80	11.04%
Sales profit (loss)	40 584 495.80	36 311 620.71	11.77%
Operating profit (loss)	41 671 799.72	35 934 154.57	15.97%
EBITDA	52 191 762.26	45 899 646.79	13.71%
Gross profit (loss)	15 232 293.58	14 071 621.28	8.25%
Gross profit (loss) from continued operations	3 804 084.75	3 247 401.36	17.14%

In the first three quarters of 2017, the Work Service Group posted higher profit/loss from continued operations than this generated in the corresponding period of 2016. Unlike previous years, this was mainly a result of the Group buoyant organic growth with a limited impact of acquisitions.

In the first three quarters of 2017, the Work Service Group posted the following profit/loss from continued operations:

- Sales revenue at PLN 1,824,882 thous. vis-à-vis PLN 1,643,239 thous. in 2016, which shows a strong growth of over 11%. This development has been primarily based on a solid organic growth of 7.3%, this confirming that the Group not only expands successfully through new acquisitions, but also successfully develops existing business and territorial lines in the Group.
- The expanding scale of business also translates into the Capital Group profit/loss, which posted a strong growth in sales profit and EBIT respectively 11.77% and 15.97%.

- The reported loss on net profit stems from one-off sales transaction of the Proservice Groups and resulting write-downs of assets.

The above performance confirms by the buoyant development of the Capital Group - this strategy (including expansion into new markets as well as new market segments) will also be implemented in the subsequent periods to attain development comparable to the largest companies operating in the HR industry worldwide.

The first nine months of 2017 also featured a completed sales process of significant assets of the Group such as IT Kontrakt and Proservice Group companies. The sale of assets is part of the Company's long-term strategy aimed at reducing the Group's financial indebtedness. Revenues from the sale of shares in the IT Kontrakt alone exceeded PLN 146 million while attaining above-average profit on this transaction. Sales revenues were used, by way of illustration, for early redemption of bonds in the amount of PLN 80 million.

2. Description of factors and events, in particular those of unusual nature, having considerable impact on the achieved financial results

The first six months of 2017 saw the finalisation of sale of IT Kontrakt Sp. z o.o. as well as the Proservice Group. Both transactions were of one-off nature and had a significant impact on the profit/loss posted.

As a result of ITK sale, the following profit/loss was posted:

Sales price less sales costs	140 604 526.56
Assets sold net	-19 439 484.13
Undepreciated goodwill	-44 278 758.43
Minority interests	2 445 493.76
Profit on disposal of ITK Group	79 331 777.76

Whereas the agreement was concluded for the sale of 49% of shares in the Proservice group, the impairment loss in respect of the revaluation to fair value was recognised as at 30 September 2017

Sale price	7 000 000.00
Surety for a debt by Prologics	20 500 000.00
Impairment losses on assets net	-17 489 901.13
Goodwill impairment	-97 829 707.40
Write-off for receivables that WSSA posted from the Proservice Group	-70 667 839.16
Net loss from revaluation to fair value	-158 487 447.69

Based on the extrapolation of the profit/loss posted by the Proservice Group companies for the first nine months of the year, the total sale price including the debt guarantee of PLN 27,500,000 represents 5.1 times the operating profit

3. Clarification concerning seasonality and cyclicity of the operations of the Capital Group in the presented period

The activity of Work Service Capital Group is characterised by certain seasonality. The historical analysis of the evolution of the revenues from the core business shows that revenues generated in the first half of previous years accounted for about 40-45% of their annual volume.

4. Information concerning the issuance, redemption and repayment of non-equity and equity securities

4.1 Issuance of non-equity securities

On 30 March 2017, the Management Board of Work Service S.A., through Krajowy Depozyt Papierów Wartościowych S.A., redeemed bonds S series ISIN number - PLWRKSR0076 (the "Bonds") with a total nominal

value of 20,000,000.00 zlotys, thereby the Krajowy Depozyt Papierów Wartościowych S.A. shall deregister bought securities from the accounts of the participants.

On 30 June 2017, through the National Depository for Securities in Poland S.A., it made a total early purchase in order to redeem U series bonds ISIN No. – PLWRKSR00084 in the total nominal value of PLN 80,000,000. According to the above, the National Depository for Securities in Poland S.A. has deregistered the purchased securities from the parties' accounts.

On 13 September 2017 the Management Board of the Company adopted a resolution no. 2 on bonds issuance ("Issuance Resolution"). Under the Issuance Resolution, the Management Board of the Company decided to issue, by submitting a bond purchase offer to the given addressee, in the number of not more than 149 addressees, secured ordinary bearer bonds with variable interest rate, in the number up to 60,000 bonds within one or two issues, with unit nominal value of PLN 1,000 ("Bonds").

On 13 September 2017, as a result of subscribing and paying by investors 20,000 offered ordinary bearer W series bonds with nominal value of PLN 1,000 each and total nominal value of PLN 20,000,000.00, the Management Board of the Company allotted the bonds pursuant to resolution no. 2 of 13 September 2017, and therefore the issue of bonds has come into effect.

4.2 Issuance of equity securities

On 19 April 2017 the Extraordinary General Meeting of Work Service S.A. in the resolution no 3/2017 increased the share capital of the Company by the amount of PLN 189,618.70 through the issuance in a private placement of 1,896,187 common bearer shares of the X series, with the exclusion of pre-emptive rights of the current shareholders

The issuance of the X Series Shares shall be carried out by private subscription addressed to PROFÓLIÓ PROJEKT TANÁCSADÓ KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG, a company established under the Hungarian law with its registered seat in Budapest.

The total issue price of 1,896,187 Series X Shares has been determined as the amount of 20,538,720,54 Polish zlotys.

The subscription opening date has been set for 15 June 2017 and the closing date for subscription – for 30 June 2017.

The shares have failed to be taken up within the prescribed time-frame.

On 13 July 2017 the Extraordinary General Meeting of Work Service S.A. in the resolution no 3/2017 increased the share capital of the Company by the amount of PLN 189,618.70 through the issuance in a private placement of 1,896,187 common bearer shares of the X series, with the exclusion of pre-emptive rights of the current shareholders

The issuance of the X Series Shares shall be carried out by private subscription addressed to PROFÓLIÓ PROJEKT TANÁCSADÓ KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG, a company established under the Hungarian law with its registered seat in Budapest.

The total issue price of 1,896,187 Series X Shares has been determined as the amount of 20,538,720,54 Polish zlotys.

Once the shares have been taken up, the share capital of the Company will amount to PLN 6,699,101.00.

The agreement on taking up X Series Shares should be concluded no later than on 30 October 2017

The shares have failed to be taken up within the prescribed time-frame.

5. Approval of the financial statements for the previous year and information regarding dividends paid or declared during the period from the beginning of the year

Separate financial statements of Work Service SA for the previous financial year, i.e. year 2016, was approved by Resolution No. 4/2017 at the meeting of the Ordinary General Meeting of Work Service SA on 28 June 2017. A consolidated financial statement of Work Service SA for the previous financial year, i.e. year 2016, was approved by Resolution No. 7/2017 at the Ordinary General Meeting of Work Service SA on 28 June 2017.

Pursuant to Resolution No. 5/2017 of the Ordinary General Meeting, adopted on 28 June 2017 Work Service S.A. decides to cover a loss generated by the Company in the year 2016 in the amount of PLN 2,692,650.75 with the profits generated in subsequent years.

6. Events that occurred after the date on which the condensed consolidated financial statements were prepared, not included in this report, and which may significantly affect the future financial results of the Capital Group

On 3 October 2017, as a result of subscribing and paying by investors 12,000 offered ordinary bearer Y series bonds with nominal value of PLN 1,000 each and total nominal value of PLN 12,000,000.00, the Management Board of the Company allotted the bonds pursuant to resolution no. 2 of 13 September 2017, and therefore the issue of bonds has come into effect

On 23 October 2017 the Issuer, as the purchaser, concluded with Profólió Projekt Tanácsadó Kft. (the "Seller") with its registered seat in Budapest, Hungary, a new purchase agreement of the remaining 25% of shares in the share capital of Prohuman 2004 Kft. ("Prohuman") with its registered seat in Budapest, Hungary (the "Shares") (the "Agreement"). The new Agreement replaces the Agreement of 13 December 2016 and the Agreement of 5 July 2017, about which the Issuer informed in the current report no. 69/2016 and the current report no. 66/2017 respectively. The sale shall take place in three tranches.

The First Tranche includes 5,22 % of shares in the share capital of Prohuman and shall take place on 25 October 2017 for the price of 1,530,000,000 Hungarian Forints ("HUF").

The Second Tranche shall include 4,58% of shares in the share capital of Prohuman, and shall take place on 31 January 2018 for the price of 1,460,000,000 HUF. The Issuer may delay the acquisition of shares covered by the Second Tranche but not later than the date of the Third Tranche. In such a case, Seller shall be entitled to interest on delayed payment at the annual rate of 8%.

The Third Tranche shall include 14,8% of shares in the share capital of Prohuman. The sale of the aforesaid shares shall take place by 27 April 2018 for the price of 4,115,000,000 HUF or if after 27 April 2018 but not later than 29 June 2018 for the price of 4,335,000,000 HUF. Once that tranche is paid, the Issuer shall be the owner of 100% of shares in the share capital of Prohuman.

In the event of any delays in payments other than those described in the section above, the Parties to the Agreement have agreed on interest on delayed payment at the annual rate of 20%. No Third Tranche payment will also give the Seller the right to terminate the Agreement.

On 25 October 2017 Work service S.A. has started activities to acquire shares within First Tranche of shares in the share capital of Prohuman 2004 Kft. ("Prohuman") with its seat in Budapest took place, pursuant to the share acquisition agreement concluded with Profólió Projekt Tanácsadó Kft. with its seat in Budapest on 23 October 2017, which was completed today - 26 October 2017, as a result of today's transfer of the price of the First Tranche. The transaction covered 5.22% of shares in the share capital of the Prohuman company.

The Issuer acquired 5.22% of shares in the share capital of the Prohuman company for the amount of 1,530,000,000 Hungarian forints.

Accordingly, on 26 October 2017 took effect signed on 25 October 2017 a transfer of 5, 22% of shares in the share capital of Prohuman. Therefore, the Issuer owns 80.22% of shares in the share capital of Prohuman.

OTHER INFORMATION

1. Information about changes in structure of the business entity, including as a result of a business entity mergers, acquisition or disposal of Capital Group entities, long-term investments, devision, restructuring and discontinued operations.

Dissolution of Work Service Acquisition

On 31 January 2017 the Management Board of Work Service S.A. (The "Issuer") informed about the dissolution on this day of the Issuer's subsidiary - Work Service Acquisitions Ltd. with its registered office in London, United Kingdom, registration number of entrepreneurs - 06419129 (the "Subsidiary").

The Issuer held 100% of the share capital of the Subsidiary.

Liquidation of the Subsidiary is associated with the implementation of the development strategy of the Issuer providing Consolidating and optimizing the use of existing resources within the Group. Due to the inactive nature of the Subsidiary Company, the Issuer has decided to terminate it.

Conclusion of a conditional purchase agreement by Exact Systems S.A.

On 1 February 2017 Exact Systems S.A. with its registered office in Częstochowa ("Exact Systems") concluded with two foreign companies ("the Seller") a conditional purchase agreement of 100 % of shares in a Portuguese limited liability company under the name QLS AUTOMOTIVE – SERVIÇOS DE CONTROLO DE QUALIDADE E LOGISTICA, LDA. ("The Portuguese Company") ("the Shares") ("the Agreement").

Under the agreement concluded by the parties on 6 September 2017, the final (definitive) agreement on the acquisition of QLS shares should be concluded by 30 November 2017 or by 28 February 2018 if the conditions set out in the agreement are met.

The purchase price for the Shares shall be EUR 9,200,000 and shall be adjusted by the net amount of debt according to the value as at 28 February 2017 ("the Price").

The conclusion of the share purchase agreement by Exact Systems depends on meeting the conditions precedent including: (i) reaching a determined EBITDA level, (ii) no breach of guarantee and warranties made by sellers in the Agreement, that would result in losses or damages of more than 20% of the Price, (iii) obtaining required corporate approvals, (iv) obtaining consents from bodies that finance the Portuguese Company.

The final agreement for the purchase of shares in QLS should be entered into on 30 October 2017.

Sellers' liability for any loss or damage resulting from infringements specified in the Agreement (including untrue guarantees and warranties) is differentiated in terms of time, depending on a breach and limited to the amount of EUR 1,200,000.

The Agreement provides a three-year non-compete clause limited in territory. In case of breach of that clause, Exact Systems is entitled to claim from the Sellers a contractual penalty. Exact Systems is entitled to claim a compensation exceeding a contractual penalty.

The Portuguese Company is the only shareholder of three entities that operate in Portugal and Spain.

The Agreement has been concluded under the Portuguese law.

Other provisions of the Agreement do not differ from commonly applied terms and conditions for this type of agreement. The transaction concerning the purchase of 100% of shares in the Portuguese company is an element of the acquisition strategy of Exact Systems S.A.

Signing of an annex to the term-sheet by Exact Systems S.A.

On 21 March 2017 the Management Board of the Issuer informed that it became aware that the Issuer's subsidiary, i.e. Exact Systems ("Subsidiary"), with its registered office in Częstochowa, concluded the annex to the "term sheet" document of 15 July 2016 on the activities for the acquisition transaction to be executed in the future.

The Parties agreed that the Subsidiary within the acquisition transaction will acquire 100% of existing shares of the French limited liability company ("French Company"), 100% of existing shares of the Romanian limited liability company ("Romanian Company"), 100% of existing shares of the Turkish limited liability company ("Turkish Company") and 100% of existing shares of two Moroccan limited liability companies ("Moroccan Companies") [operating] in the outsourcing industry and specialising in the quality control for the automotive industry ("Potential Transaction"), whereas the

The preliminary purchase agreements of shares of the French, Romanian and Turkish Company and Moroccan Companies shall be concluded until 31 May 2017.

The purchase agreements of shares of the French, Romanian and Turkish Company and Moroccan Companies shall be concluded not later than on 30 June 2017.

Whereas the term sheet has expired, negotiations are underway to renew its validity.

Purchase of four companies by Prohuman 2004 Kft

On 28 February 2017, Prohuman 2004 Kft purchased the control over four Hungarian companies:

APT Resources&Services s.r.l.,

APT Human Resources s.r.l.,

APT Broker r.s.l.,

APT Finance Broker s.r.l.

Prohuman 2004 Kft purchased 80% of shares in each of the companies. Due to the fact that Work Service SA holds 75% of shares in the share capital of Prohuman 2004 Kft., the consolidated data of the Work Service Group disclose goodwill calculated as the purchase of 60% of shares in the share capital is of those companies.

Figures converted to PLN are presented in the following table:

Provisional settlement of company purchases converted to PLN	Purchase price	Net asset value	Net fair value of acquired assets	Goodwill on acquisition
APT Human Resources s.r.l.	919.32	-139,358.25	-83,614.95	84,534.28
APT Broker s.r.l.	1,001,671.11	247,359.28	148,415.57	853,255.54
APT Finance Broker s.r.l.	919.32	-176,195.01	-105,717.00	106,636.33
APT Resources&Services s.r.l.	5,954,378.24	1,934,972.40	1,160,983.44	4,793,394.80
TOTAL	6,957,888.00	1,866,778.43	1,120,067.06	5,837,820.94

In 2017 Q2 the acquisitions of APT Group companies were finally accounted for. Figures in PLN are presented in the table below:

Final account for the acquisition of companies in PLN	Purchase price	Net asset value	Net fair value of acquired assets	Goodwill on acquisition
APT Human Resources s.r.l.	891.63	-139 358.25	-83 614.95	84 506.58
APT Broker s.r.l.	1 132 203.27	247 359.28	148 415.57	983 787.70
APT Finance Broker s.r.l.	891.63	-176 195.01	-105 717.00	106 608.64
APT Resources&Services s.r.l.	6 730 319.34	1 934 972.40	1 160 983.44	5 569 335.90
TOTAL	7 864 305.87	1 866 778.43	1 120 067.06	6 744 238.82

Conclusion of the agreement on the purchase of shares in Stermedia Sp. z o.o.

On 8 May 2017 Work Service SA acquired 101 shares in the share capital of Stermedia Sp. z o.o. of the nominal value of PLN 50 each, this representing 75.37% of the share capital for PLN 299,139. Previously, Work Service SA exercised control over this company indirectly through IT Kontrakt Sp. z o.o.

Conclusion of the agreement on the purchase of shares in Work Service SPV Sp. z o.o.

On 8 May 2017 work Service SA acquired 609 shares in the share capital of Work Service SPV Sp. z o.o. of the nominal value of PLN 50 each, this representing 0.82% of the share capital for PLN 281,741.

Conclusion of the Heads of terms agreement on the disposal of IT Kontrakt Sp. z o.o.

On 10 February 2017, the Company and Cornerstone Partners sp. z o.o. executed a non-binding Head of terms specifying the terms of the intended Transaction _as defined below.

On 31 March 2017 the Company and SO SPV 118 sp. z o.o. with its registered office in Warsaw, a special purpose vehicle controlled by Cornerstone Partners sp. z o.o. acting jointly with Oaktree Capital Management UK LLP "Buyer" signed a preliminary conditional share purchase agreement related to the sale by the Company to the Buyer of 9,495 shares in IT Kontrakt sp. z o.o. with its registered office in Wrocław "ITK" "Shares" representing 94,95% of its share capital for the price of PLN 147,572,500 subject to a price adjustment, if any, under the following conditions preliminary: i obtaining bondholders' consent for early repayment of the U series bonds issued by the Company and

ii obtaining the approval of the investment committee of Oaktree Capital Management UK LLP together with releasing appropriate letter from the Oaktree funds, iii the Company acquiring 1,077 shares in ITK and iv obtaining approvals of third parties, including the consent of the banks financing the Company and the consent of the President of the Office of Competition and Consumer Protection "Inside Information" "Transaction". The performance of the share purchase agreement has been secured with mutual contractual penalties up to the maximum amount of PLN 7,000,000.

On 8 June 2017 Work Service SA acquired 1,077 shares in the share capital of IT Kontrakt Sp. z o.o. of the nominal value of PLN 50 each and the total nominal value of PLN 53,850, this representing 10.77% of the share capital of IT Kontrakt sp. z o.o. The sale price was PLN 11,400,000.

On the 8 June 2017 of the last condition precedent set forth in the preliminary conditional share purchase agreement concerning the sale of 94.95% of shares in IT Kontrakt sp. z o.o. with its registered office in Wrocław ("ITK") concluded on 31 March 2017 between the Company and SO SPV 118 sp. z o.o. with its registered office in Warsaw, an SPV controlled by Oaktree Capital Management (UK) LLP acting jointly with Cornerstone Partners sp. z o.o.

On 30th June, 2017 the Agreement was fulfilled

The price paid by the Purchaser was of PLN 146.858.174,59. Transaction costs amounted to PLN 6,248,238.74

In the day of closing the transaction, the payment of the entire price for the Shares was paid and title to the Shares was transferred.

The profit/loss from the transaction is shown in the table below:

Sale price less sale costs	140 604 526.56
Net assets sold	-19 439 484.13
Undepreciated goodwill	-44 278 758.43
Minority interests	2 445 493.76
Profit from disposal of ITK Group	79 331 777.76

Transaction of sale of shares in ProService Worldwide (Cyprus) Ltd

On 30 June 2017 the Issuer and PROLOGICS (UK) LLP with the registered office in London, registered under number OC314997 ("Buyer") concluded an Agreement for sale of 100% shares ("Shares") in ProService Worldwide (Cyprus) Limited - established in accordance with the law of the Republic of Cyprus registered under the number HE 209802, based in Nicosia ("ProService") (Agreement").

The sale shall be made in two instalments:

- 1.The first instalment shall cover 3.430 shares representing 49% in share capital of ProService and shall take place at the date of conclusion of the Agreement, that is on 30 June 2017.
- 2.The second instalment will cover 3.570 shares representing 51% in share capital of ProService and shall take place on 30 July 2018.

The sales price for Shares shall consist of the amount of PLN 7.000.000 and the price referred to as "Guarantee Price", which is a guarantee of the debt held by ZAO "Work Service" (joint stock company) based in Moscow and ProService, to the amount of the PLN 20.500.000,00

The price for the sale of Shares shall be paid by 30 July 2018.

As a collateral of the Agreement, the Buyer undertakes to establish pledge on 2.250.000 of Issuer's shares ("Shares") held by them. The collateral pledged as security for the Agreement will be established by 30 July 2018 after the release of the pledge on Shares, established for the consortium of banks BANK BGŻ BNP PARIBAS S.A., BANK MILLENNIUM S.A., „BANK ZACHODNI WBK S.A.”,RAIFFEISEN BANK POLSKA S.A., POWSZECHNA KASA OSZCZĘDNOŚCI BANK POLSKI S.A. under the pledge agreement of 18 November 2015, annexed on 13 April 2017, securing the loan, to which the Issuer is the beneficiary.

The provisions of the Agreement concerning the pledge on Shares are included provided that the General Meeting of Issuer's Shareholders consents to the pledge on Issuer's own shares.

Within 30 days from the date of entering into the Agreement, PROLOGICS (UK) LLP has pledged to grant to the Issuer a power of attorney to sign on behalf of PROLOGICS (UK) LLP a pledge agreement on Shares under which the Issuer will be able to sign the pledge agreement with or with the consent of Baker McKenzie Krzyżowski i wspólnicy sp. k. by July 30, 2018

A part of the transaction is also the release by the Issuer of ZAO "Work Service" based in Moscow and ProService in the total amount of 3.662.122 PLN, 595.114.159,60 Ruble Russian and 17.304,79 Euro from any debt. The release shall take place on the date of purchase of 100 % Shares by the Buyer in ProService.

As a result, the following loss from revaluation to fair value was recognised as at 30.09.2017.

Sales price	7 000 000.00
Surety for a debt by Prologics	20 500 000.00
Impairment losses on assets net	-17 489 901.13
Goodwill impairment	-97 829 707.40
Write-off for receivables that WSSA posted from the Proservice Group	-70 667 839.16
Net loss from revaluation to fair value	-158 487 447.69

The profit/loss from continued and discontinued operations (including the profit/loss of ITK Group for the period 01.01.2017-30.06.2017 and Proservice Group) for the period 01.01.2016-30.09.2016 and 01.01.2017-30.09.2017 is presented below.

	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016
Revenues	1 975 027 097.21	1 819 817 720.00
Net revenues from sales of products	1 975 033 840.04	1 818 926 959.90
Variation in stocks of products	-6 742.83	877 872.50
Manufacturing cost of products for entity's own purposes	0.00	0.00
Net income on sale of goods and materials	0.00	12 887.61
Operating costs	1 923 161 155.82	1 764 707 763.45
Depreciation	12 623 903.83	11 792 299.39
Consumption of materials and energy	13 340 289.66	7 719 007.66
Outside services	304 251 433.02	246 799 764.34
Taxes and charges	2 859 126.12	4 852 895.73
Remuneration	1 260 650 942.44	1 180 189 543.54
Social insurance and other benefits	296 979 550.36	284 807 684.51
Other generic expenses	32 455 910.39	28 546 568.28
Value of goods and materials sold	0.00	0.00
Profit (loss) on sales	51 865 941.39	55 109 956.55
Other operating incomes	14 806 172.50	14 630 485.20
Other operating costs	14 758 653.57	14 720 187.83
Profit (loss) on operating activities	51 913 460.32	55 020 253.92
Profit from sale of ITK Group Kontrakt	79 331 777.76	0.00
Net loss from revaluation of the Proservice Group to fair value	-158 487 447.69	0.00
Profit/loss on sale of other assets	-1 867 165,08	0,00
Financial incomes	1 977 181,31	2 038 537,66
Financial costs	28 935 398,54	24 821 234,49
Gross profit (loss)	-56 067 591,92	32 237 557,09
Income tax	13 637 254,42	13 392 197,89
Net profit (loss)	-69 704 846,34	18 845 359,20
Measurement of interests by the equity method	0,00	0,00
Minority shareholders' profit (loss)	10 494 786,65	10 078 022,79
Profit attributable to shareholders of the parent company	-80 199 632,99	8 767 336,41

Profit from discontinued operations is shown in the table below

	01.01.2017- 30.09.2017	01.01.2016- 30.09.2016
Net revenues from sales	150 144 731.38	176 578 498.49
Other operating income	312 746.01	741 824.84
Operating costs	138 863 285.78	157 780 162.65
Other operating costs	1 352 531.00	454 061.33
Financial income	429 285.74	260 575.22
Financial costs	947 996.83	1 180 738.76
Gross profit (loss)	9 722 949.52	18 165 935.81
Income tax	2 209 045.59	2 567 977.97
Profit from discontinued operations for the financial year	7 513 903.93	15 597 957.84
Profit from disposal of the ITK Group	79 331 777.76	0
Net loss from revaluation to fair value	158 487 447.69	0
Loss on sale of other assets	1 867 165.08	0
Profit from discontinued operations for the financial year	-73 508 931.08	15 597 957.84

Regaining control of Naton Ljudski potencial d.o.o.

On 1 April 2017 the agreement was concluded whereby the contract concluded on 30 March 2016 ceased to apply to the Croatian company. Thus HR Global d.o.o has regained control of Naton Ljudski potencial d.o.o.

Conclusion by Work Service SA of the agreement on the purchase of 25% of shares in Prohuman 2004

On 5 July 2017 the Issuer as buyer, concluded with Profólió Projekt Tanácsadó Kft. („Seller”) seated in Budapest, Hungary, a new, sale agreement of 25% of shares in the share capital of Prohuman 2004 Kft. seated in Budapest, Hungary („Prohuman”) („Shares”) („Agreement”). The new Agreement replaces the Agreement of 13 December 2016 („Original Agreement”) about which the Issuer reported in current report 69/2016. The sale shall be made in three instalments.

The first instalment shall cover 12 % of shares in the share capital of Prohuman and shall take place on 27 July 2017 (“First Completion Date”) and will be made at a price 3.000.000.000 Hungarian forint (“HUF”).

The second instalment will cover 5 % of shares/quota in the share capital of Prohuman and shall take place no later than on 17 November 2017. The purchase price for such quota is PLN 20,538,720.54, which is payable not in cash, but the amount will be paid in the form of offsetting the stated claim with the Issuer's claims towards the Seller under the contract of transfer of dematerialized ownership of 1,896,187 ordinary bearer shares of the X series (“WS Shares”) (“Shares Transfer Agreement”). The share transfer agreement and share issuance documentation regarding the WS Shares (“Share Issuance Documents”) shall be signed no later than on 27 July 2017. The WS Shares must be created and credited to Seller’s securities account by 17 November 2017. After the WS Shares are credited on Seller’s securities account, Seller will transfer the 5% quota covered by the second tranche to Issuer, which shall occur by 17 November 2017 the latest. If Seller does not fulfil timely its obligation regarding the quota transfer, then a penalty of HUF 250 million is payable by Seller to Issuer.

If the WS Shares are not credited to Seller’s securities account by 17 November 2017, then Issuer has to pay HUF 1,22 billion in cash to Seller until 20 November 2017 instead of transferring the WS Shares.

If the Share Issuance Documents regarding the WS Shares are not signed up to on 27 July 2017, then the first completion on 27 July 2017 shall be different: the first instalment shall cover 17 % of shares in the share capital of Prohuman will be made at a price 4.220.000.000 HUF.

The third instalment will cover 8 % of shares/quota in the share capital of Prohuman and shall take place up to on 27 November 2017 and will be made at a price 1.975.000.000 HUF. After the payment of this instalment, the Issuer will own 100% of Prohuman's share capital.

In case of any late payment, a default interest of 20% per annum shall apply.

On 23 October 2017, the Issuer as Buyer concluded a new Agreement with Profólió Projekt Tanácsadó Kft. (the "Seller") with its registered office in Budapest, Hungary, to purchase the remaining 25% of shares in the share capital of Prohuman 2004 Kft. The transaction was covered in item 6 Events that occurred after the date on which the condensed consolidated financial statements were prepared, not included in this report, and which may significantly affect the future financial results of the Capital Group.

Sale of Stermedia Sp. z o.o.

On 20 September 2017 Work Service S.A. concluded the agreement on the sale of 101 shares, representing 75.37% of the shares capital in Stermedia Sp. zo.o. for PLN 300,000.

The table below shows profit/loss on this transaction:

Sale price minus sale expenses	300 000.00
Sold assets net	- 968 174.55
Undepreciated goodwill	-391 058.39
Minority interest	-807 932.14
Profit from sale of the ITK Group	1 867 165.08

2. Position of the Board on the feasibility of previously published forecasts for the given year, in the light of the results presented in the report for the third quarter compared to the forecasted results.

On the 6th June 2017, Work Service SA published report no. 48/2017 with a forecast of EBIT result for 2017. The expected consolidated operating profit (before taxation) for the Work Service Capital Group (the "Group") for 2017 was 85,351 thousand PLN

The forecast concerned the Group, including the Company as the dominant entity and its subsidiaries. The forecast provided for closing in the second half of 2017 of the transaction concerning sale by the Company of 94.95% shares in IT Kontrakt Sp. z o.o. based in Wrocław and therefore the forecast included the results of IT Kontrakt Sp. z o.o. for the first half of 2017 only.

The forecast had not been verified by an expert auditor.

Management Board analysed the prerequisites of the forecast and results in the third quarter to adjust the forecast with respect to the expected consolidated operating profit - EBIT to 68,000 thousand PLN.

Two main factors which equally impacted the necessity to adjust the forecast are :

- 1) Suspension of the initial public offering of Exact Systems in the first half of 2017 (issue objectives of Exact Systems provided for acquisition of QLS Automotive (Belgium) and acquisitions at the French market, and the consolidated result of these acquisitions in the current year was taken into account in the forecast
- 2) Lower than forecasted results of selected business lines.

After three quarters of 2017, the Work Service Group achieved EBIT of almost 52 million PLN on its continued and discontinued operations, which means achievement of more than 76% of the forecasted consolidated operating profit of the Group.

3. Shareholders holding directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting on the date of the report for the third quarter of 2017, along with specification of the number of shares held by these entities, their percentage share in the share capital, the number of votes resulting therefrom and the percentage of the total number of votes at the General Meeting, as well as specification of changes in the ownership structure of large blocks of shares in the period from the previous quarterly report.

At the date of this report no preferred shares as to voting rights or to dividend were issued. All shares of the Parent Company are ordinary shares. The share capital of Work Service SA amounts to PLN 6,509,482.30 and is divided into:

- 750,000 shares of series A of nominal value of 10 grosz each.
- 5,115,000 shares of series B of nominal value of 10 grosz each.
- 16,655,000 shares of series C of nominal value of 10 grosz each.
- 100,000 shares of series D of nominal value of 10 grosz each,
- 100,000 shares of series E of nominal value of 10 grosz each,
- 7,406,860 shares of series F of nominal value of 10 grosz each.
- 2,258,990 shares of series G of nominal value of 10 grosz each.
- 9,316,000 shares of series H of nominal value of 10 grosz each.
- 1,128,265 shares of series K of nominal value of 10 grosz each.
- 5,117,881 shares of series L of nominal value of 10 grosz each.
- 12,000,000 shares of series N of nominal value of 10 grosz each.
- 91,511 shares of series P of nominal value of 10 grosz each.
- 5,000,000 shares of series S of nominal value of 10 grosz each.
- 55,316 shares of series T of nominal value of 10 grosz each.

The shareholding structure as of the date of this report, taking into account all notice that the company Work Service SA received pursuant to art. 69 section 1 item. 1 of the act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading, and on Public Companies are presented in the table below.

Shareholder	No. Of shares	Percentage of share capital	Number of votes	Share in the total number of votes
PROLOGICS UK LLP	18 514 621	28.44%	18 514 621	28.44%
WorkSource Investments S.a.r.l.	13 714 286	21.07%	13 714 286	21.07%
Tomasz Misiak	9 534 861	14.65%	9 534 861	14.65%
JPMorgan Asset Management Holdings Inc.	3 593 968	5.52%	3 593 968	5.52%
Tomasz Hanczarek	3 255 000	5.00%	3 255 000	5.00%
MetLife PTE S.A.	3 254 743	5.00%	3 254 743	5.00%
Others	13 227 344.00	20.32%	13 227 344	20.32%
Total	65 094 823	100.00%	65 094 823	100.00%

4. The list of ownership of shares of the Company or rights to them by persons managing and supervising the Company on the date of the report for the third quarter of 2017, together with an indication of changes in ownership, in the period since the previous report, separately for each person.

	Balance at the date of report for 2017 Q1.	Changes in ownership: acquisition (disposal)	Balance at the date of this report
Tomasz Hanczarek – Member of the Supervisory Board	3 255 000	0	3 255 000
Paul Christodoulou – Vice President of the Management Board	34 680	0	34 680
Tomasz Misiak - Vice President of the Management Board	9 534 861	0	9 534 861
Maciej Witucki – President of the Management Board	950	0	950
Tomasz Ślęzak – Vice President of the Management Board	12 219	0	12 219

5. Identification of proceedings pending before the court, body appropriate for arbitration or public administration.

There are currently no pending litigation, administrative or arbitration proceedings involving the Company, relating to liabilities or receivables of the Company, the value of which individually or collectively represent at least 10% of its equity.

6. Information about the conclusion by the Company or its subsidiary of one or more transactions between related parties, if individually or collectively they are significant and were concluded on non-market terms.

The Company did not conclude in the third quarter of 2017 any transactions with related parties, which individually or collectively could be significant and at the same time they were concluded on non-market terms.

7. Information on granting by Company or its subsidiary the surety of credit or loans or guarantees – total of one entity or its subsidiary, if the total value of existing sureties or guarantees is equivalent to at least 10% of its equity.

No.	The surety on behalf of	Promissory note beneficiary	Surety subject	Date of agreement	Date of termination of the agreement	The amount covered by the surety (gross)
1.	Sellpro Sp. z o.o.	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 19.10.2015	Indefinite period	41 800 000.00
2.	Finance Care Sp.z o.o.	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 19.10.2015	Indefinite period	41 800 000.00
3.	Industry Personnel Services Sp. z o.o.	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 19.10.2015	Indefinite period	41 800 000.00
4.	Work Service International	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 19.10.2015	Indefinite period	41 800 000.00
5.	Work Express	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex increasing the limit of 19.10.2015	Indefinite period	41 800 000.00
6.	Outsourcing Solutions Partner Sp. z o.o.	BNP PARIBAS Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex to the agreement of 7.11.2016	Indefinite period	41 800 000.00
7.	Industry Personnel Services Sp. z o.o.	BZWBK Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 06.09.2016	30.09.2017	37 500 000.00
8.	Sellpro Sp. z o.o.	BZWBK Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 06.09.2016	30.09.2017	37 500 000.00
9.	Finance Care Sp.z o.o.	BZWBK Factor Sp. z o.o.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 06.09.2016	30.09.2017	37 500 000.00
10.	Industry Personnel Services Sp. z o.o.	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	41 800 000.00
11.	Sellpro Sp. z o.o.	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex increasing the limit of 09.05.2017	31.12.2017	41 800 000.00
12.	Finance Care	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	41 800 000.00
13.	Exact Systems S.A.	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	41 800 000.00
14.	Automotive Assembly Systems Sp. z o.o.	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	41 800 000.00
15.	Logistyka	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	10 000 000.00
16.	Outsourcing Solutions Partner Sp. z o.o.	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	41 800 000.00
17.	Work Express	Bank Millennium S.A.	Amount receivable under a factoring agreement	Annex extending the term of the limit of 09.05.2017	31.12.2017	10 000 000.00
18.	Work Express	Raiffeisen Bank Polska SA	Amount receivable under a factoring agreement	Annex increasing the limit of 04.02.2016	09.05.2019	37 000 000.00

8. Changes in contingent liabilities or contingent assets that have occurred since the last annual reporting period

Contingent liabilities				
Title of contingent liability	Type of security	30.09.2017	31.12.2016	change
Loan security	transfer of title of subject of the credit	0.00	0.00	0.00
	assignment of receivables	0.00	0.00	0.00
	A promissory note along with the bill declaration	0.00	0.00	0.00
	surety	0.00	0.00	0.00
	bank enforcement title	216 000 000.00	216 000 000.00	0.00
	pledge on assets	949 744 017.50	1 057 924 769.25	-108 180 751.75
	pledge on receivables	0.00	0.00	0.00
Leasing security	A promissory note along with the bill declaration	4 176 950.78	4 144 375.13	32 575.65
	bill of exchange guarantee	0.00	0.00	0.00
Securing due performance of contracts	warranty	7 041 165.26	7 304 848.29	-263 683.03

On 31 January 2017 the Management Board of Work Service S.A. (The "Issuer") informed about establishment of additional collateral required for the credit agreement concluded by the Issuer as the borrower with Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., Bank Zachodni WBK S.A. and Raiffeisen Bank Polska S.A. as the lenders (The "Lenders") on 18 November 2015, the conclusion of which the Issuer informed by publishing a current report no. 43/2015 dated on 19 November 2015 ("Credit Agreement") in the form of:

- conclusion of the registered pledge agreement in favour of Bank BGŻ BNP Paribas S.A. and financial pledges in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., Bank Zachodni WBK S.A., Raiffeisen Bank Polska S.A. on newly created shares of the Issuer in the subsidiary - Finance Care Sp. z o. o. with its registered office in Wrocław ("Finance Care") with a value of 395,563.60 PLN;
- conclusion of the registered pledge agreement in favour of Bank BGŻ BNP Paribas S.A. and financial pledges in favour of Bank BGŻ BNP Paribas S.A., Bank Millenium S.A., Bank Zachodni WBK S.A., Raiffeisen Bank Polska S.A. on 100% shares of the Issuer in the subsidiary - Antal Sp. z o.o. with its registered office in Wrocław ("Antal") with a value of 21,461,964.29 PLN;
- conclusion of the registered and financial pledge agreements on the rights resulting from the bank accounts between the Lenders as pledgees and Antal as pledger;
- the agreement for the transfer of rights for the silent assignment between Antal as assignor and Bank BGŻ BNP Paribas S.A. and assignee.
- declaration submitted by Antal on the voluntary submission to the execution with respect to the guaranteed obligation, to the amount of 69,375,000.00 PLN;
- conclusion of the registered and financial pledge agreement on the rights resulting from the bank accounts (acquired by Finance Care from Work Service Finance Sp. z o.o. with its registered office in Wrocław, in relations to the merge of the Companies) between the Lenders as pledgees and Finance Care as pledger.
- conclusion of the registered pledge agreement on newly created shares of Exact Systems S.A. in order to collateralise repayment of receivables under the CD agreement to the maximum amount of collateral of PLN 277 500 000.00.

On 30 March 2017, the Issuer signed Annex No 1 to the credit agreement dated 18 November 2015 (hereinafter: the Agreement) with Bank BGŻ BNP Paribas S.A., Raiffeisen Bank S.A., Bank Zachodni WBK S. A., Bank Millennium S.A. and PKO BP S.A. (banks hereinafter jointly referred to as: the Creditors)

The intention of the parties was to amend the Agreement, and in particular the accession of PKO BP S.A. to the Agreement as a creditor.

On 19 September 2017 the Management Board of Work Service S.A. ("Issuer" or "Company") informs about the removal from the registry of pledges, by the competent court, of the registered pledge for mBank SA as the pledgee

(acting in its own name but on behalf of the bondholders) on 8,418 shares of the par value of PLN 50.00 each, in the former subsidiary of the Issuer - IT Kontrakt Sp. z o.o., with its registered office in Wrocław, representing 84.18 % of the share capital of this Company ("Shares"). (about the sale of IT Kontrakt Sp. z o.o. The Issuer reported in current report no. 62/2017).

Shares were pledged as collateral to secure the claims of the bondholders arising from the bonds issued by the Issuer under the bond issue program of a nominal value of no more than PLN 150,000,000, of which the Issuer informed in the current report no. 25/2016.

The registered pledge has been removed under the relevant authorisation granted by mBank S.A. in connection with the total repayment of the U series bonds.

9. Information about significant changes in estimates- including adjustments for provisions- provisions and assets for deferred income tax referred to in the Act on accounting and write-downs of assets.

In the third quarter of 2017 there were no significant changes in estimates, including significant adjustments in provisions, provisions and assets due to deferred income tax, referred to in the Act on Accounting and no significant write-downs of assets were made.

10. Other information that the Company believes are relevant to the assessment of the personnel, property, financial stand, financial results and their changes, and information which are important for assessing the ability to meet the obligations by the Company.

The Group financial position is stable, and in particular with reference the planned sale of shares in Exact Systems S.A. it presents no significant risk as regards financial capacity and creditworthiness of both the Parent Company and other leading companies of the Capital Group.

11. Identification of factors that the Company believes will have an impact on its performance in view of at least the next quarter.

This information is presented in point "Events that occurred after the date on which the condensed consolidated financial statements for third quarter of 2017 was prepared, not included in this report, and which may significantly affect the future financial results of the Capital Group" of this report.

12. If the condensed financial statements was subject to examination or revision by the entity authorised to audit financial statements, quarterly report contains appropriate: the opinion on the examination or report to review of the condensed financial statements.

Consolidated financial statements for the third quarter of 2017 have not been audited or reviewed by an entity authorised to audit financial statements.

SIGNATURES:

1. Maciej Witucki President of the Management Board.....
2. Tomasz Ślęzak Vice President
3. Paul Christodoulou Vice President
4. Piotr Gajek Vice President
5. Iwona Szmitkowska Vice President
6. Krzysztof Rewers Vice President