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Company overview – the largest PVC processor in Romania

Key financials H1 2015 vs H1 2014
LEI (mil)

- H1 **turnover** - 117.93 million lei **+14%**
- H1 **net profit** – 11.19 mil lei **+629%**
- H1 **EBITDA** – 18.94 mil lei **+112%**

Installations & Decorations

- The main player on the external sewage market
- The second player on the internal sewage market

Window Profiles

- Among the key players in the market;
- The market share of TRP increased from 1% in 2010, to 8% in 2015

Compound

- The main producer of compound in Romania with a market share of 25%

Teraplast Group overview – leading manufacturers of materials for construction market

Key financials H1 2015 vs H1 2014
LEI (mil)

- H1 2015 **turnover** 164,11 mil lei + **19%**
- H1 2015 **net profit** 14,02 mil lei + **209%**
- H1 2015 **EBITDA** 21,84 mil lei +**90%**

Teraplast

Teraplast is the largest PVC processor in Romania and holds leading positions in the markets for PVC pipes (42% share), PVC granules (25% share).

Plastsistem

Plastsistem, is among the top three on thermal insulating panels and galvanized steel structures market.

Politub

Politub manufactures tubes and pipes, of medium and high density for the transport and distribution networks of water, gas, and telecommunications, sewer or irrigation.

Teraglass

As of April 2015 Teraplast transferred the activity of PVC windows and doors to Teraglass. Teraplast owns 100% of Teraglass.

Teraplast Moldova

Teraplast owns 51% of Teraplast Moldova. The activity of the company in Moldova is to sell Group's products.

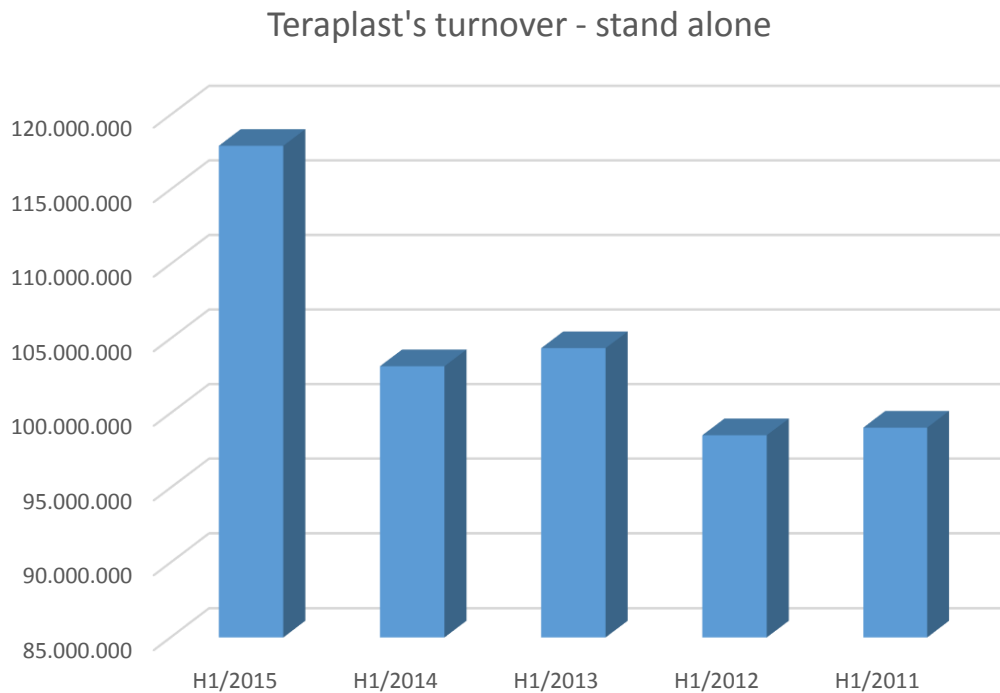


Teraplast Group overview – Significant events during January-June 2015

- In **March**, Teraplast decided to participate as a partner (51% shares) to build up a limited liability company in Republic of Moldova. The purpose of this action was to develop Teraplast's market share in this country and it is part of company's strategy to increase the value of exports.
- As of **April** 2015, Teraplast transferred its window & doors business line on a different company – Teraglass. This company is 100% owned by the parent company Teraplast.
- In **April**, the General Meeting of Shareholders set the value of maximum indebtedness that may contract the company in fiscal year 2015 – 68 million lei.



Turnover evolution in the first half of 2015 – Teraplast stand alone



At individual level, Teraplast achieved a 117.93 million lei turnover, increasing by 14%, as compared to the same period of last year.

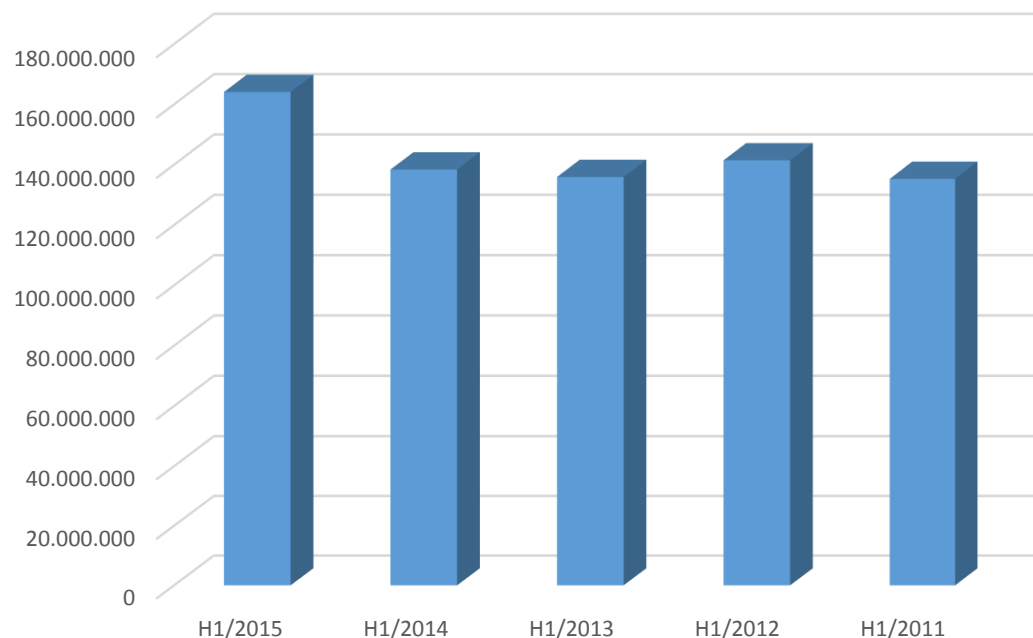
For the first half of 2015 Teraplast’s turnover does not include revenues from the PVC windows & door business line, for the period April-June 2015, as the business line was transferred on Teraglass starting with April 2015.

The PVC windows & door business line had, in the first three months of 2015, a contribution of 13% in the total turnover of Teraplast.

As of second quarter, Teraplast’s revenues are generated by three business lines, as follows: installations, compound and window profiles.

Turnover evolution in the first half of 2015 – Teraplast Group consolidated

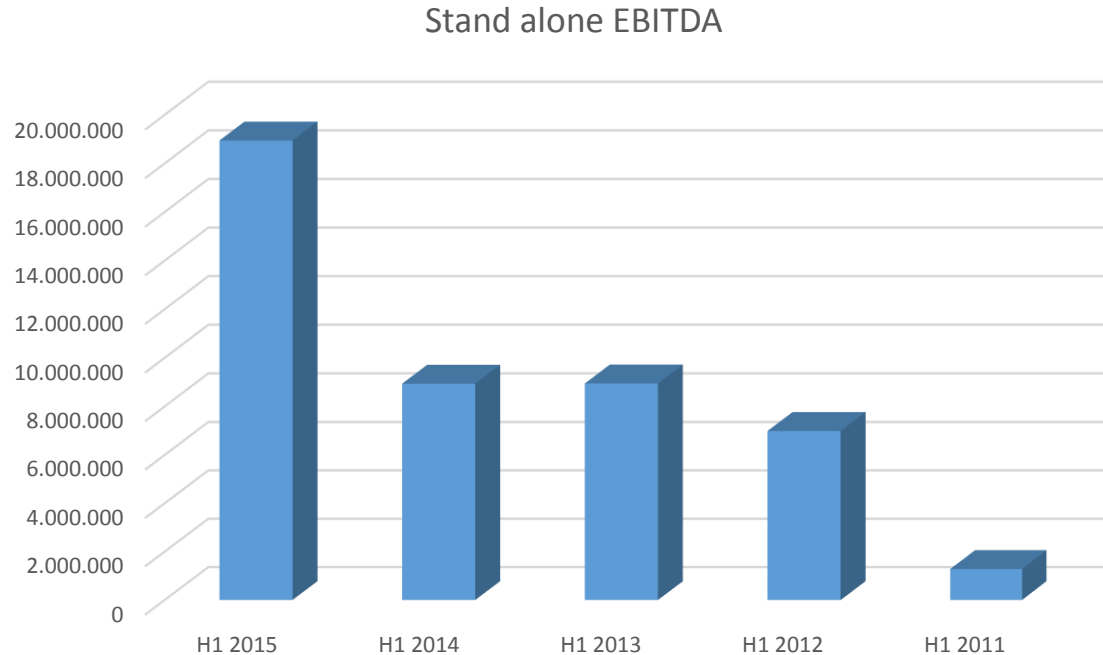
Teraplast Group turnover - consolidated



The total turnover of Teraplast Group increased by **19%** in the first half of 2015 up to **164.12 million lei**. *The consolidation includes 100% elements of revenues and expenses for the companies Teraplast, Plastsistem, Teraplast Moldova and Teraglass and excludes Politub. Being a joint venture Politub is consolidated only at profit level, by 50%.*

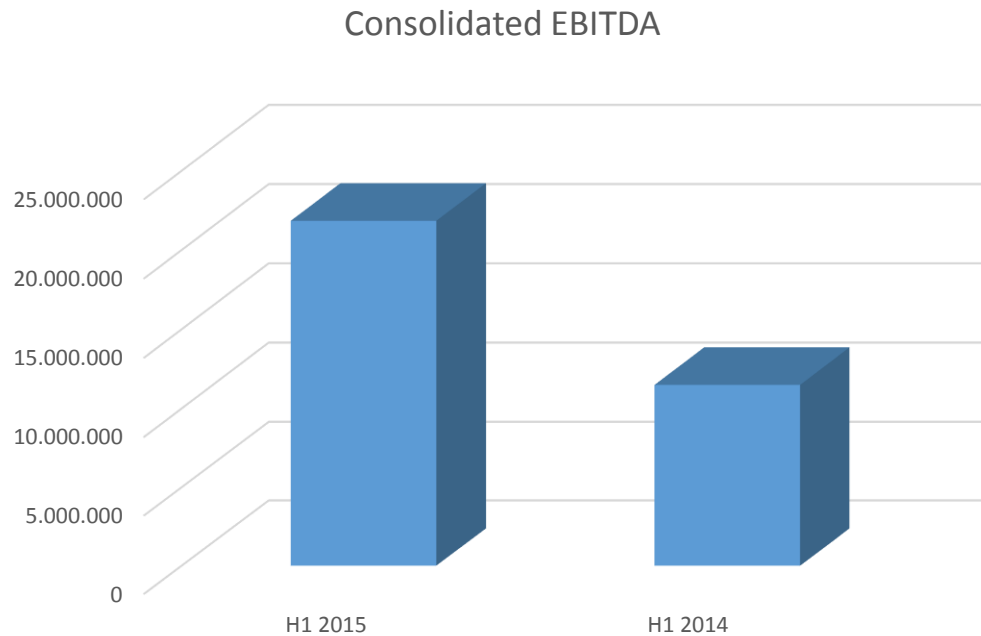
The development of Teraplast Group's turnover was supported by the increases of the concordant markets, in the first six month of the year being recorded increases of over 10% in the construction works. All the business lines of Teraplast Group have had a relevant contribution in the turnover increase and most of them recorded increases above the market rate, fact occurred amid winning share in the domestic market, and due to increased **external markets** deliveries by over **12%**, as compared to the same period of last year.

EBITDA evolution in the first half of 2015 – Teraplast stand alone



Teraplast stand alone achieved an **EBITDA of 18.94 million lei**, compared to 8.94 million lei in the first half of 2014.

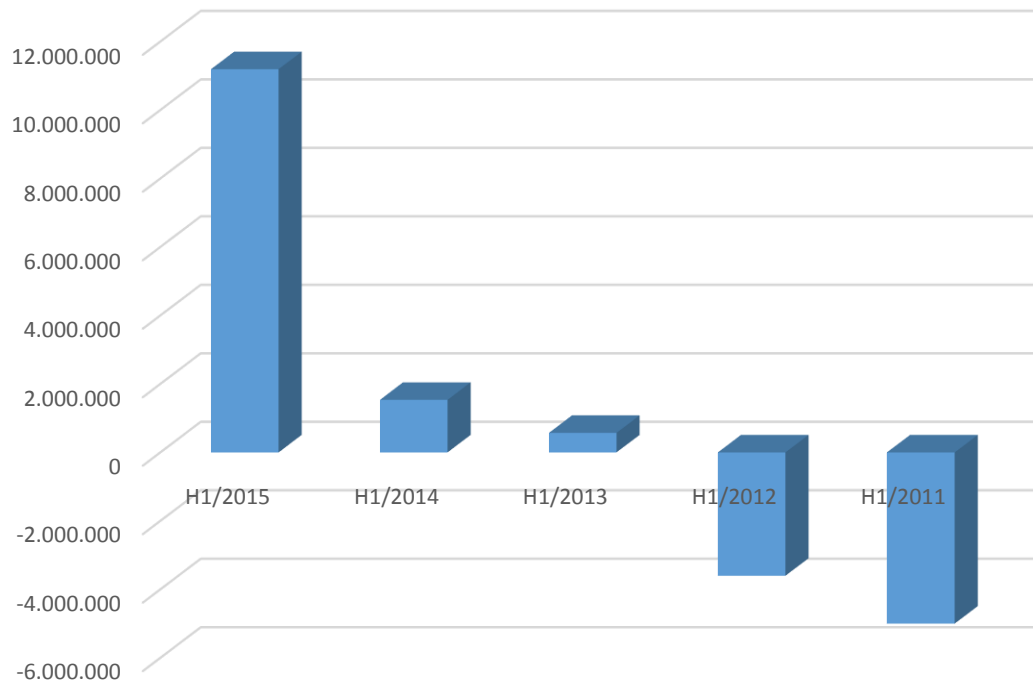
EBITDA evolution in the first half of 2015 – Teraplast Group consolidated



During the analyzed period, Teraplast Group's **EBITDA** was **21.84 million lei**, compared to 11.49 million lei in the same period last year.

Net profit evolution in the first half of 2015 – Teraplast stand alone

Teraplast net profit - stand alone



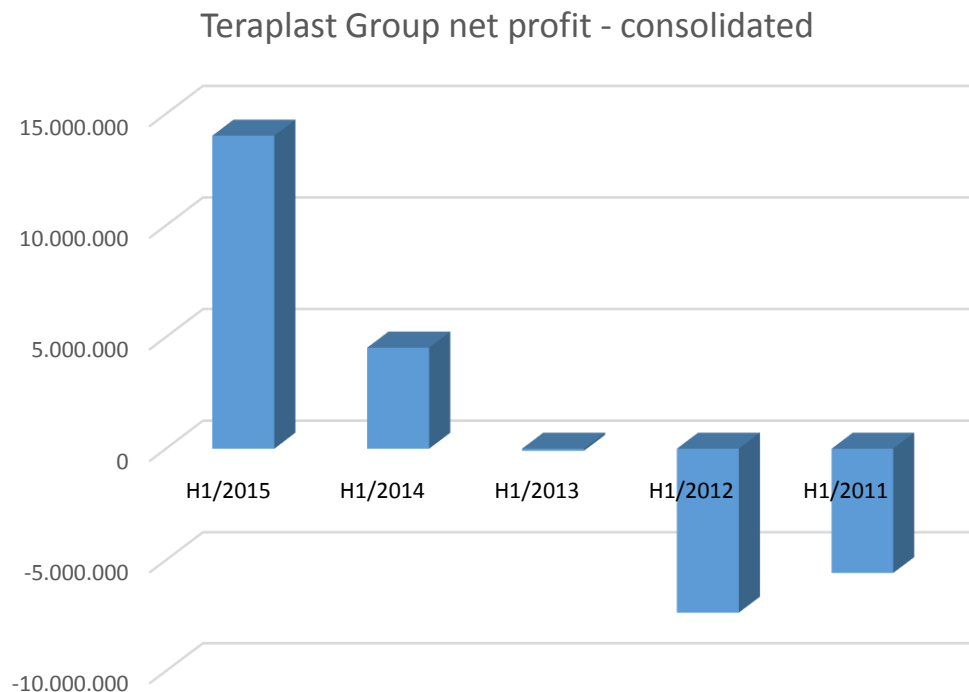
At individual level, the parent company Teraplast achieved a **net profit of 11.19 million lei**, compared to 1.53 million lei in the first half of 2014.

Net profit evolution of Teraplast, at individual level, was primarily supported by the significant improvement of the **operational performance**, achieving almost 12.93 million lei operational profit in the first months of 2015, compared to 2.73 million lei in the same period of 2014. From the amount achieved from the operational activity, about 0.5 million represents non-recurring gains.

Net profit was also supported by the improvement of the **financial result**, due to income from dividends. In January-June 2015, Teraplast earned from the subsidiary Politub dividends, worth 1.5 million, as a result of profit distribution in 2014.



Net profit evolution in the first half of 2015 – Teraplast Group consolidated

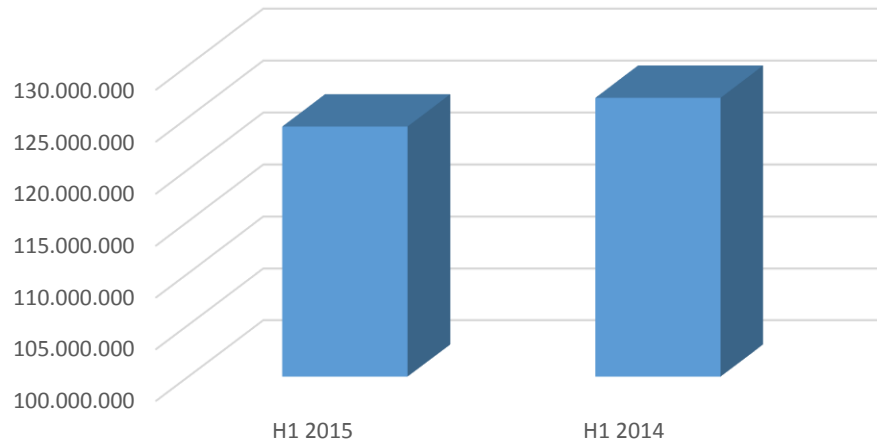


During the analyzed period, Teraplast Group's **net profit** amounted to **14.06 million lei**, compared to 4.52 million lei obtained in the same period last year.



Non-current assets evolution in the first half of 2015

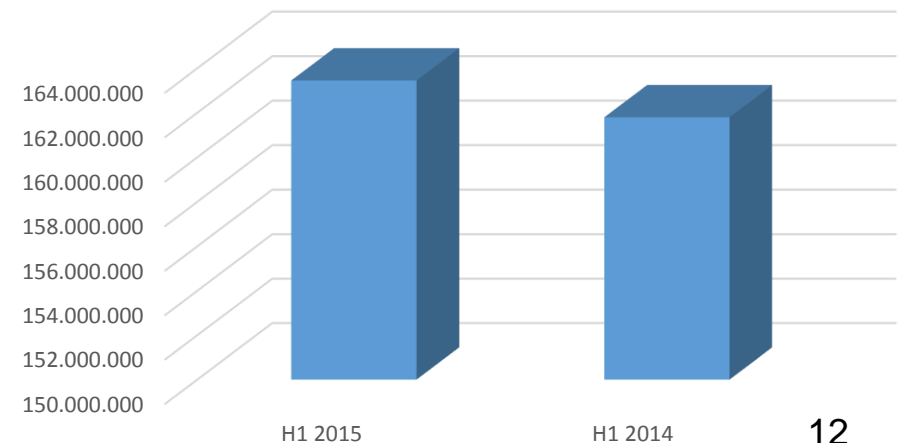
Stand alone Non-current assets



At the parent company level, the non-current assets decreased to **124.11 million lei** in 2015 H1, as compared to 126.87 million lei in the same period of 2014.

At the group level, the non-current assets increased to **163.45 million lei** in 2015 H1, as compared to 161.80 million lei in the same period of 2014.

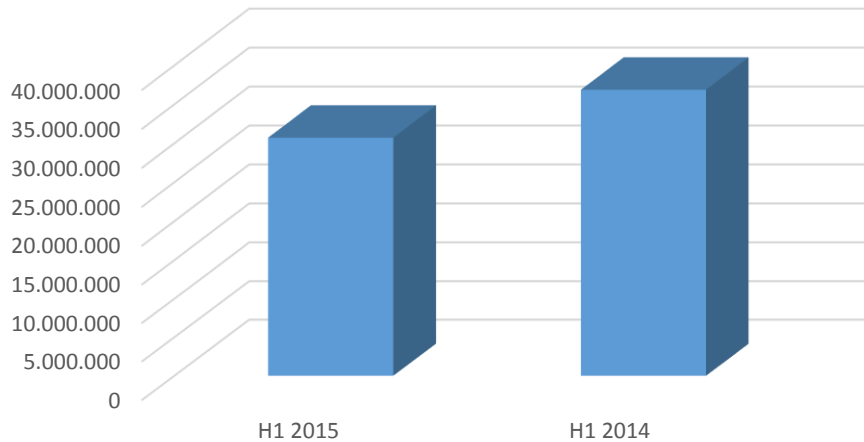
Consolidated Non-current assets





Inventories evolution in the first half of 2015

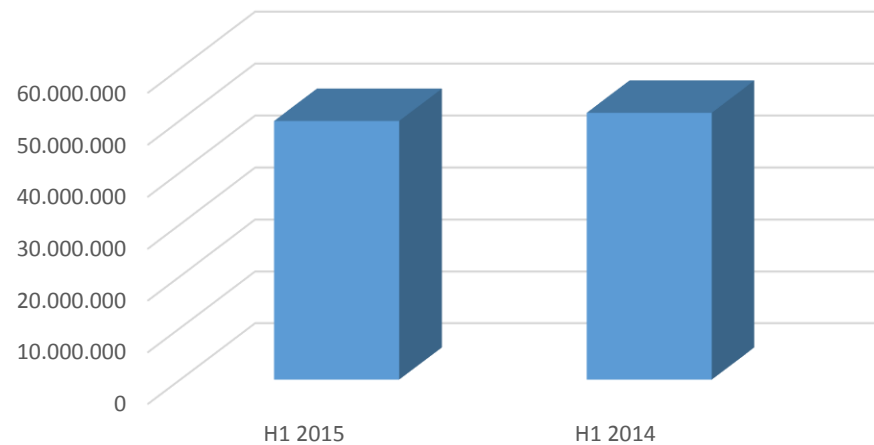
Stand alone Inventories



Parent company's inventories decreased to **30.72 million lei** in 2015 H1, as compared to 36.87 million lei in the same period of 2014.

At the Group's level, inventories decreased also from 51.44 million lei in the first half of 2014 to **49.86 million lei** in 2015.

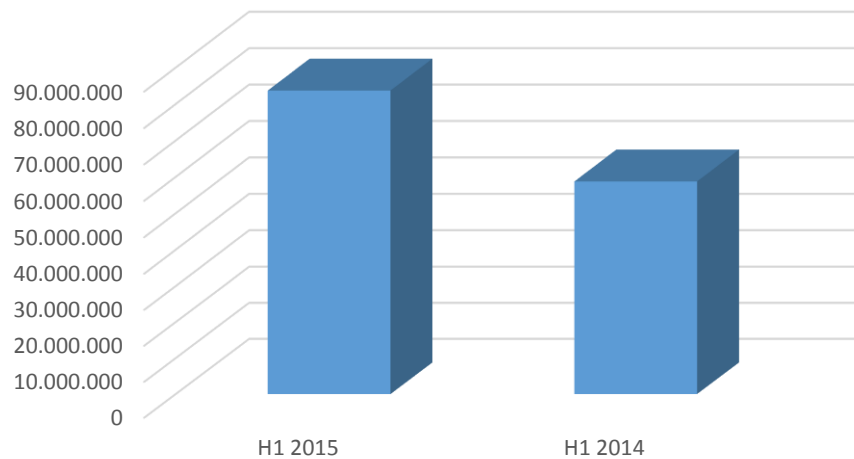
Consolidated Inventories





Receivables evolution in the first half of 2015

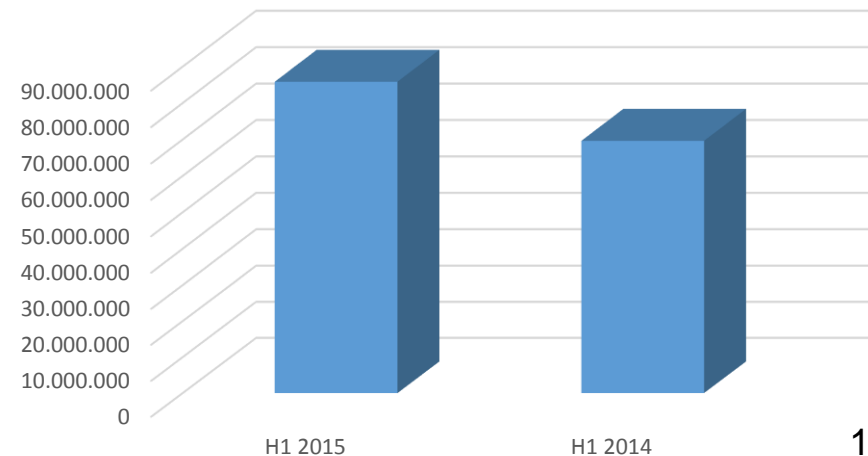
Stand alone receivables



Teraplast's **receivables** have been increasing in the first half of 2015, with 14%, on one hand due to turnover's evolution and on the other hand due to the transfer of PVC windows & doors business line on Teraglass, which had an impact of 9.18 million lei in the amount of receivables. In addition, in the first half of 2015, Teraplast insured a part of the client portfolio, which allowed the extension of payment terms for these clients.

At consolidate level, **Teraplast Group's receivables** recorded an increase of 21% in the first half of 2015 as compared to the same period in 2014.

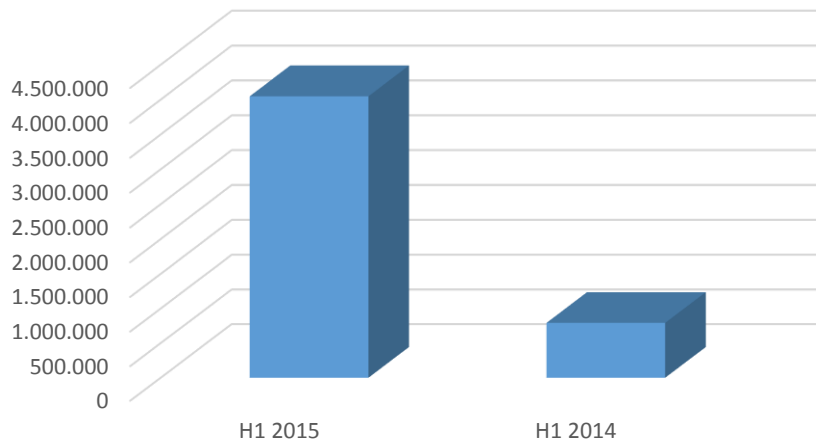
Consolidated receivables





Cash and bank accounts evolution in the first half of 2015

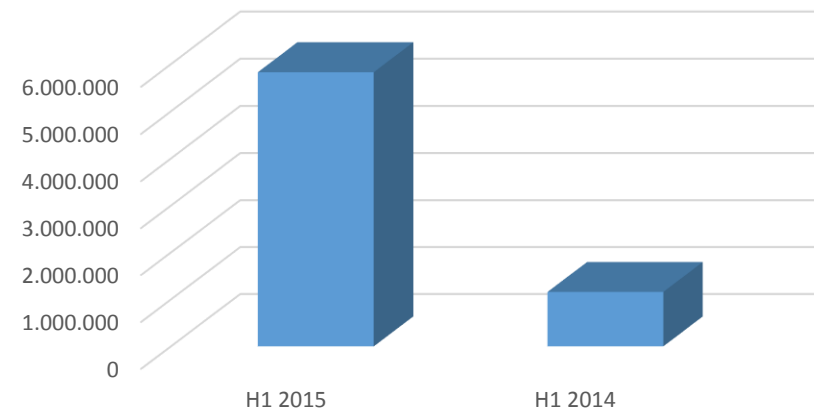
Stand alone cash and bank accounts



Parent company's **availability of cash** increased to **4.04 million lei** in the half of the year, as compared to 0.79 million lei in the same period of 2014.

Besides implementing the operational projects, we have also focused, in the first half of 2015, on improving our Group's cash-flow and as a result, **the cash available in the accounts** increased to **5.82 million lei** in 2015, as compared to 1.16 million lei in the first half of 2014.

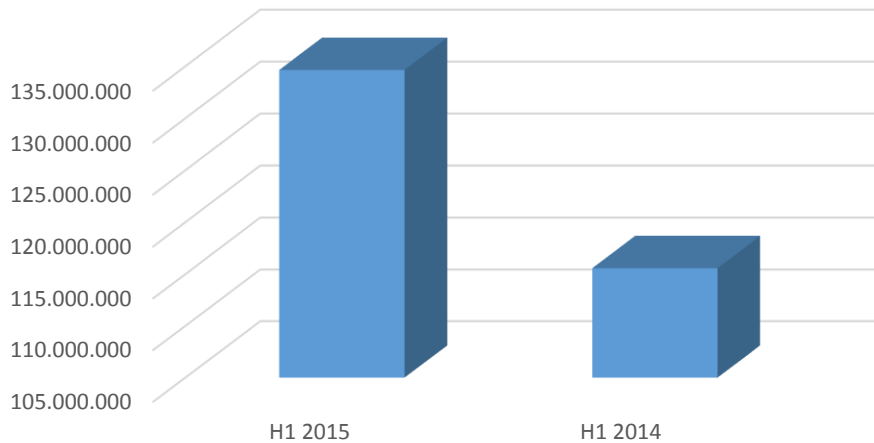
Consolidated cash and bank accounts





Shareholder's Equity evolution in the first half of 2015

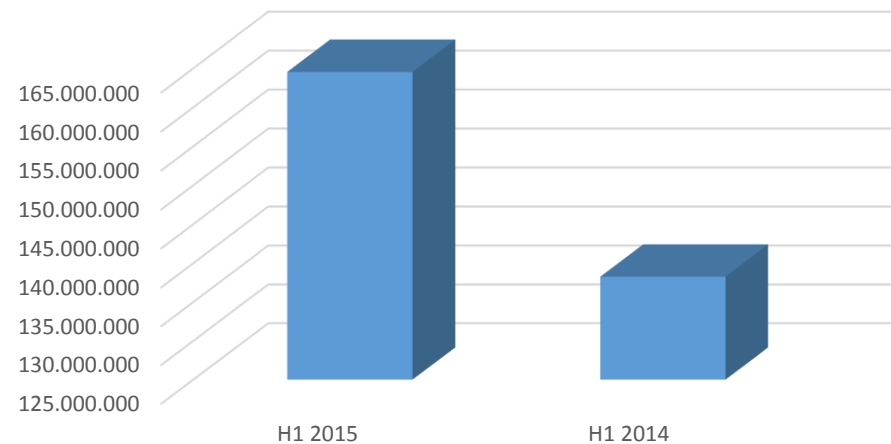
Stand alone Shareholder's equity



At the parent company level, shareholder's equity increased to **134.65 million lei** in 2015 H1, as compared to 115.58 million lei in the same period of 2014.

At the group level, the shareholder's equity increased to **164.54 million lei** in 2015 H1, as compared to 138.27 million lei in the same period of 2014.

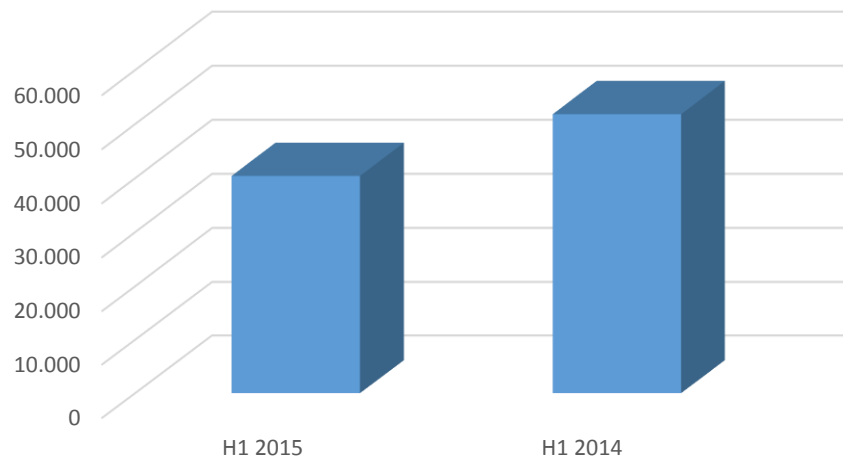
Consolidated Shareholder's equity





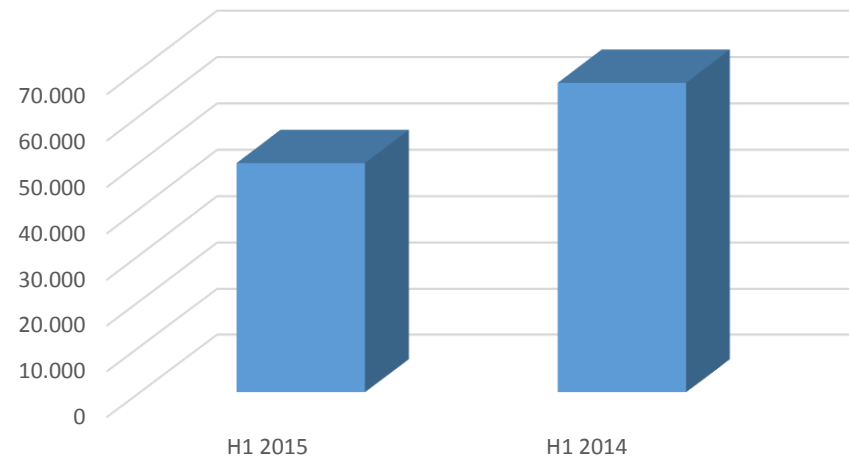
Interest-bearing debts evolution in the first half of 2015

Stand alone interest-bearing debts



In the first half of 2015, the **interest-bearing debts** of parent company Teraplast decreased by **22%** compared to the same period last year.

Consolidated interest-bearing debts

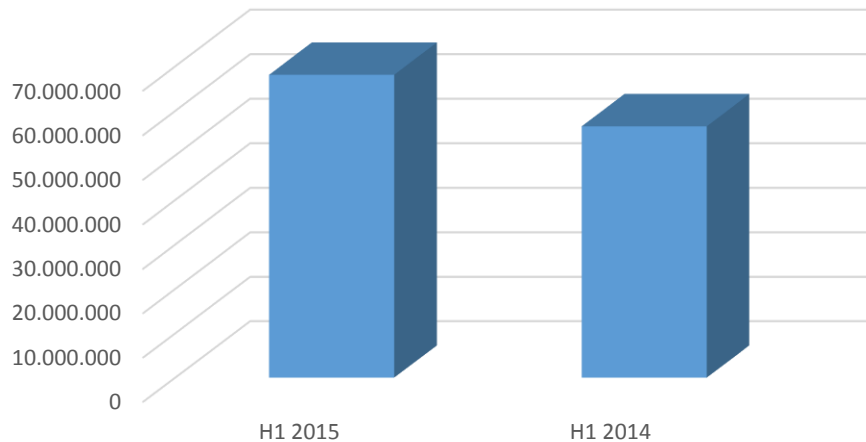


In the same period, Teraplast Group's **interest-bearing debts** decreased by almost **26%** compared to the same period in 2014.



Other debt evolution in the first half of 2015

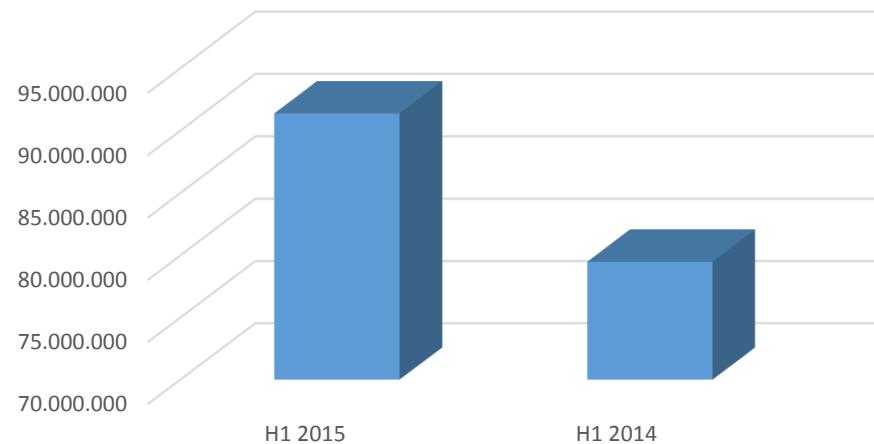
Stand alone Other debt



At the parent company level, other debt increased to **68.10 million lei** in 2015 H1, as compared to 56.53 million lei in the same period of 2014.

At the group level, other debt increased to **91.38 million lei** in 2015 H1, as compared to 79.50 million lei in the same period of 2014.

Consolidated Other debt



Financial calendar 2015

Events	Data
Presentation of the preliminary annual results	February 16 th 2015
Publishing of the Annual Report 2014	April 29 th 2015
General Meeting of Shareholders	April 29 th 2015
Presentation of the results for the first quarter	May 14 th 2015
Analysts and investors conference call	May 14 th 2015
Presentation of the results for the first half	August 13 th 2015
Analysts and investors conference call	August 18 th 2015
Presentation of the results for Jan-Sept 2015	November 12 th 2015
Analysts and investors conference call	November 17 th 2015

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