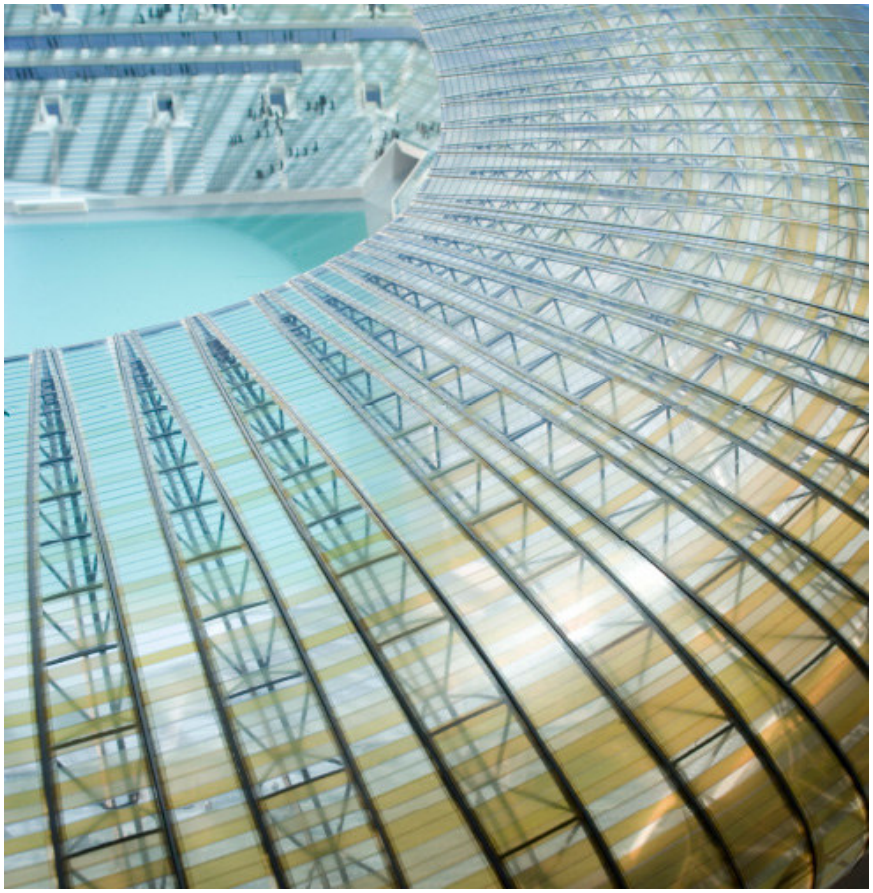


THE RESULTS FOR THE FIRST QUARTER OF 2011

Grupa Kęty S.A.

Dariusz Mańko
President of the Management Board

Adam Piela
Member of the Management Board

Warsaw, April 2011

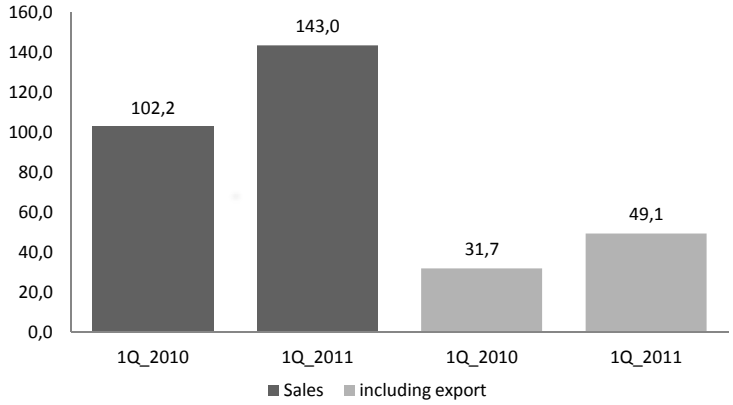
Gk
Grupa Kęty

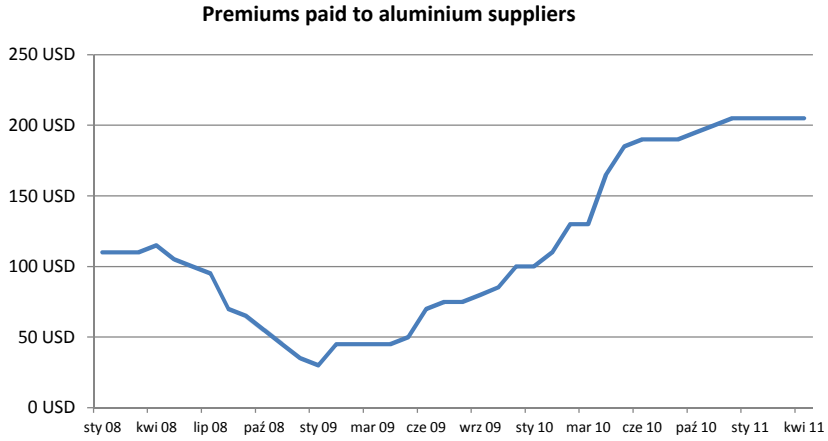
EXTRUDED PRODUCTS SEGMENT

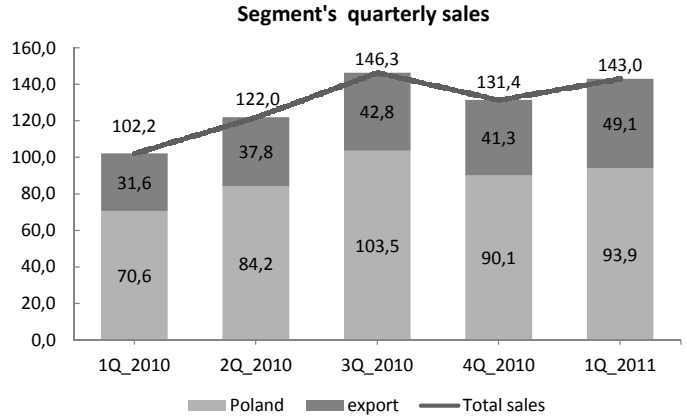
Growing market and higher raw materials prices are the main drivers for an over 40% increase in the segment's sale revenue.

A significant progress as regards the sourcing of orders on foreign markets, including in Ukraine.

The stabilisation of the so-called "processing premium" paid to aluminium suppliers; ongoing activities aiming at the incorporation of higher costs into product prices.







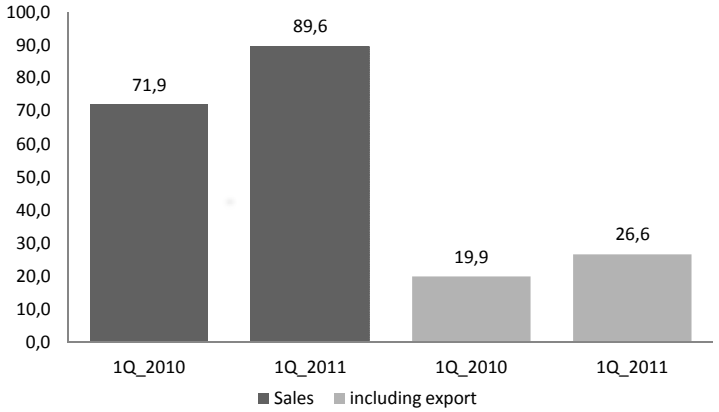
ALUMINIUM SYSTEMS SEGMENT

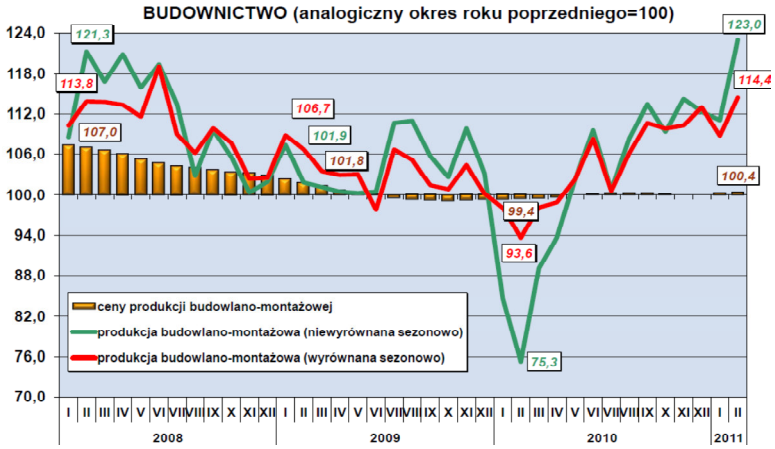
A 20% increase in revenue on the Polish market and an over 30% increase in export.

Export market — good quarterly results for Aluprof Hungary, Aluprof UK, Aluprof System Czech and Aluprof System Romania.

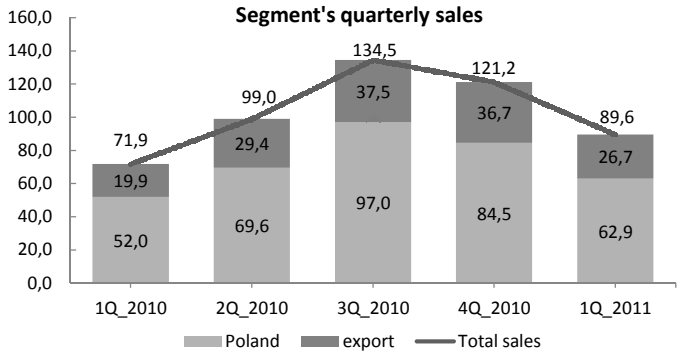
First symptoms of an improved situation on the Ukrainian market.

The beginning of an increase in product prices to incorporate higher raw materials prices.





Source: GUS



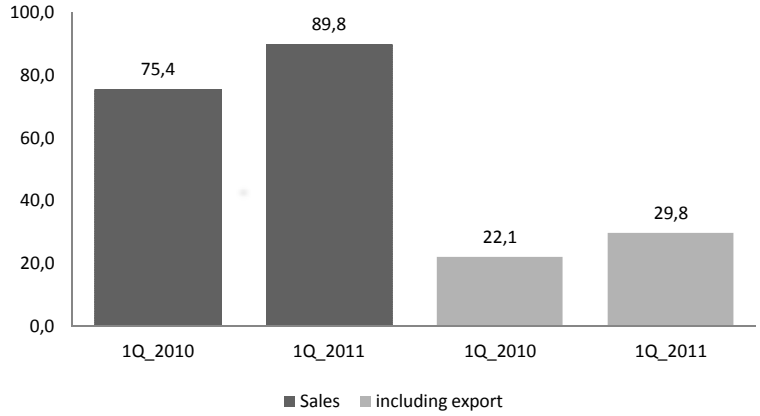
FLEXIBLE PACKAGING SEGMENT

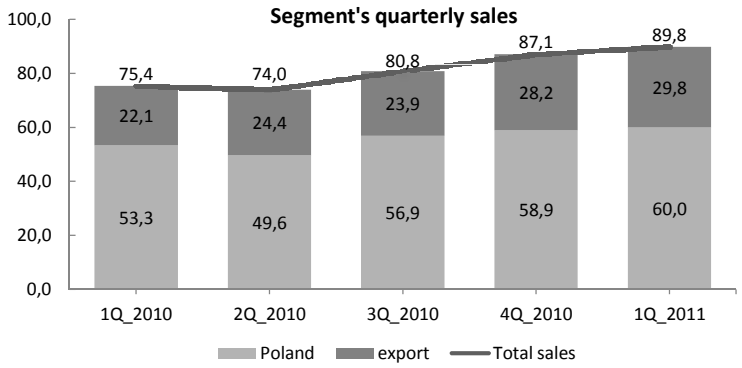
A very good quarter for the segment — an over 10% increase in Poland and an over 30% increase in export markets

An increase in the share of the sale to Western European countries from 24 to 33% of total export.

Stable margins despite growing raw materials prices.

Alupol Packaging is the best supplier of flexible packaging to the European plants Nestle in



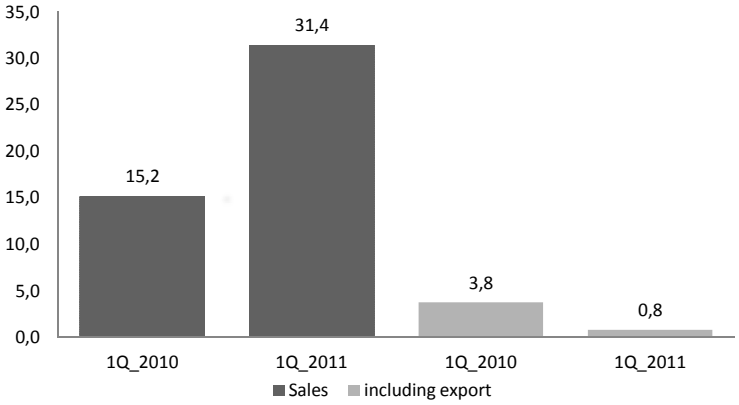


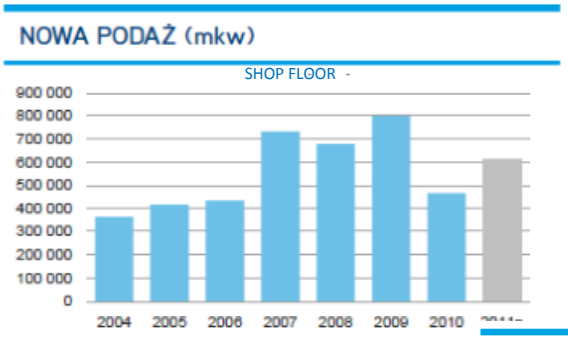
BUILDING SERVICES SEGMENT

Successful quarter — optimistic perspectives.

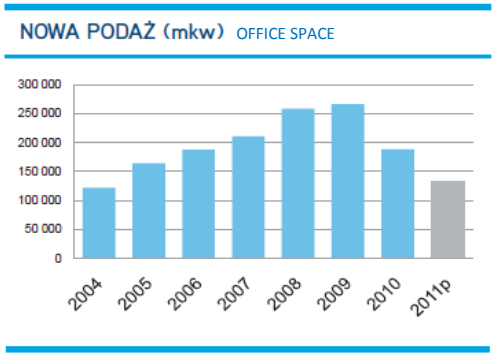
The portfolio of orders for 2011 covering 100% of the budget.

Another road infrastructure contract (noise barriers) — the ring road for Jarosław (15 million PLN).

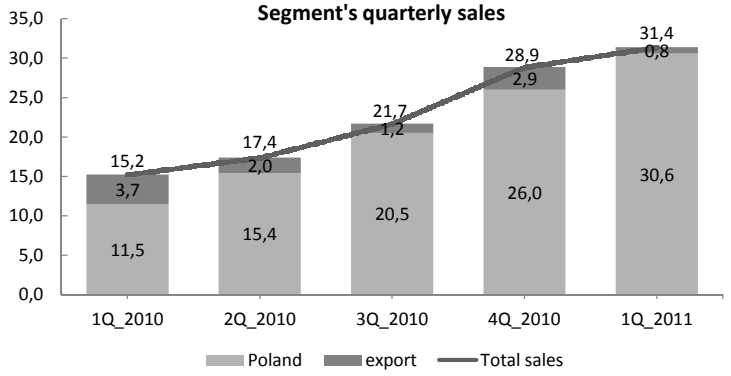




Źródło: Colliers International



Source: Colliers International

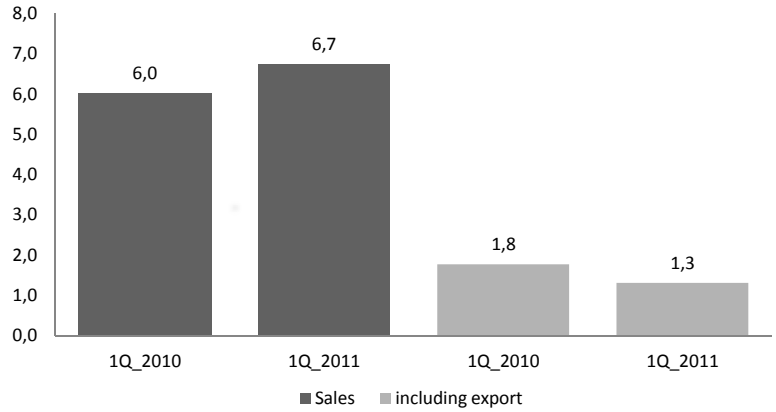


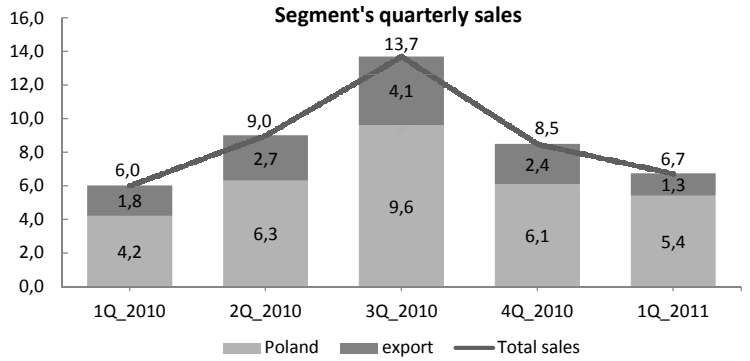
BUILDING ACCESSORIES SEGMENT

An increase in sales mainly due to considerably greater cooperation within the Capital Group.

A decline in export resulting from the aggressive activities of the competition from Turkey on the Ukrainian and Russian markets.

Launching the marketing of a new version of the segment's key product (an envelope fitting in the "light" version).





THE DEVELOPMENT OF THE ADDED VALUE CHAIN

THE EXPANSION OF THE SOFT ALLOYS PRODUCTION PLANT

THE DEVELOPMENT OF COMPONENTS PRODUCTION AND OF MECHANICAL WORKING

THE EXPANSION OF THE ROLLER-BLINDS PRODUCTION PLANT

A NEW PRINTING AND LAMINATING LINE IN THE FLEXIBLE PACKAGING SEGMENT

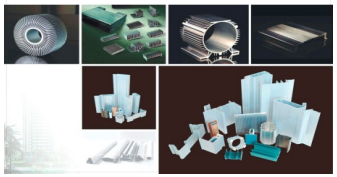
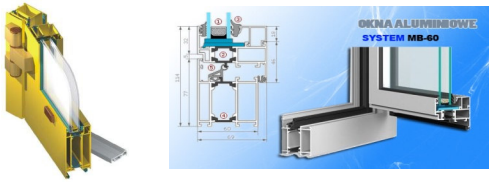
A NEW PE FILM PRODUCTION LINE

PLANNED CAPITAL EXPENDITURE IN 2011

TOTALS 134.4 MILLION PLN

PROSPECTS FOR THE SECOND QUARTER

As compared to the corresponding period in the previous year

	EPS	↑
	ASS	↑
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CONSOLIDATED FINANCIAL FIGURES

	#ADR!	#ADR!	
EUR/PLN	3,99	3,95	-1%
USD/PLN	2,88	2,88	0%
EUR/USD	1,38	1,37	-1%
AL (3M)	2197	2527	15%

[mill. PLN]	#ADR!	#ADR!	
Sales	247,8	322,6	30%
EBITDA	35,1	42,8	22%
EBITDA margin	*14,2%*	*13,3%*	
EBIT	18,2	26,2	44%
Net profit	15,0	18,8	25%

A systematic depreciation of PLN against EUR in the quarter due to mainly the appreciation of EUR against USD.

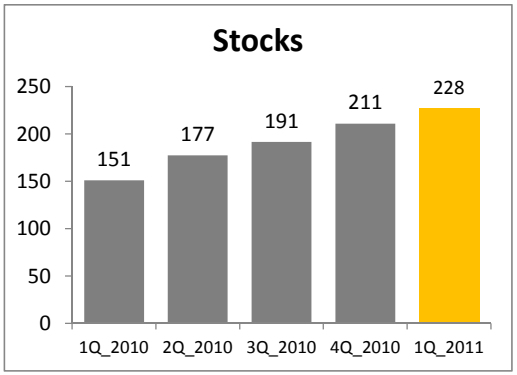
Upward trends on global raw materials markets (an increase in aluminium prices from 2,450 at the beginning of the quarter to 2,650 at the end of the quarter).

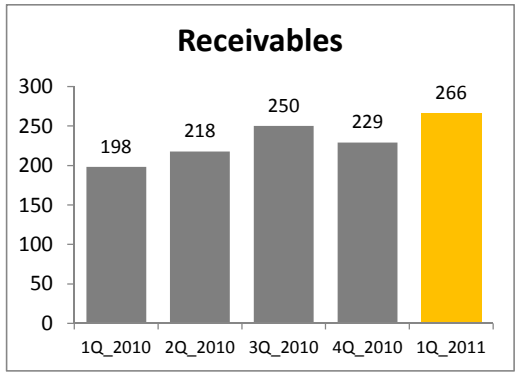
2/3 of the generated increase in sale revenue is an effect of higher sale volumes, and the remaining 1/3 is an effect of growing raw materials prices.

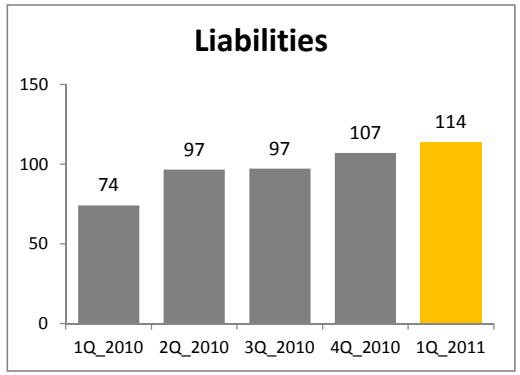
The result from securing transactions presented in operating activities.

EBITDA margin at a similar level as in 2010.

WORKING CAPITAL MANAGEMENT

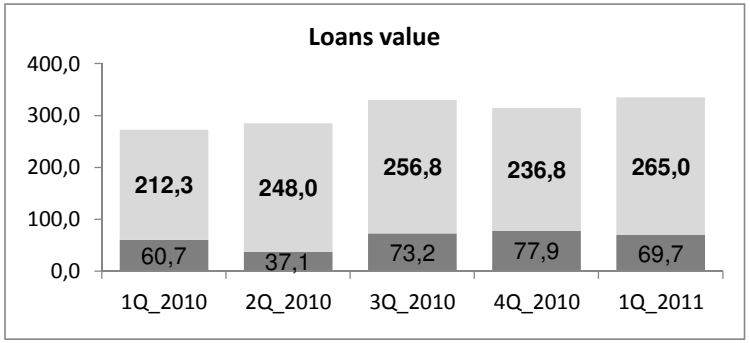




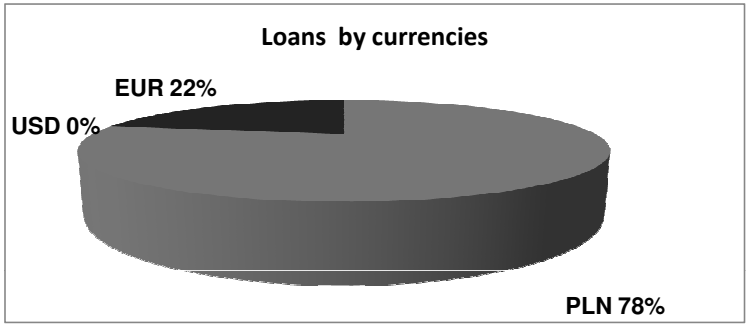


AN INCREASE IN WORKING CAPITAL BY 38%
RESULTING FROM A 30% INCREASE IN SALES
AND GREATER EXPECTATIONS REGARDING THE AVAILABILITY
OF PRODUCTS IN WAREHOUSES

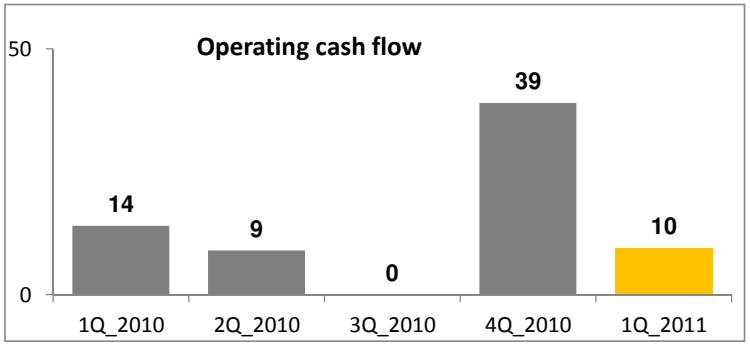
DEBT AND BORROWINGS



An increase in debt due to the implementation of the investment programme and greater demand for working capital. Net debt at the level of ca. 285 million PLN.

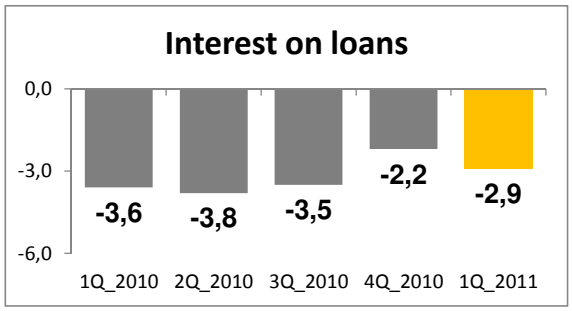


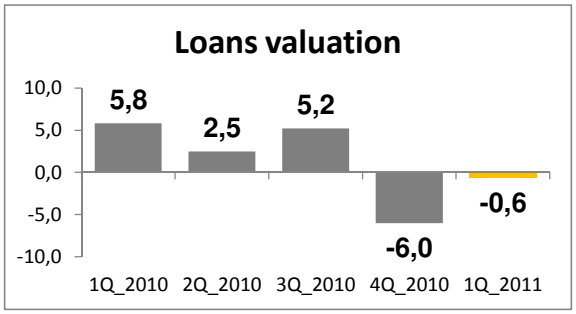
Maintaining a part of the debt in EUR as a tool of the natural securing of the currency position. The repayment of the debt in USD against the stronger and stronger PLN.

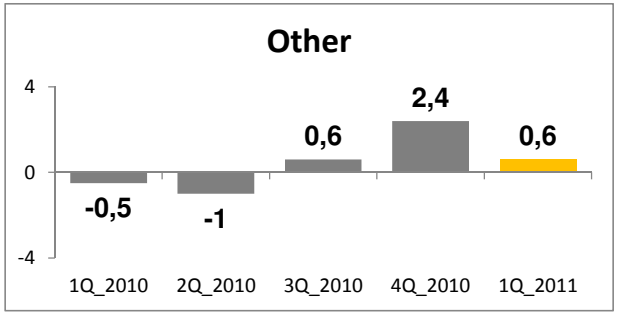


Operating cash flow at the level comparable to last year's figures. Persisting demand for the financing of the working capital due to the higher sales and more and more expensive raw materials.

FINANCIAL ACTIVITIES







NEGATIVE BALANCE ON THE FINANCIAL ACTIVITIES OF 2.9 MILLION PLN

(mainly interest on loans)

CONCLUSIONS

GOOD QUARTER FOR ALL SEGMENTS

SIMILAR PROSPECTS FOR FURTHER THREE MONTHS

FOCUSING ON THE IMPLEMENTATION OF THE STRATEGY OBJECTIVES

THANK YOU

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