

120
ani



TeraPlast



www.teraplast.ro

Q1 2018 results

May 4th, 2018



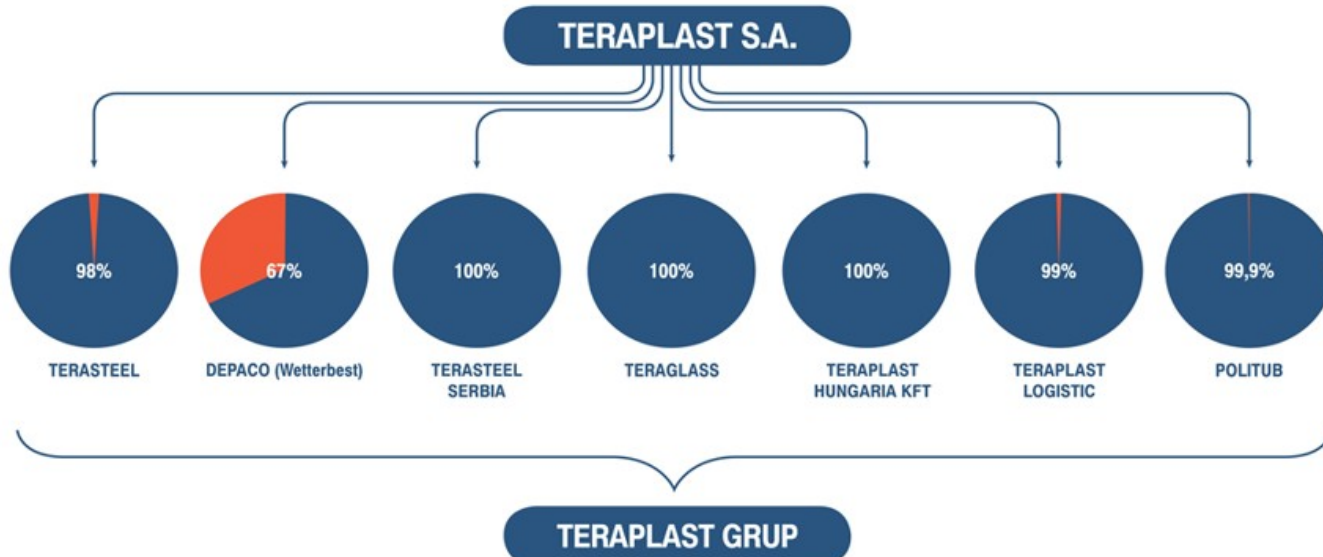
120
ani



TeraPlast

TeraPlast Group

www.teraplast.ro



Contents

Overview and key figures

Q1 Segment results

Quarterly progress review

Q1 Highlights

Overview and key figures

Q
12
0
1
7

mRON

6.6

EBITDA

mRON

67

Operating
income

%

9.8

EBITDA Margin

Q
12
0
1
8

mRON

7.6

EBITDA

mRON

131

Operating
income

%

5.8

EBITDA Margin

Our business doubled in Q1 2018 and we are on track to achieving our growth ambitions for 2018

Segment results

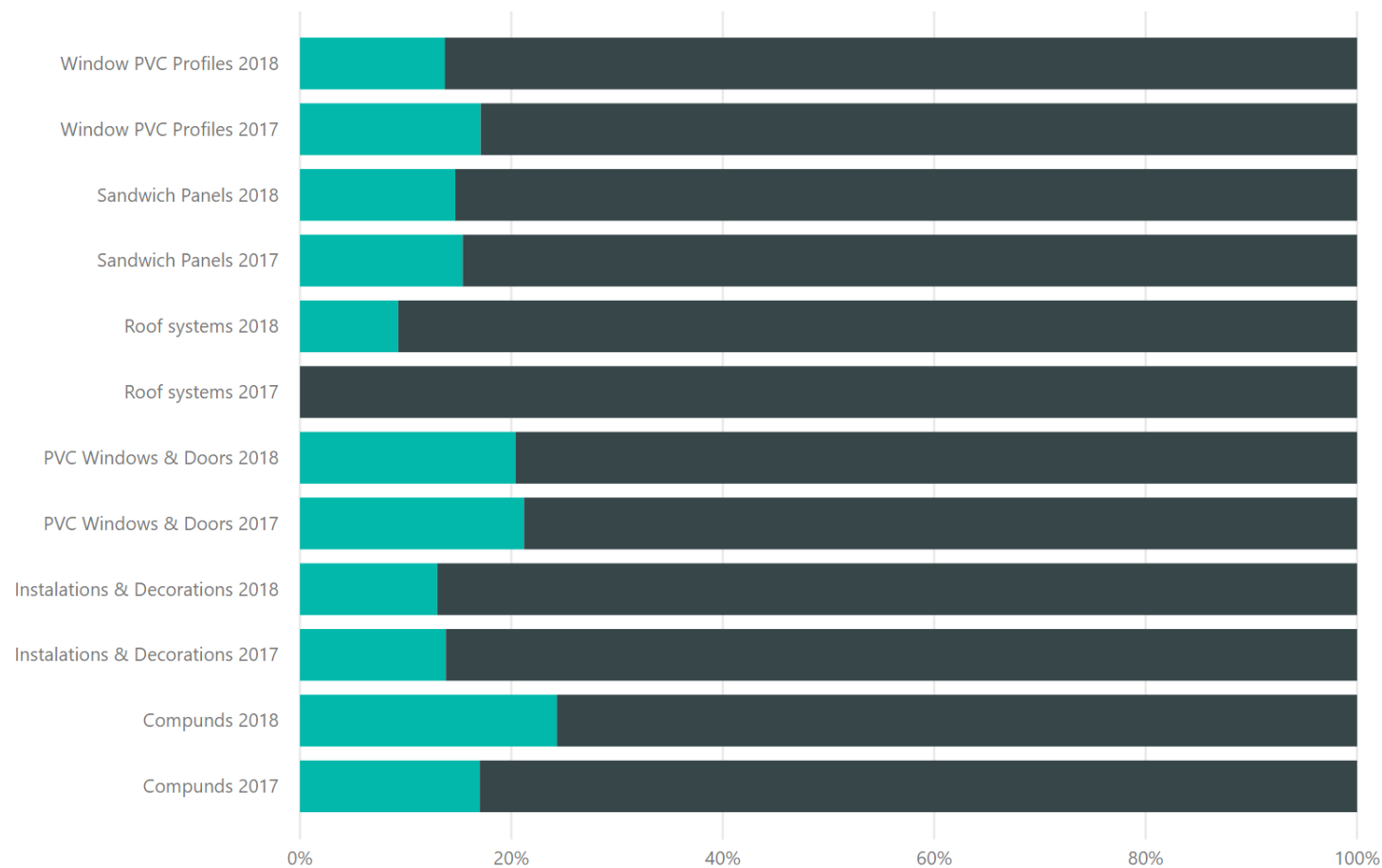
Segment	EBITDA Q1 2017	Operating income Q1 2017	% EBITDA Q1 2017	EBITDA Q1 2018	Operating income Q1 2018	% EBITDA Q1 2018	EBITDA FY17	Operating income FY17	% EBITDA FY17
Sandwich Panels	2.5	26.6	9.3%	3.5	47.8	7.3%	18.8	173.1	10.8%
Roof systems	Not consolidated			(0.8)	25.6	-3.2%	Not consolidated		
Instalations & Decorations	1.7	16.7	10.2%	1.2	26.0	4.5%	11.5	120.5	9.5%
Compunds	1.1	9.2	11.6%	2.0	15.4	13.3%	6.5	54.2	12.0%
Window PVC Profiles	0.9	9.4	9.2%	1.0	10.1	10.0%	4.6	55.3	8.4%
PVC Windows & Doors	0.5	4.9	9.5%	0.7	6.3	11.1%	0.8	23.0	3.4%
Total	6.6	66.8	9.8%	7.6	131.4	5.8%	42.1	426.0	9.9%

all amounts in mRON

Quarterly progress review

Q1 Progress - Operating Income in Q1 expressed as a % in full financial year

● Q1 Operating Income ● Q2-Q4 Operating Income (budget for 2018 / actual for 2017)



Q1 Highlights 1/3

Steel processing

- 56% of the group operating income was generated steel processing operations (Terasteel and Depaco);
- Strong performance for the Sandwich Panels segment (Terasteel): 80% increase in operating income and a 42% increase in EBITDA driven by a very good knowledge of the CEE market;
- We are on track on developing our Balkans market; In 2018, we signed new contracts with customers in Serbia, Kosovo, Muntenegro, Macedonia and Croatia;
- Depaco's operating income increased by 13% in Q1 2018 as compared to Q1 2017; expected synergies with Terasteel materialized in 2018, when Depaco won and delivered projects in the industrial segment resulting in a 65% increase in sales of sheet metal for industrial roofs;

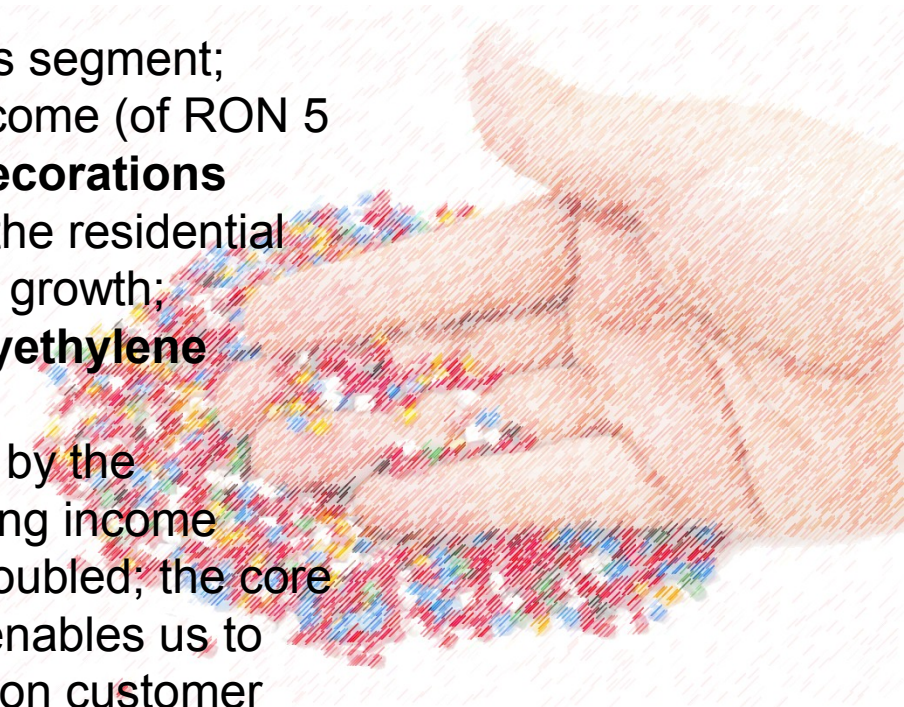




Q1 Highlights 2/3

Plastic products

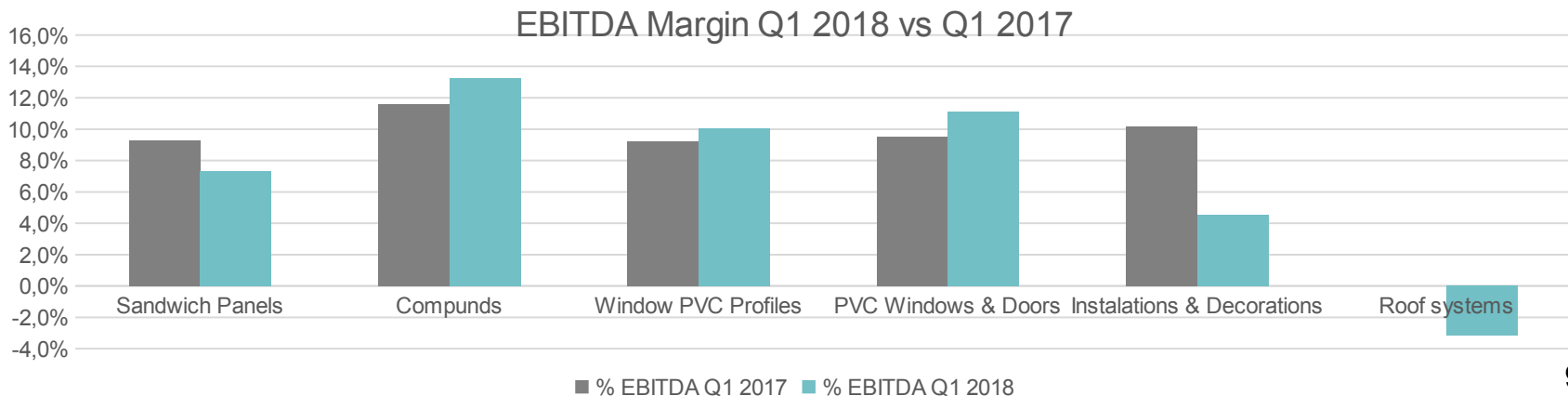
- 44% increase in operating income for this segment;
- An important contribution in operating income (of RON 5 million) came from the **Instalations & Decorations** segment, where a better positioning on the residential sector enabled us to achieve an organic growth;
- A similar contribution came from the **Polyethylene operations** (Politub brand);
- A very strong performance was obtained by the **Compounds** segment where the operating income increased by 68% and EBITDA almost doubled; the core competencies developed in this market enables us to deliver on our value proposition – based on customer specification, we develop tailored recipes and deliver cable products to customers. This way we benefit two fold. First we create the lock-in needed for the customer's product lines. Second this brings a certain predictability to this business.



Q1 Highlights 3/3

EBITDA Margin

- As compared to Q1 2017, EBITDA increased by 16% from RON 6.6 million to RON 7.6 million;
- Deteriorating margins were due to increased competitive price pressure from other producers;
- Also, margin was affected as we focused mainly on two things:
 - Growing our business in selected markets;
 - Carefully integrating the businesses purchased in 2017;





www.teraplast.ro