PRESENTATION OF RESULTS FOR THE SECOND QUARTER 2013
Grupa KĘTY S.A.

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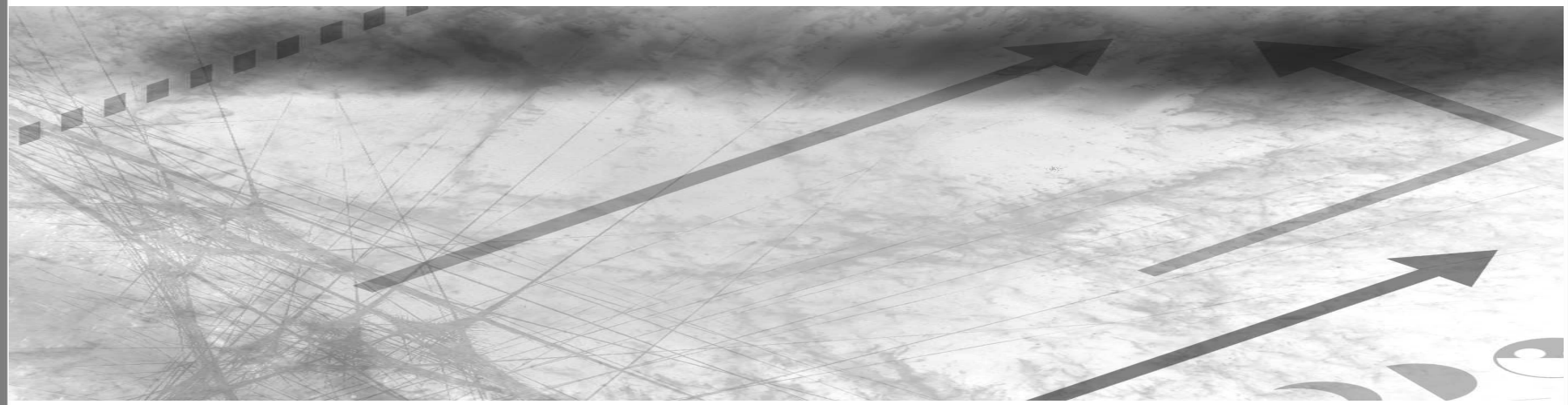


SCHEDULE

MARKET OVERVIEW IN THE SEGMENTS

CONSOLIDATED FINANCIAL DATA

SUMMARY

EXTRUDED PRODUCTS SEGMENT

	2Q_2012	2Q_2013	zmiana	1-2Q_2012	1-2Q_2013	zmiana
Sales	148,0	156,2	6%	287,3	283,3	-1%
domestic	101,4	87,6	-14%	195,2	165,5	-15%
export	46,6	68,6	47%	92,0	117,8	28%

Successful quarter for the segment - 10% increase in volume and 6% of sales value

Sales outside the capital group increased by more than 25%

Moderate declineson domestic market in construction, transport and among wholesale customers (about 10 - 15%)

A systematic reconstruction of the situation on the Italian market (a threefold increase in the volume of sales), German (increase in volume by about 70%) and Central Europe (growth in the Czech Republic and Hungary about 100%)

EXTRUDED PRODUCTS SEGMENT

Selected projects in the area of processing profiles:

Etac AB - Swedish manufacturer of medical equipment, rehabilitation - elements of trolleys and hoists

Newag - manufacturer of railway rolling stock - production of elements for seats

Audi – elements of the framework for the Audi R8

Hettich Lab Technologies - German manufacturer of laboratory equipment - manufacture of parts for centrifuges

Carrier - U.S. manufacturer of refrigeration and air conditioning equipment - components of refrigeration systems

ALUMINIM SYSTEMS SEGMENT

	2Q_2012	2Q_2013	zmiana	1-2Q_2012	1-2Q_2013	zmiana
Sales	144,3	140,1	-3%	254,6	246,2	-3%
domestic	102,8	87,0	-15%	181,4	160,4	-12%
export	41,5	53,1	28%	73,2	85,8	17%

Successful quarter for the segment despite the difficult situation in the industry - limited liquidity of clients is the major barrier to the development of domestic sales

Increases in the major export markets from 25 to over 50% (Germany, Czech Republic, Ukraine, Romania, UK. Kingdom)

The increase in sales of finished products to western markets in accordance with the assumptions (about 90%)

ALUMINIM SYSTEMS SEGMENT

Nimbus, Warszawa

Karolkowa Business Park, Warszawa

Sport Hall , Kraków

ALUMINIM SYSTEMS SEGMENT

Sport Hall, Toruń

Office building, Katowice

Sky Office Center, Warszawa

Foksal City, Warszawa

FLEXIBLE PACKAGING SEGMENT

	2Q_2012	2Q_2013	zmiana	1-2Q_2012	1-2Q_2013	zmiana
Sales	82,0	87,3	6%	170,8	180,6	6%
domestic	52,9	49,3	-7%	112,2	106,2	-5%
export	29,1	37,9	30%	58,6	74,4	27%

A very successful quarter for the segment

More than two-fold increase in sales in the German and Dutch markets. Sales in Western Europe is already nearly half the exports segment.

The systematic expansion of the product portfolio for packaging of fast-rotating food

FLEXIBLE PACKAGING SEGMENT

New projects on the Western European market

Expanding the range of products for the packaging of fresh foods

CONSTRUCTION SERVICES SEGMENT

	2Q_2012	2Q_2013	zmiana	1-2Q_2012	1-2Q_2013	zmiana
Sales	53,2	20,6	-61%	95,8	53,9	-44%
domestic	50,2	12,3	-75%	91,8	43,6	-53%
export	2,9	8,3	180%	3,9	10,4	162%

The continuing difficult market situation on domestic market in the area of big objects

In the second quarter were obtained three contracts for the manufacture and installation of acoustic baffers with a total value of about 120 million zł (S8, S3 and A1 motorway)

Expected improvement in profitability in the second half

CONSTRUCTION SERVICES SEGMENT

Aquarius Business House,

Pandion D'Or,

Lexington Ave. 325

Marriott

BUILDING ACCESSORIES SEGMENT

	2Q_2012	2Q_2013	zmiana	1-2Q_2012	1-2Q_2013	zmiana
Sales	10,0	9,6	-4%	17,8	15,7	-12%
domestic	8,0	6,8	-14%	13,8	11,3	-18%
export	2,0	2,8	37%	4,0	4,4	9%

The continuing difficult situation on the market of fittings for PVC windows and aggressive competition

The beginnings of cooperation with the biggest manufacturers of PVC windows

Improving the situation of export customers

SUMMARY

Very good quarter for the three largest segments despite the general economic weakness in the domestic market

A better second half of the year is expected in the area of construction services taking into account the value of signed contracts

Low liquidity of customers is a major barrier in increasing domestic sales

Very good results in the export market harbinger of improvement in the second half

CONSOLIDATED RESULTS

	2Q'13	2Q'12	change	1-2Q'13	1-2Q'12	change
EUR/PLN	4,20	4,26	-1%	4,18	4,24	-1%
USD/PLN	3,21	3,32	-3%	3,18	3,27	-3%
EUR/USD	1,31	1,28	2%	1,31	1,30	1%
AL.3M (USD/t)	1870	2019	-7%	1956	2120	-8%

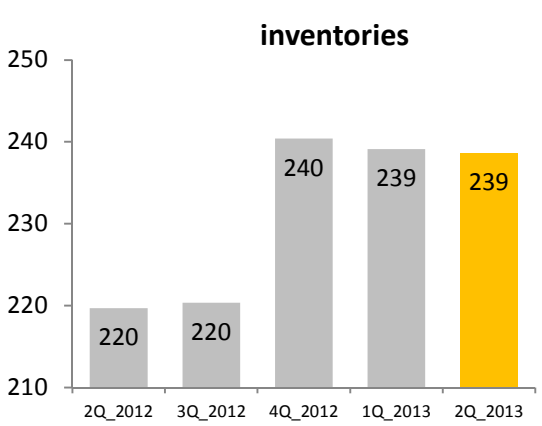
	2Q'13	2Q'12	change	1-2Q'13	1-2Q'12	change
Sales	379,6	387,5	-2%	714,0	737,3	-3%
EBITDA	53,0	62,7	-15%	98,1	109,9	-11%
margin	*14%*	*16%*		*14%*	*15%*	
EBIT	33,1	41,5	-20%	58,7	69,1	-15%
margin	*9%*	*11%*		*8%*	*9%*	
Net profit	42,9	31,8	35%	59,8	55,8	7%

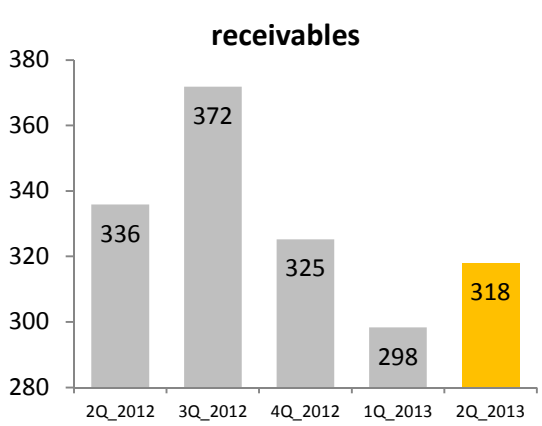
Sales: drop in aluminum prices and lower sales of construction services by about PLN 30 mn

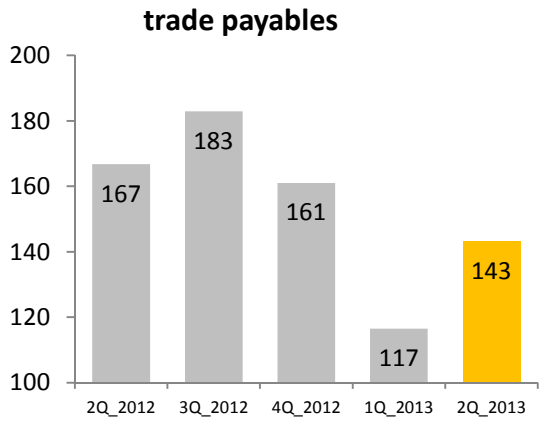
Operating profit: the decline in profitability of construction services and lower sales of services while maintaining the level of employment and other fixed costs in the segment

Net profit: recognition of deffered tax assets - about PLN 17.4 mn

WORKING CAPITAL MANAGEMENT





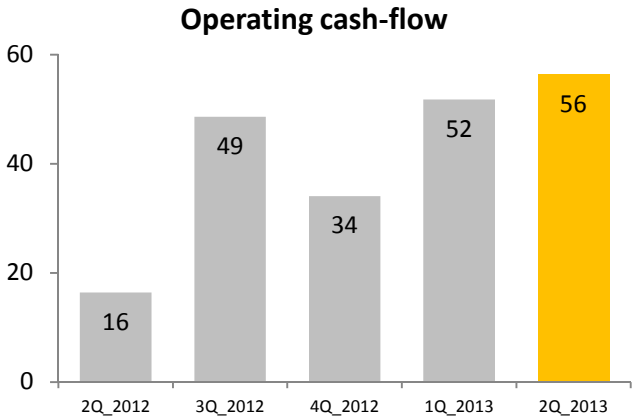


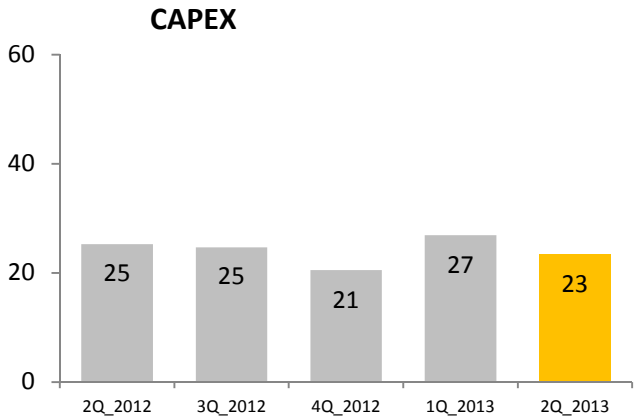
The increase in inventories due to the expected increase in sales in the third quarter

The decrease in receivables due mainly to a lower level of sales of construction services

Decrease in trade payables due to reasons similar to receivables

CASH - FLOW

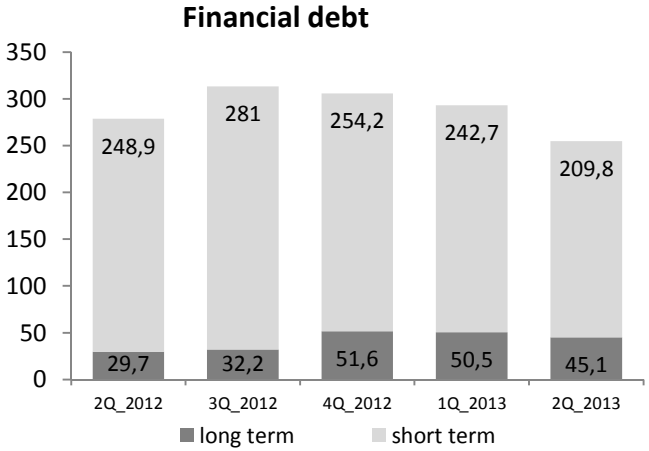


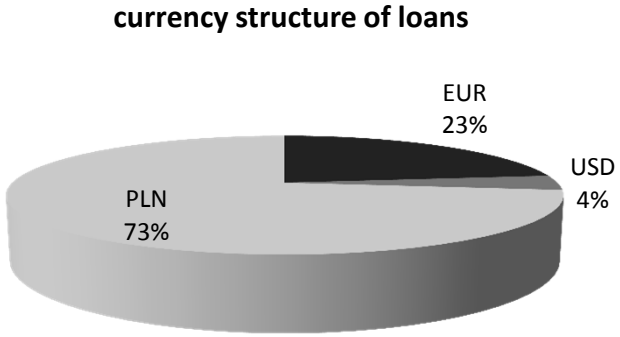


Stable operating cash-flow

The investment plan implemented in accordance with the schedule

DEBT

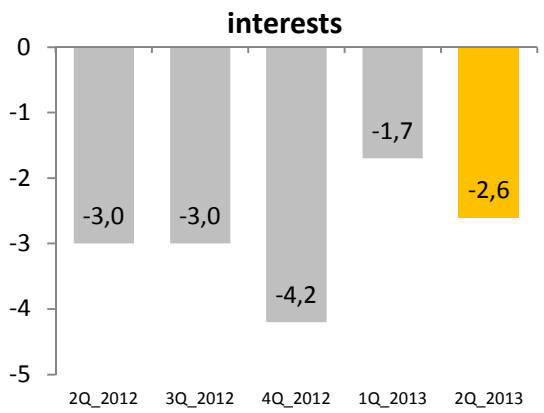


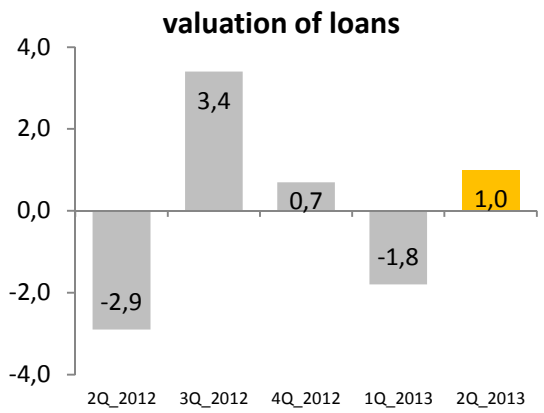


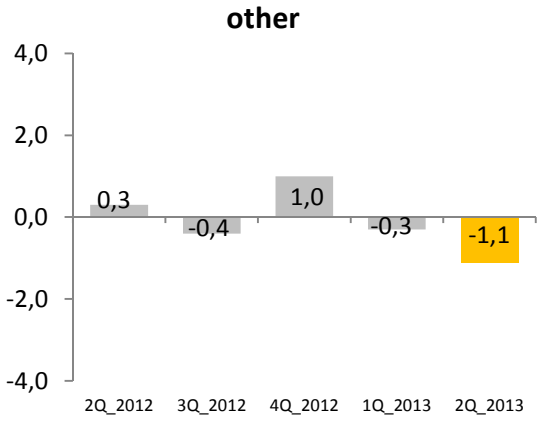
Net debt at the level of PLN 189.8 mn. The projected increase of about PLN 30 - 40 mn in the third quarter due to the payment of a dividend and the expected higher sales and investment program

Safe financing structure and low debt ratios (debt / equity ratio at 25%)

FINANCIAL ACTIVITY







The total balance for financing activities amounted to PLN -2.8 mn

Interest expense on loans less than the previous year

SUMMARY

The first half in most segments in line with expectations

Optimistic outlook for the second half

The Management Board maintains the annual forecast

THANK YOU

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