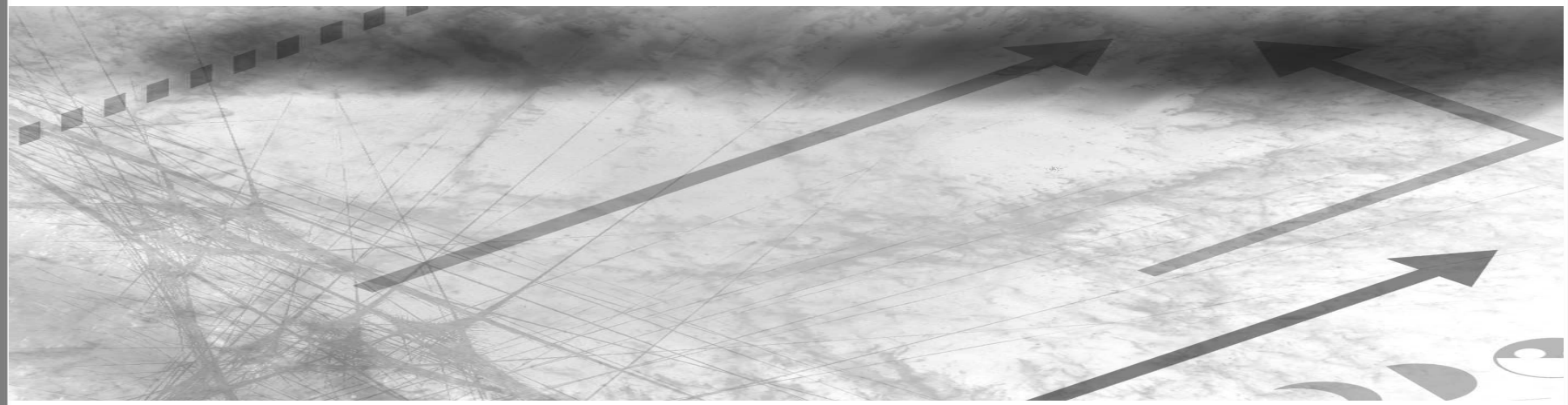
RESULTS IN THE THIRD QUARTER OF 2013
Grupa KĘTY S.A.

DARIUSZ MAŃKO
PRESIDENT OF THE MANAGEMENT BOARD

ADAM PIELA
MEMBER OF THE MANAGEMENT BOARD



MEETING AGENDA

1. AN OVERVIEW OF THE MARKET SITUATION IN SEGMENTS
2. CONSOLIDATED FINANCIAL FIGURES
3. SUMMARY

EXTRUDED PRODUCTS SEGMENT

		Q3_2013	Q3_2012	zmiana	3Q_2013	3Q_2012	zmiana
Sales		183,4	163,8	12%	466,7	451,1	3%
	domestic	110,4	107,2	3%	275,9	302,5	-9%
	eksport	73,0	56,6	29%	190,8	148,6	28%

A good quarter for the segment – an increase in the volume by 20% and of the sale value by 12%.

The first quarter in this year in which we recorded increases in the key industries on the Polish market (the building industry, automotive, wholesale).

Further increases on the German and Italian markets.

Lower demand on the Ukrainian market.

The stabilisation of the selling prices with higher volumes allows for improved margins.

The use of the production capacity at 80–85%.

EXTRUDED PRODUCTS SEGMENT

Selected projects implemented in the Extruded Products Segment

AE Group AG – welded components for frames in Lamborgini cars

Diehl Aerospace – system components for the equipment in carlingues assembled in Airbus and Bombardier products

Marketing Displays Germany – profiles for presentation and exhibition systems

ALUMINIUM SYSTEMS SEGMENT

		Q3_2013	Q3_2012	zmiana	3Q_2013	3Q_2012	zmiana
Sales		175,4	161,9	8%	421,6	416,5	1%
	domestic	113,1	112,8	0%	273,5	294,2	-7%
	eksport	62,3	49,1	27%	148,1	122,2	21%

A good quarter for the segment despite the difficult situation in the industry – limited liquidity of customers is still the main barrier for the development of the sale in Poland.

Due to the weakness of the market, certain competitors have been limiting the activity on the Polish market.

Increases on the basic export markets from 25 to over 80% (Germany, the Czech Republic, Ukraine, Romania, the UK).

Sourcing a number of new customers on foreign facilities markets (Belgium, Belarus, Denmark, the UK).

An increase in the sale of finished products to western markets as per the objectives (ca. 90%).

ALUMINIUM SYSTEMS SEGMENT

Hilton Balice Hotel - Kraków

Pomorska Metropolitan Railway - the Tri-city

Kapelanka 42 - Kraków

Kościuszko Business Point - Toruń

Stadium - Lublin

ALUMINIUM SYSTEMS SEGMENT

New Technologies Centre III phase 2 - Warsaw

Hospital – Viborg, Denmark

Botanical gardens pavilions – Bucharest, Romania

Matalan Pluto – UK

Four Domes Pavilion - Wrocław

FLEXIBLE PACKAGING SEGMENT

		Q3_2013	Q3_2012	zmiana	3Q_2013	3Q_2012	zmiana
Sales		94,9	85,9	10%	275,5	256,7	7%
	domestic	58,1	55,5	5%	164,3	167,7	-2%
	eksport	36,8	30,4	21%	111,2	89,0	25%

Another good quarter for the segment.

Further dynamic increase in the sale to German, Swiss and Dutch markets on the basis of the cooperation with Nestle. After nine months, the sale to western Europe accounts already for over half of the segment's export.

Systematic expansion of the portfolio of offered products for packing fast-moving food.

The use of the production capacity at 80-85%.

FLEXIBLE PACKAGING SEGMENT

New projects in the fat industry implemented together with Unilever.

Significant expansion of the cooperation with AB Foods – a several-times increase in turnover planned for the next year.

New customers in the food concentrates industry (Fuchs Gewurze and Podravka).

BUILDING SERVICES SEGMENT

		Q3_2013	Q3_2012	zmiana	3Q_2013	3Q_2012	zmiana
Sales		35,6	70,8	-50%	89,6	166,5	-46%
	domestic	33,8	62,2	-46%	77,3	154,0	-50%
	eksport	1,9	8,6	-78%	12,2	12,5	-2%

Persisting difficult situation on the facilities market in Poland (low margins, remote payment deadlines).

The sale in Poland based in the present year on road infrastructure projects (S3, S8, A1).

Shifting the termination of a number of foreign projects to the fourth quarter of 2013 and the first quarter of 2014.

Gradual improvement of the segment's profitability in the quarter.

BUILDING SERVICES SEGMENT

Marriott - USA

Grafental - Germany

BUILDING ACCESSORIES SEGMENT

		Q3_2013	Q3_2012	zmiana	3Q_2013	3Q_2012	zmiana
Sales		13,9	11,9	16%	29,5	29,7	-1%
	domestic	9,1	8,6	5%	20,4	22,5	-9%
	eksport	4,8	3,3	45%	9,1	7,3	25%

An increase in the sale on the Polish market despite the persisting difficult situation on the market of envelope fittings.

Further activities focused on sourcing customers who are the biggest Polish window manufacturers.

Fast development of the export sale – winning new customers on eastern markets with the purchasing potential of ca. 3 million EUR p.a.

SUMMARY

A very good quarter for all segments.

Slow improvement of the demand in Poland.

Low financial liquidity of customers is still the main barrier for an increase in the domestic sale.

Stable growth of export sale.

CONSOLIDATED RESULTS

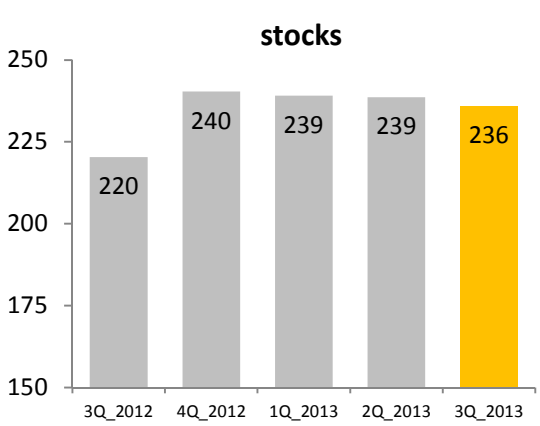
	Q3'13	Q3'12	zmiana	3Q'13	3Q'12	zmiana
EUR/PLN	4,25	4,13	3%	4,20	4,21	0%
USD/PLN	3,20	3,31	-3%	3,19	3,28	-3%
EUR/USD	1,33	1,25	6%	1,32	1,28	3%
AL.3M (USD/t)	1827	1945	-6%	1912	2061	-7%

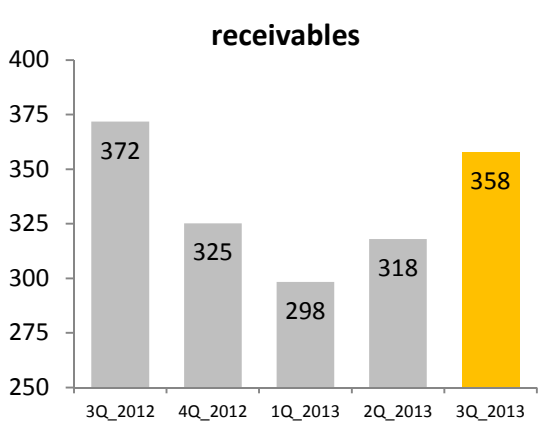
	Q3'13	Q3'12	zmiana	3Q'13	3Q'12	zmiana
Sales	452,6	442,9	2%	1166,6	1180,2	-1%
EBITDA	77,5	74,3	4%	175,6	184,3	-5%
marża	*17,1%*	*16,8%*		*15,1%*	*15,6%*	
EBIT	57,0	53,6	6%	115,7	123,0	-6%
marża	*12,6%*	*12,1%*		*9,9%*	*10,4%*	
Net profit	44,0	44,0	0%	103,9	99,8	4%

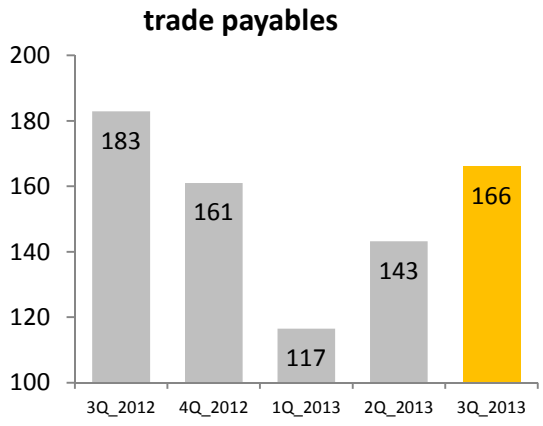
Sale: a decrease in aluminium prices and lower sale of building services.

Operating profit: gradual improvement of profitability in the Building Services Segment.

WORKING CAPITAL MANAGEMENT





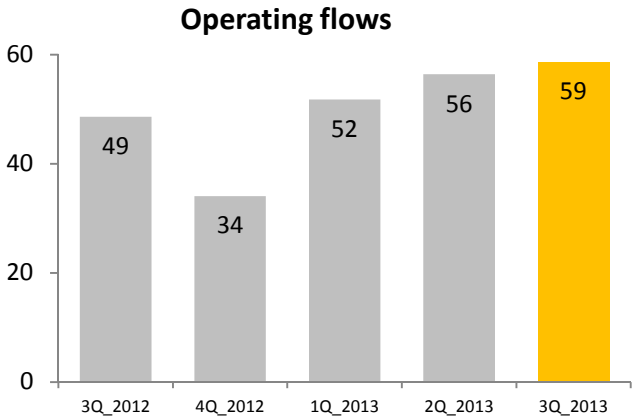


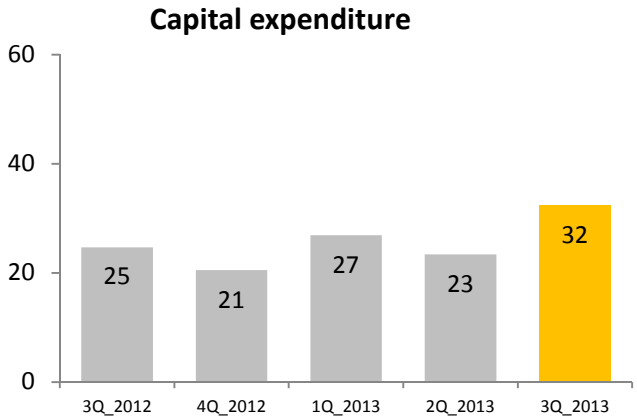
An increase in stocks resulting from higher sale in the quarter.

A decrease in receivables resulting mainly from the lower sale of building services.

A decrease in trade payables results from the reasons similar to the reasons for receivables.

CASH FLOWS

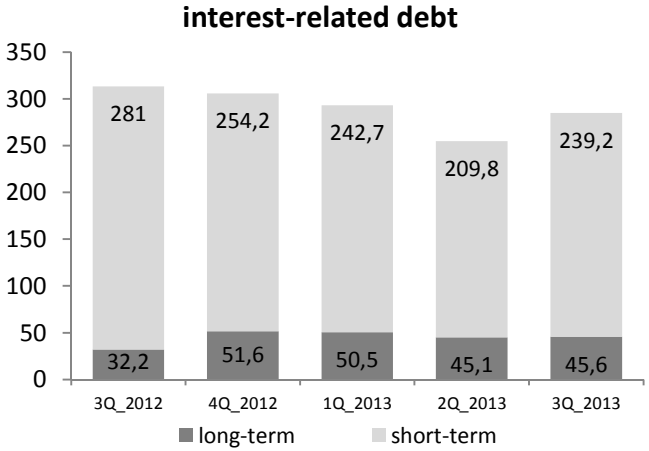


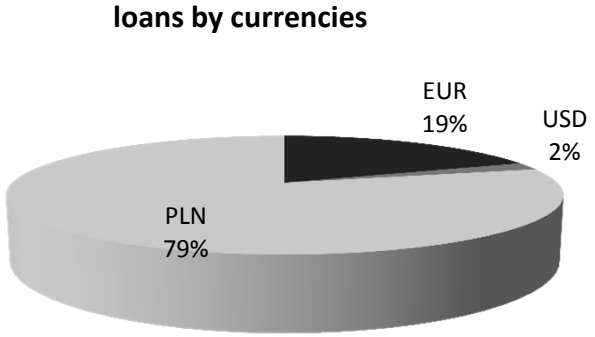


Stable operating flows – after nine months, almost 167 million PLN from operating activities.

The majority of investment projects implemented as per the budget. Projected shift of a part of payments to 2014 amounting to ca. 20–25 million PLN.

DEBT

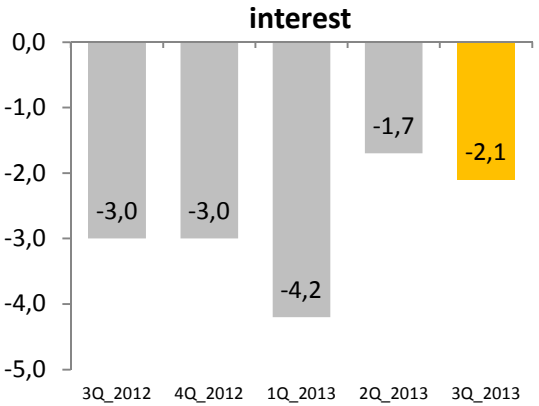


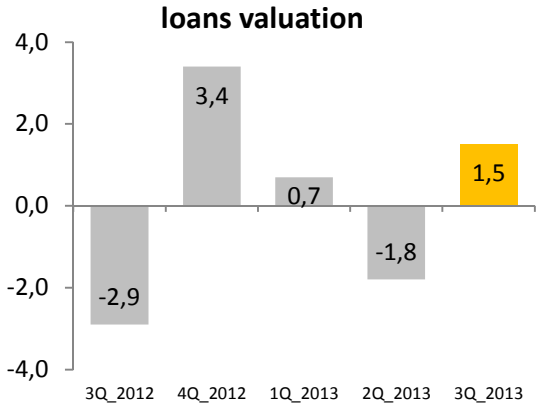


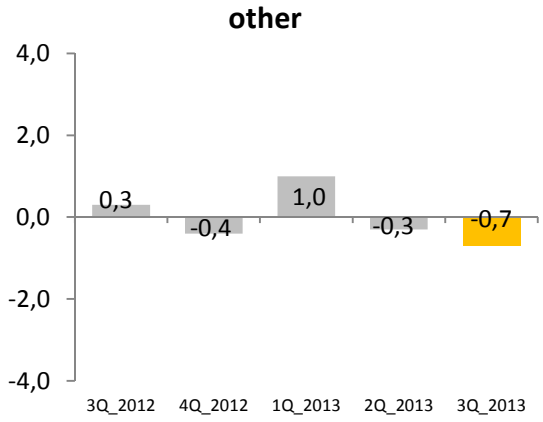
Net debt at the level of 216.2 million PLN. In the fourth quarter, the projected decrease by ca. 20–30 million PLN.

Safe financing structure and low debt ratios (debt/equity at the level of 27 %).

FINANCIAL ACTIVITIES







The total balance on financial activities amounted to minus 1.3 million PLN.

Assuming that the present rates of exchange will remain the same, the result from financial activities in the fourth quarter will be at a similar level.

SUMMARY

The results for the third quarter as expected.

Slow improvement of the demand on the Polish market.

Optimistic prospects for the fourth quarter.

THANK YOU

CONTACT WITH INVESTOR RELATIONS
MICHAŁ MALINA
TEL. 33 8195 478
MOB. 600 083 001
Email: mmalina@grupakety.com
WWW.GRUPAKETY.COM

LEGAL NOTE

This Presentation has been prepared by Grupa KĘTY S.A. only for informational purposes and in no case does it form an invitation or an offer to purchase any securities or financial instruments, or to participate in any commercial undertaking, or any recommendation to enter into any transactions, particularly transactions concerning the securities of Grupa KĘTY S.A.

The information contained in this Presentation originate from publicly available sources which are deemed by Grupa KĘTY S.A. as reliable. However, Grupa KĘTY S.A. cannot guarantee their truthfulness or completeness. Grupa KĘTY S.A. is not liable for the effects of the decisions made on the basis of the information contained in this Presentation.

This Presentation may contain forecasts, which have been prepared on the basis of a number of assumptions, expectations and projections and, as a result, are subject to uncertainty risk. Any and all forecasts contained in this Presentation, including statements concerning expected future financial results, do not represent or warrant that such results will be accomplished in the future by Grupa KĘTY S.A., any subsidiary of Grupa KĘTY S.A. or the Capital Group of Grupa KĘTY S.A. At the same time, Grupa KĘTY S.A. indicates that current and periodical reports submitted by Grupa KĘTY S.A. as part of exercising its disclosure obligations resulting from the Polish law are the only reliable source of the data concerning financial results of Grupa KĘTY S.A., forecasts, events and ratios.

In addition, no information contained in this Presentation forms a statement by Grupa Kęty S.A., the members of the Management Board of Grupa Kęty S.A., the employees of Grupa Kęty S.A., the subsidiaries of Grupa Kęty S.A. or the representatives of such persons. The information may not be the basis for any claims towards Grupa KĘTY S.A.

Grupa KĘTY S.A. is not obligated to update or make public any changes, updates or modifications of any information included in this Presentation.

Neither Grupa KĘTY S.A. nor any of the members of its Management Board or its employees will be liable for any damage resulting from any use of this Presentation or the information contained in it.

This Presentation may not be disseminated in the countries in which, according to the respective law, the public dissemination of the information contained in this Presentation may be restricted or prohibited.

Duplicating, disseminating or disclosing this Presentation, directly or indirectly, for purposes other than informational without the knowledge and permission of Grupa KĘTY S.A. is prohibited.