

# **PRESENTATION OF FIRST QUARTER 2015 RESULTS**

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PRESIDENT & CEO

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**Export** again as a **driving force** of revenues - an increase of 25%.

**The increase in consolidated profit** both at the operational level (+ 8%) and net (+ 14%).

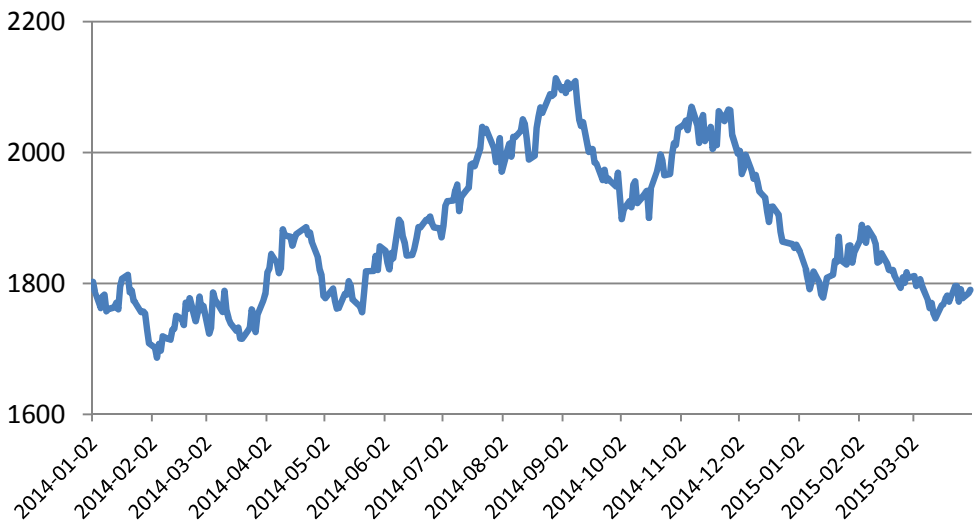
Recommendation of a **dividend** payment **at a record level**.

Start of the the new strategy.

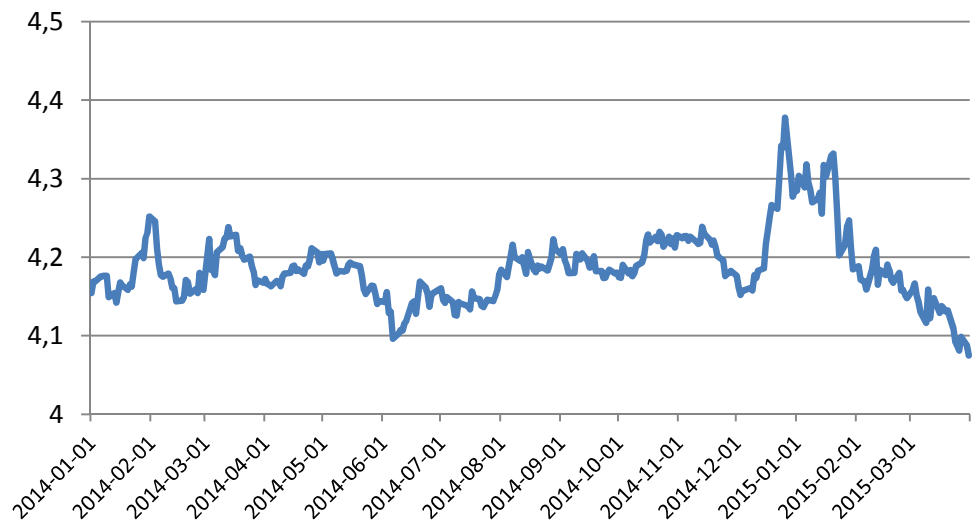
# MACRO FACTORS IN THE FIRST QUARTER 2015



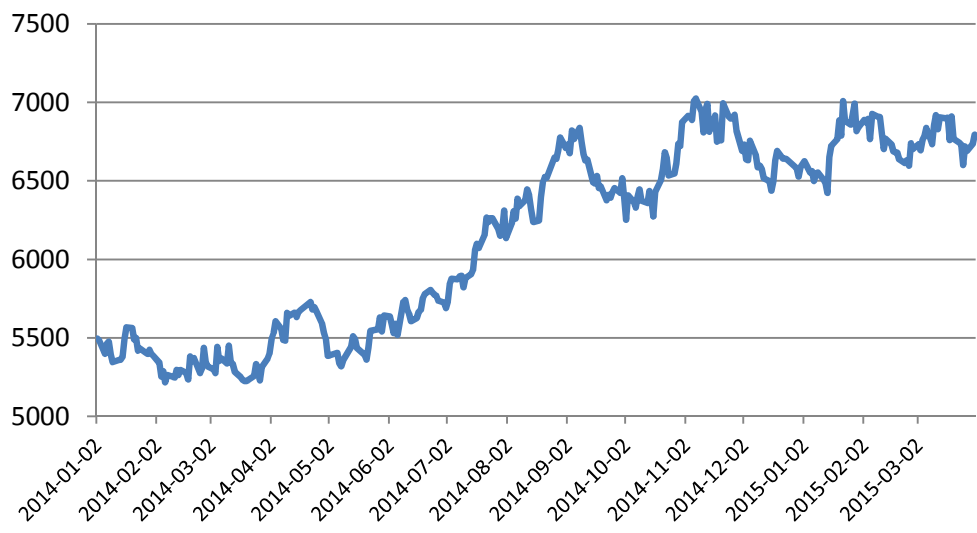
**Price of aluminium 3M on LME (in USD/t)**



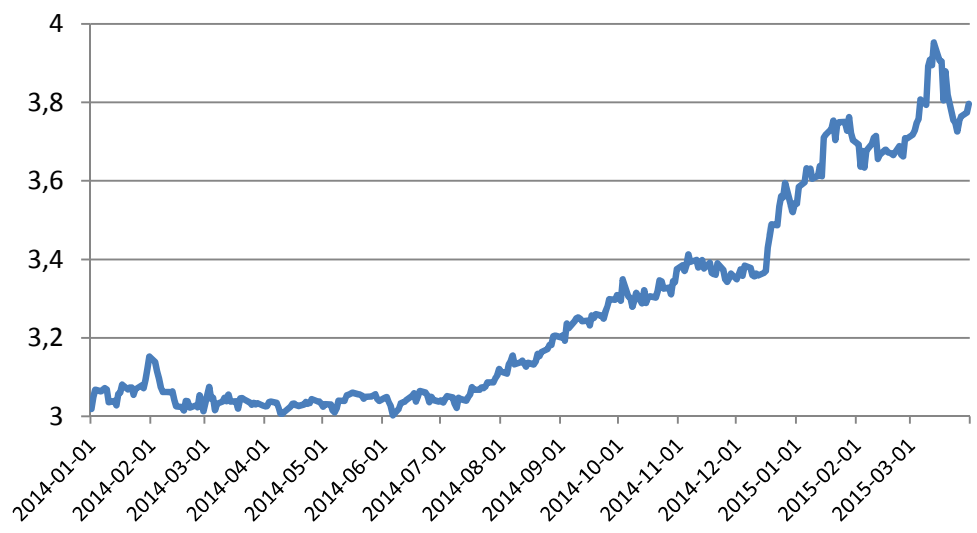
**EUR/PLN**



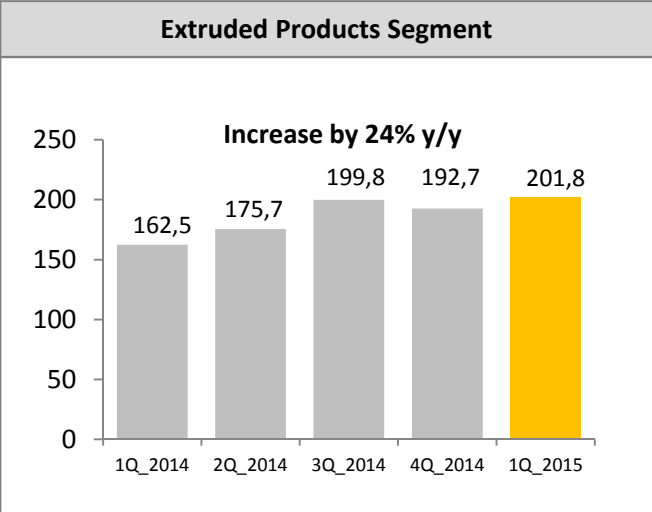
**Price of aluminium 3M in PLN/t**



**USD/PLN**

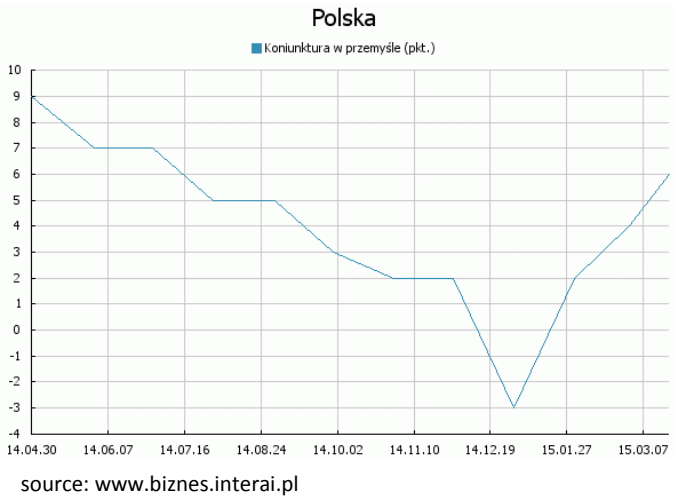


# EXTRUDED PRODUCTS SEGMENT – continued growth in sales in the domestic market

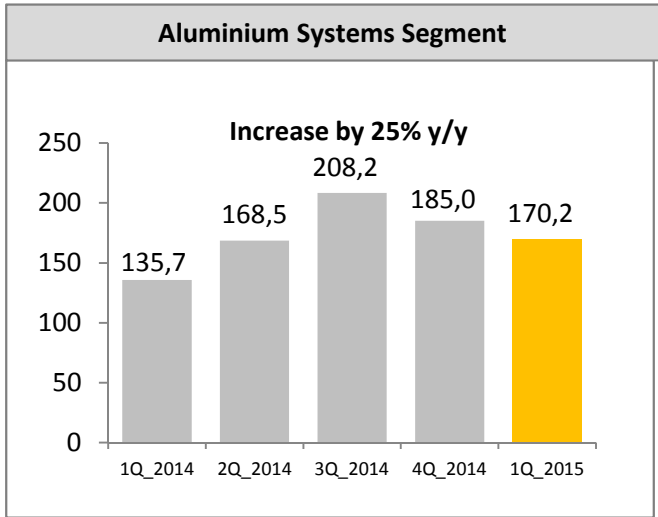


	Q1_2015	Q1_2014	change
<b>Sales</b>	201,8	162,5	24%
<b>domestic</b>	125,5	96,4	30%
<b>export</b>	76,2	66,1	15%

- In the domestic market optimism prevails. Increases in the following sectors: construction, transport and automotive, interior fittings. Sales to machinery, electrical and wholesaler sectors lower than last year's level by a few percent.
- Sales in volume terms in foreign markets at a comparable level to last year. Sales in volume in the domestic market increased by about 10%.
- The decrease in profit margin due to the increase in the cost of raw materials base.
- In the second quarter sales growth projected at a level comparable to the first quarter, assuming stable aluminum quotations comparable exchange rates.

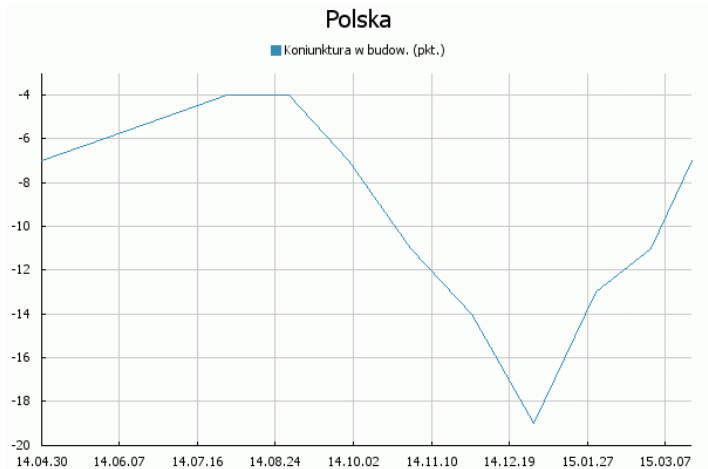


# ALUMINIUM SYSTEMS SEGMENT – maintained an upward trend



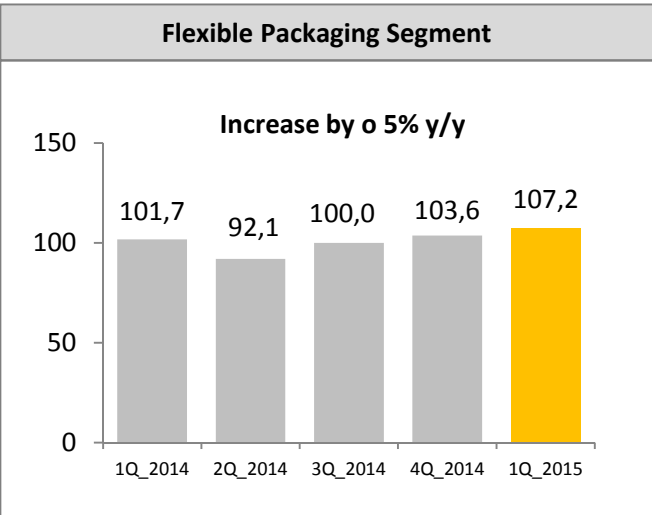
	Q1_2015	Q1_2014	change
<b>Sales</b>	170,2	135,7	25%
<b>domestic</b>	112,0	87,8	28%
<b>export</b>	58,2	47,9	22%

- The impressive growth in sales in the domestic market.
- British market, Romanian and Dutch the leaders of increases. The continuing high market share of the three main markets (German, British and Czech) in total exports at approx. 60%.
- The first significant contract for the US market (US \$ 15 million, from the date of execution by the end of 2016 years).
- In the second quarter sales forecast by approx. 15% higher than the same period last year.



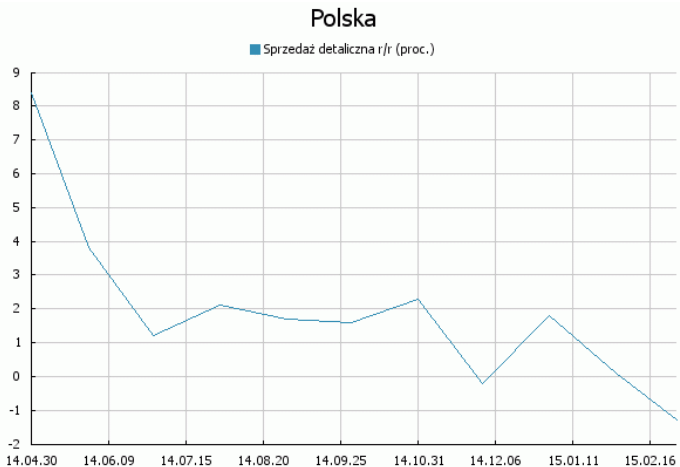
source: [www.biznes.interai.pl](http://www.biznes.interai.pl)

# FLEXIBLE PACKAGING SEGMENT – another quarter of growth in the markets of Western Europe



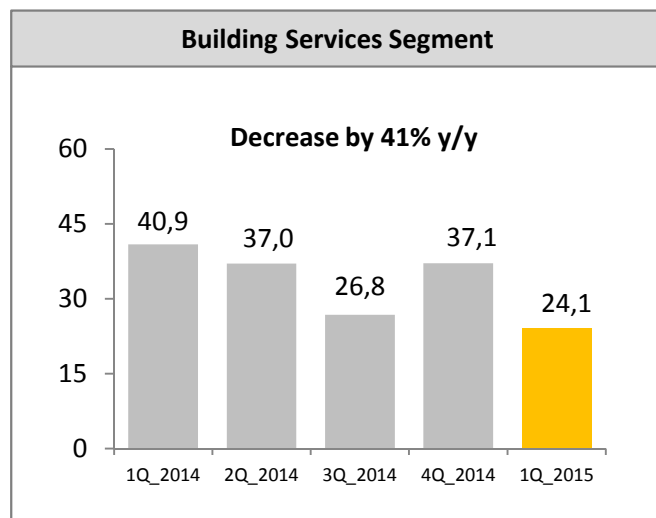
	Q1_2015	Q1_2014	change
<b>Sales</b>	107,2	101,7	5%
<b>domestic</b>	59,4	61,4	-3%
<b>export</b>	47,8	40,3	18%

- Stable domestic market.
- Markets: German, Dutch and French "engine of growth in exports" (about 40% growth rate) with an allowance to compensate 40% decline in the Russian market.
- Continuation of investment projects to increase production capacity in the current year by about 10%.
- Obtain a new permit to operate in the economic zone for Alupol Films, a subsidiary of Alupol Packaging.
- In the second quarter the expected sales growth of around 10% y/y.



source: [www.biznes.interai.pl](http://www.biznes.interai.pl)

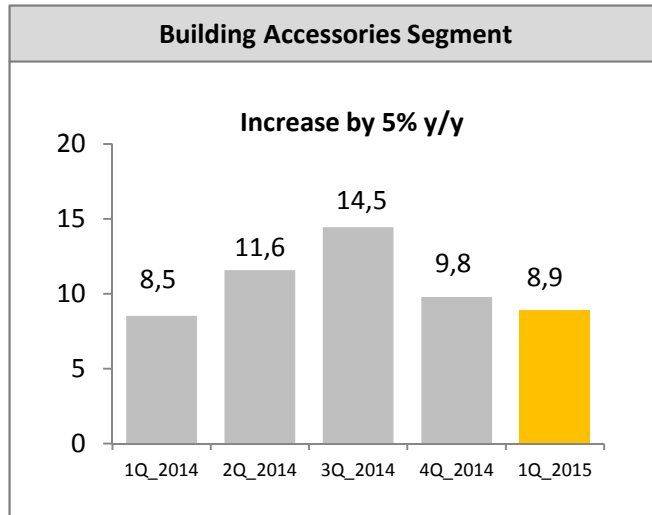
# BUILDING SERVICES SEGMENT – shifting projects result in a drop in sales



	Q1_2015	Q1_2014	change
<b>Sales</b>	24,1	40,9	-41%
<b>domestic</b>	0,9	31,1	-97%
<b>export</b>	23,2	9,8	136%

- Approximately PLN 23 million lower sales due to a shift of a portion of the contracts.
- Germany, Belgium and the United States the main export markets in the first quarter.
- The new object and road contracts worth a total of approx. PLN 30 million "harvested" in the first quarter.
- In the second quarter the projected sales similar to last year's level.

# BUILDING ACCESSORIES SEGMENT – in line with the assumptions



	Q1_2015	Q1_2014	change
<b>Sales</b>	8,9	8,5	5%
<b>domestic</b>	7,5	6,7	12%
<b>export</b>	1,4	1,8	-23%

- The increase in the domestic market achieved mainly through the development of intra-group cooperation.
- Sales to the Belorussian and Ukrainian markets reduced to a minimum level.
- In the second quarter, the expected sales will increase by approx. 5 - 10% in comparison with last year's level.

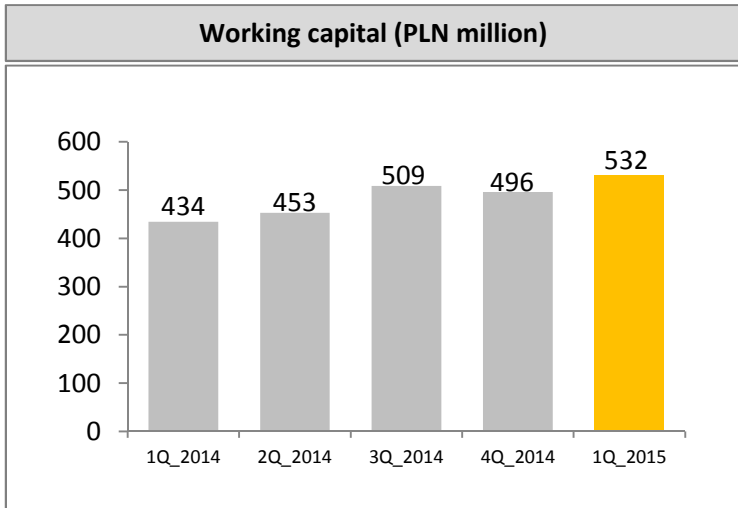


# CONTINUED VERY GOOD RESULTS

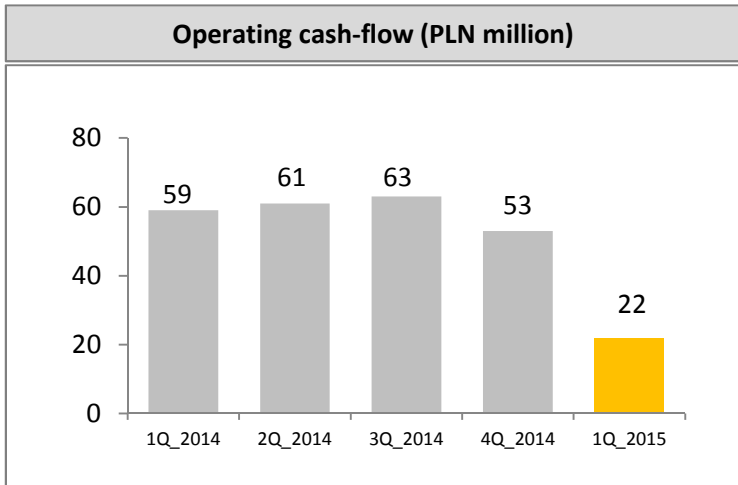
	Q1 2015	Q1 2014	change
<b>Revenues</b>	<b>466,0</b>	<b>412,9</b>	<b>+13%</b>
<b>Operating profit</b>	<b>52,3</b>	<b>48,4</b>	<b>+8%</b>
margin	11,2%	11,6%	
<b>EBITDA</b>	<b>73,7</b>	<b>67,8</b>	<b>+9%</b>
Margin	15,8%	16,4%	
<b>Result on financial activity</b>	<b>-13,2</b>	<b>-8,1</b>	
Interests	-1,1	-1,7	
fx gains/loses on bank loans	-0,7	-0,3	
other	-11,3	-6,2	
<b>Profit before tax</b>	<b>39,0</b>	<b>40,3</b>	<b>-3%</b>
Corpotare tax	-3,9	-9,5	
<b>Consolidated net profit</b>	<b>35,1</b>	<b>30,8</b>	<b>+14%</b>

- The slight decrease in profit margin resulting from the higher cost base.
- The continuing negative impact of devaluation of the Ukrainian hryvnia.
- The lower tax rate due to start recognizing income tax assets.

# INCREASING DEMAND FOR WORKING CAPITAL

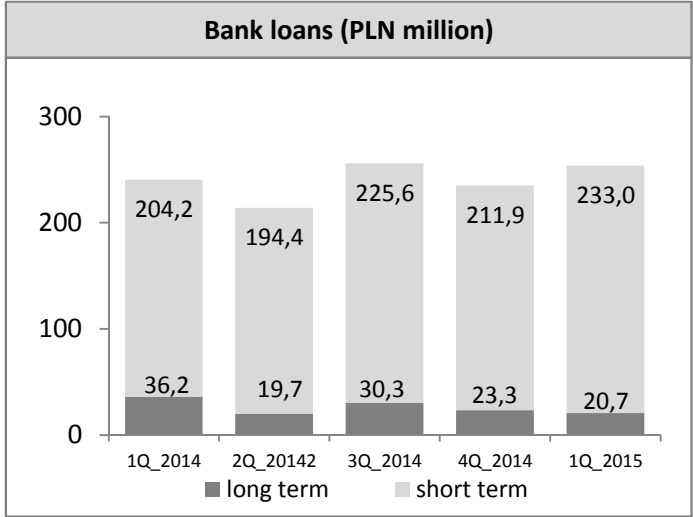


	1Q_2014	2Q_2014	3Q_2014	4Q_2014	1Q_2015
<b>Working Capital</b>	<b>434</b>	<b>453</b>	<b>509</b>	<b>496</b>	<b>532</b>
Inventories	252	260	285	308	305
Receivables	349	362	399	363	405
Liabilities	166	169	174	175	178
Turnover ratio (in days)	95	93	94	93	103

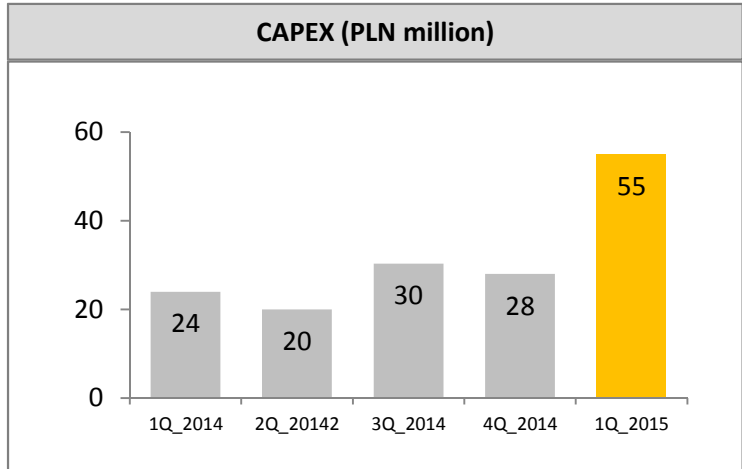
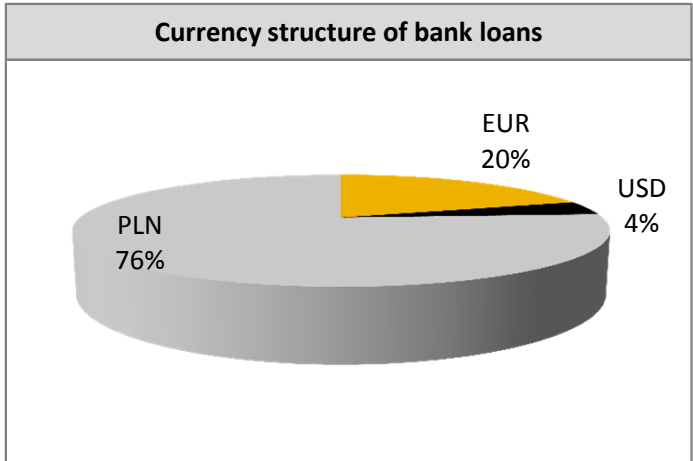


- Increase in working capital in the two largest segments due to the record levels of sales and the weakening of PLN in relation to the US dollar, which increases the value of the inventory of raw material (aluminum).
- Cash flows from operating activities under the "pressure" of working capital.

# DEBT UNDER CONTROL



- The increase in debt due to the growing need for working capital financing and start the execution of the investment program.
- Net debt at around PLN 200 million.
- Safe indicators net debt / equity (0.16) and the net debt / EBITDA (0.6) to enable the fulfillment of the new strategy.
- The expected increase in debt in the second half of the year, due to performance of the investment plan and the payment of dividends.



## **Successful start to the year**

**Management expects good results for the second quarter**

**The launch of a number of projects from the new strategy**

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