



April 25th, 2019
Q1 results



TERAPLAST SA

TeraSteel

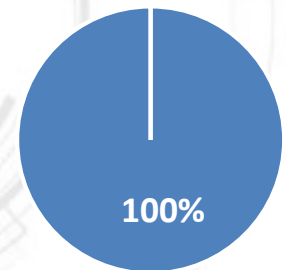
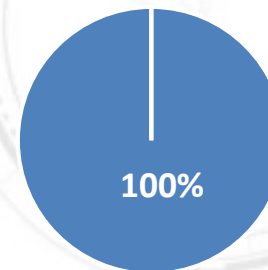
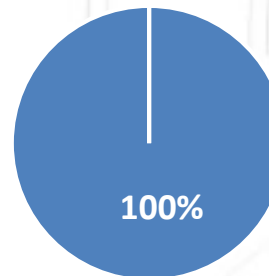
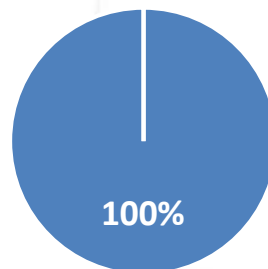
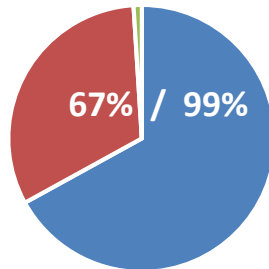
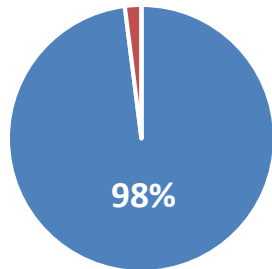
Depaco

TeraGlass

TeraSteel
DOO Serbia

TeraPlast Hungary

TeraPlast Recycling



*During 2017, the TeraPlast SA acquired a 67% shareholding in Depaco and concluded a call-put option that will be executed within the next 4 years. Since the Group received a favourable notice in this matter from the Competition Council in 2018, Depaco was consolidated in 2017 through the equity method. As of 31 Dec 2018, given the combined call put option, in substance, the shareholding of TeraPlast SA in Depaco is 99%.



MACROECONOMIC OUTLOOK



KEY FIGURES & HIGHLIGHTS



2019 BUDGET



MACROECONOMIC OUTLOOK



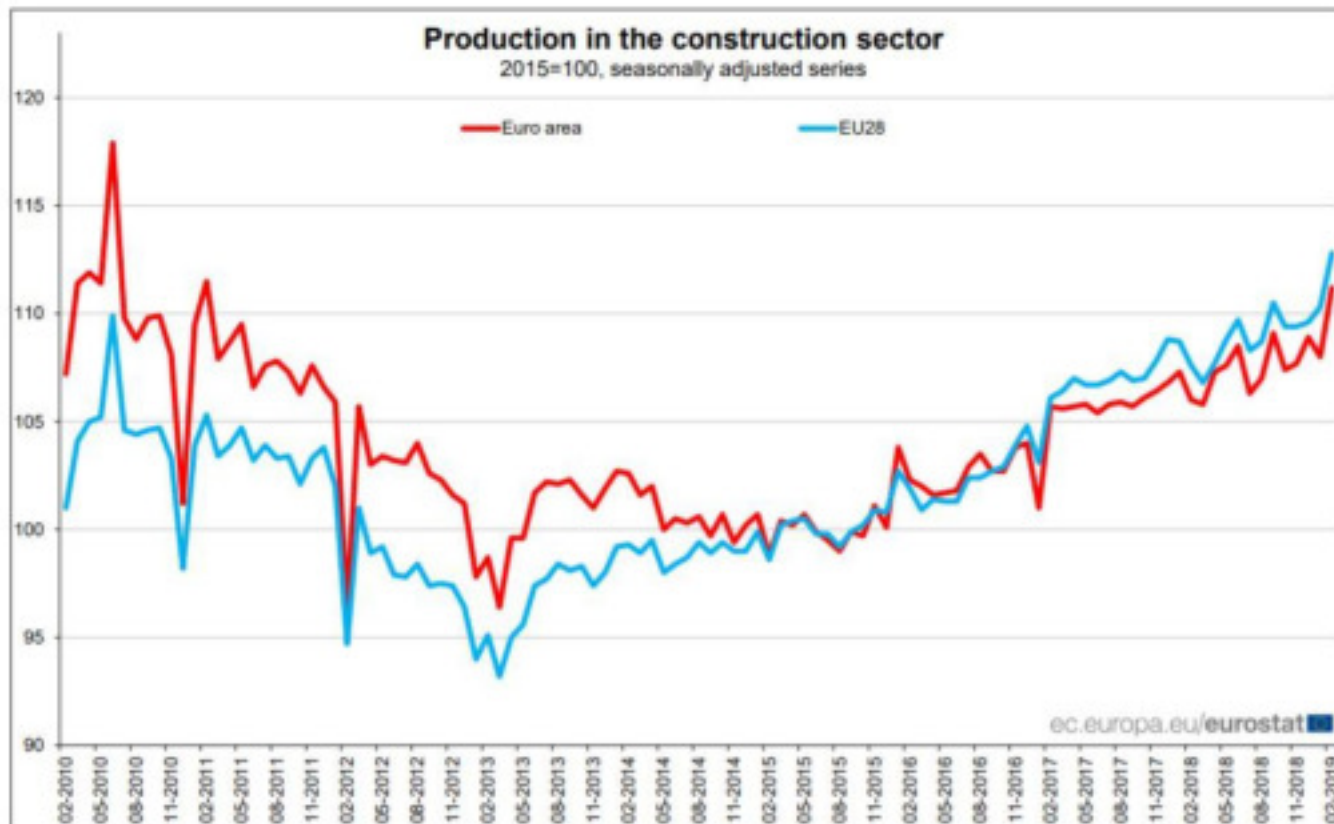
KEY FIGURES & HIGHLIGHTS



2019 BUDGET

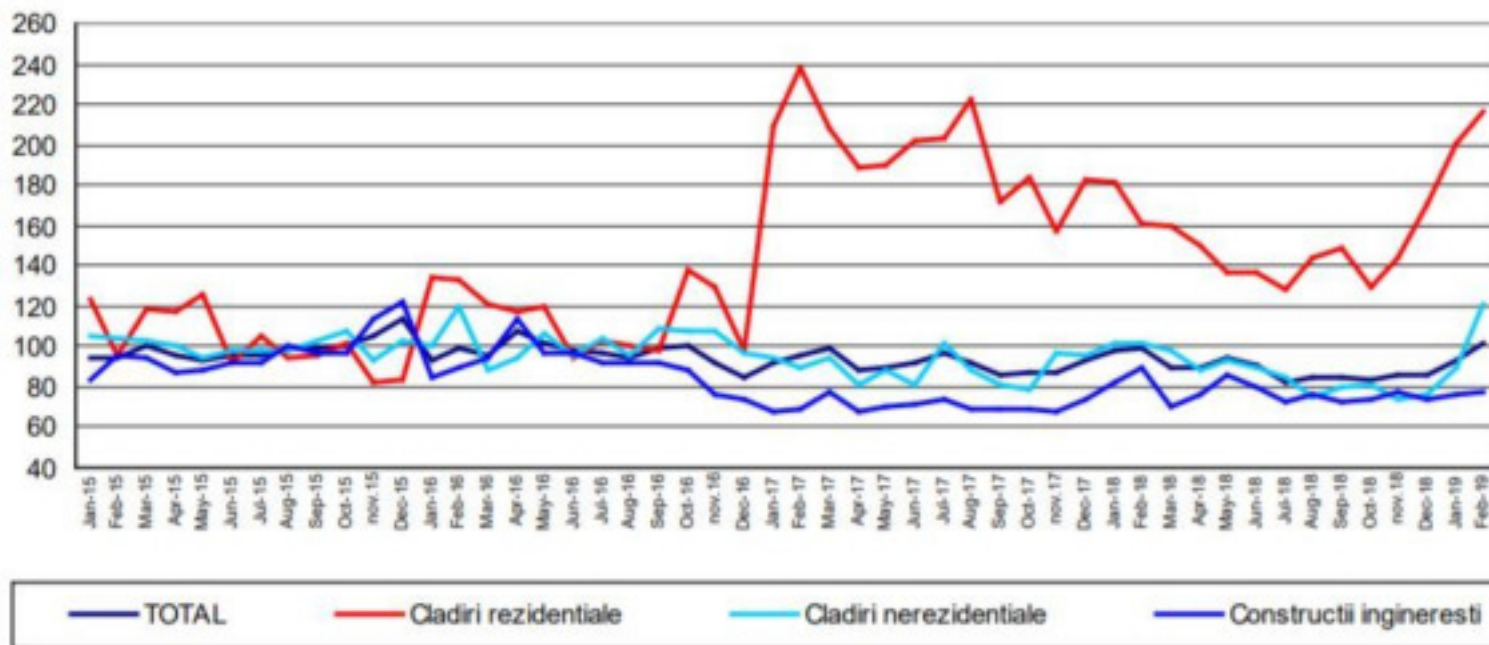
Euro Area:

- In February 2019 compared with January 2019, seasonally adjusted production in the construction sector increased by 3.0% in the euro area (EA19) and by 2.3% in the EU28



Romania:

- The volume of output in the construction sector increased by 9,8% in February, compared to the previous month (January 2019) and by 3,2% compared to the same period of last year (February 2018)
- The biggest increase was registered by the non-residential constructions with a 35,2% increase compared to January 2019, while the residential constructions increased by 7,8% in the same period of time





MACROECONOMIC OUTLOOK



KEY FIGURES & HIGHLIGHTS



2019 BUDGET

KEY FIGURES & HIGHLIGHTS



Q
1

2
0
1
8

EBITDA

7.5
mil. RON

REVENUE

131.1
mil. RON

EBITDA MARGIN

6%

Q
1

2
0
1
9

EBITDA

13.2
mil. RON

REVENUE

174.9
mil. RON

EBITDA MARGIN

8%

KEY FIGURES & HIGHLIGHTS



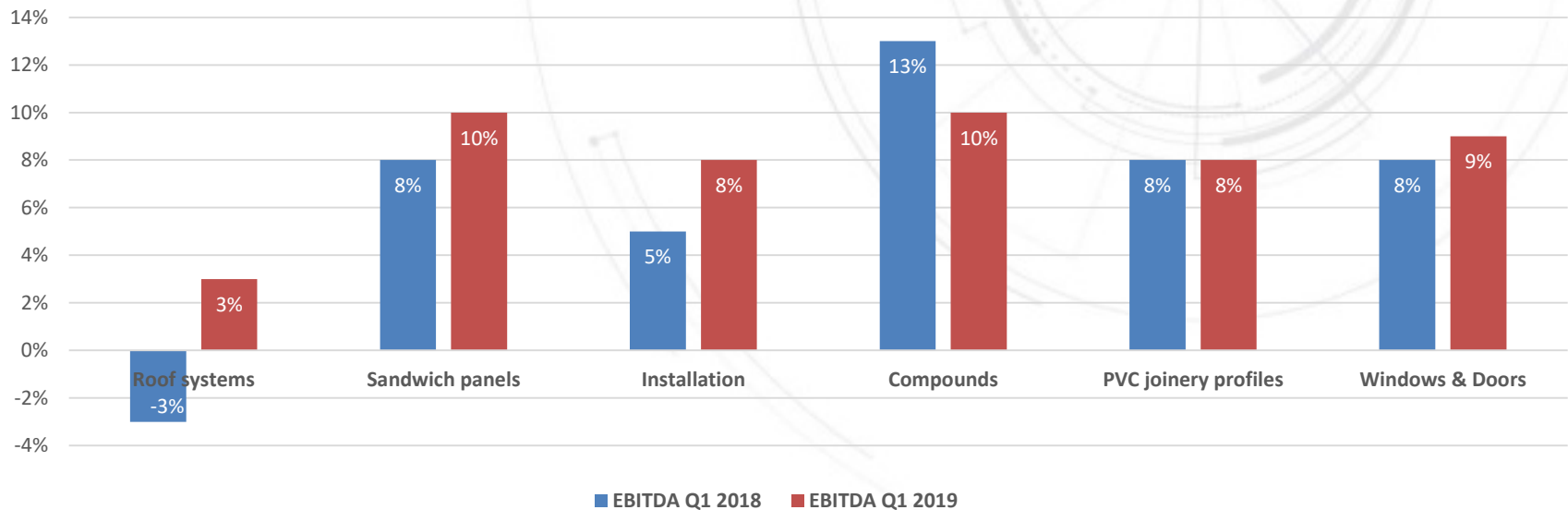
all amounts in million RON

Segment	EBITDA Q1 2018	Operating income Q1 2018	% EBITDA Q1 2018	EBITDA Q1 2019	Operating income Q1 2019	% EBITDA Q1 2019
Roof systems (Wetterbest)	-0.8	25.6	-3%	1.3	44.2	3%
Sandwich panels (TeraSteel)	3.7	47.8	8%	5.7	55.9	10%
Installation (TeraPlast)	1.2	25.9	5%	3.4	43.9	8%
Compounds (TeraPlast)	2.0	15.4	13%	1.5	14.9	10%
PVC joinery profiles (TeraPlast)	0.8	10.1	8%	0.8	10.1	8%
Windows & Doors (TeraGlass)	0.5	6.3	8%	0.5	6.0	9%
Total	7.5	131.1	6%	13.1	174.9	8%

In Q1 there were 3 main EBITDA drivers:

- TeraPlast's Installation business line sold higher value added products
- TeraSteel Serbia reached normal course of business
- Wetterbest increased in volumes, above break even

EBITDA Margin by segment Q1 2018 vs Q1 2019



Wetterbest

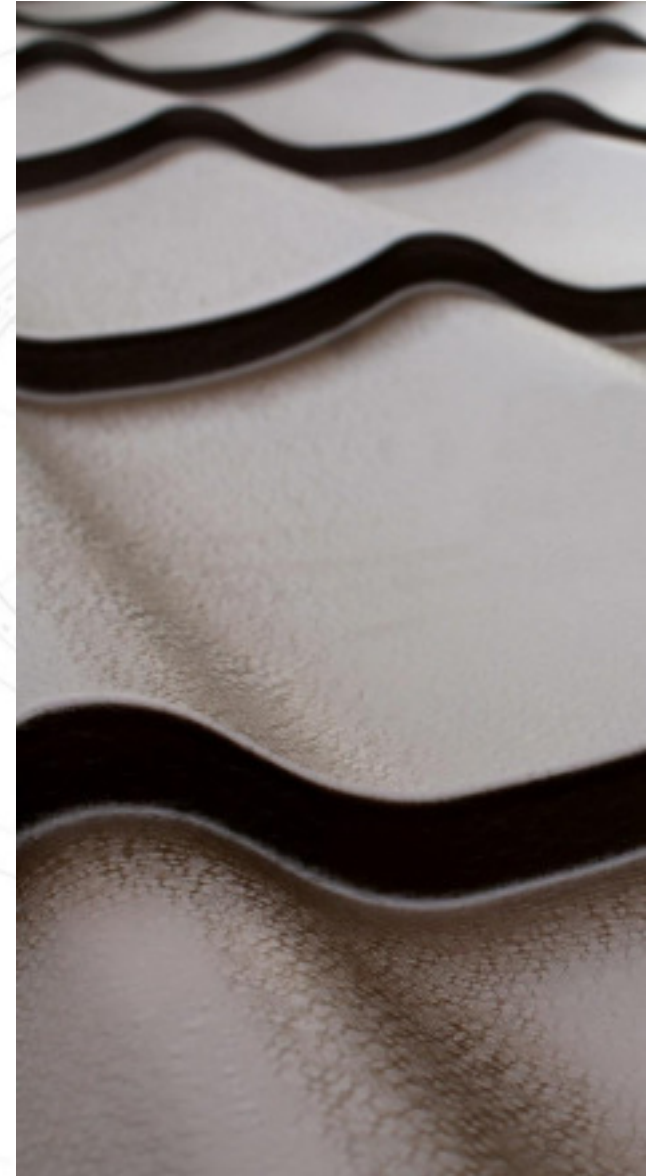
Growth based on the:

- Improvement of the commercial policy and structure
- Increase in trading activity
- Development of the industrial segment

TeraSteel

Growth based on the:

- Consolidation of the existing partnerships
- Development of the client portfolio in the Balkan area



TeraPlast

Growth based on the:

- Increase of the PVC and PE pipes sales for water & sewage infrastructure projects
- Increase in traded materials related to infrastructure market
- Higher value added products

Starting with April 2019, the recycling business line was transferred to **TeraPlast Recycling**. This is the starting point for the recycling business development.

Main driver for the **TeraGlass** sales were the exports, which reached 73% of the turnover versus 61% Q1 2018. domestic sales dropped from 39% to 27%.





MACROECONOMIC OUTLOOK



KEY FIGURES & HIGHLIGHTS



2019 BUDGET

Market share increases:

- Potential to increase TeraSteel market share in Central and Eastern Europe
- Compound and joinery profiles areas have a favourable market landscape
- Wetterbest and TeraGlass act on markets with many players, most smaller players
- Expand production capacities through projects co-financed through State grants

Exit the stagnation area of the infrastructure works:

- Infrastructure works have exceeded the design, bidding and (eventually) the phases of appeal. There are currently ongoing execution contracts.

Economic correction does not appear for 2019:

- The budget was based on the premise that there will be no major market corrections in 2019
- The diversity of the group's business, both as product range and geographically, can accommodate a minimal correction and deliver the budgeted figures

A
F

2
0
1
8

EBITDA

65.1

mil. RON

VENITURI

804.9

mil. RON

MARJA EBITDA

8.1%

A
F

2
0
1
9

EBITDA

88.9

mil. RON

VENITURI

977.5

mil. RON

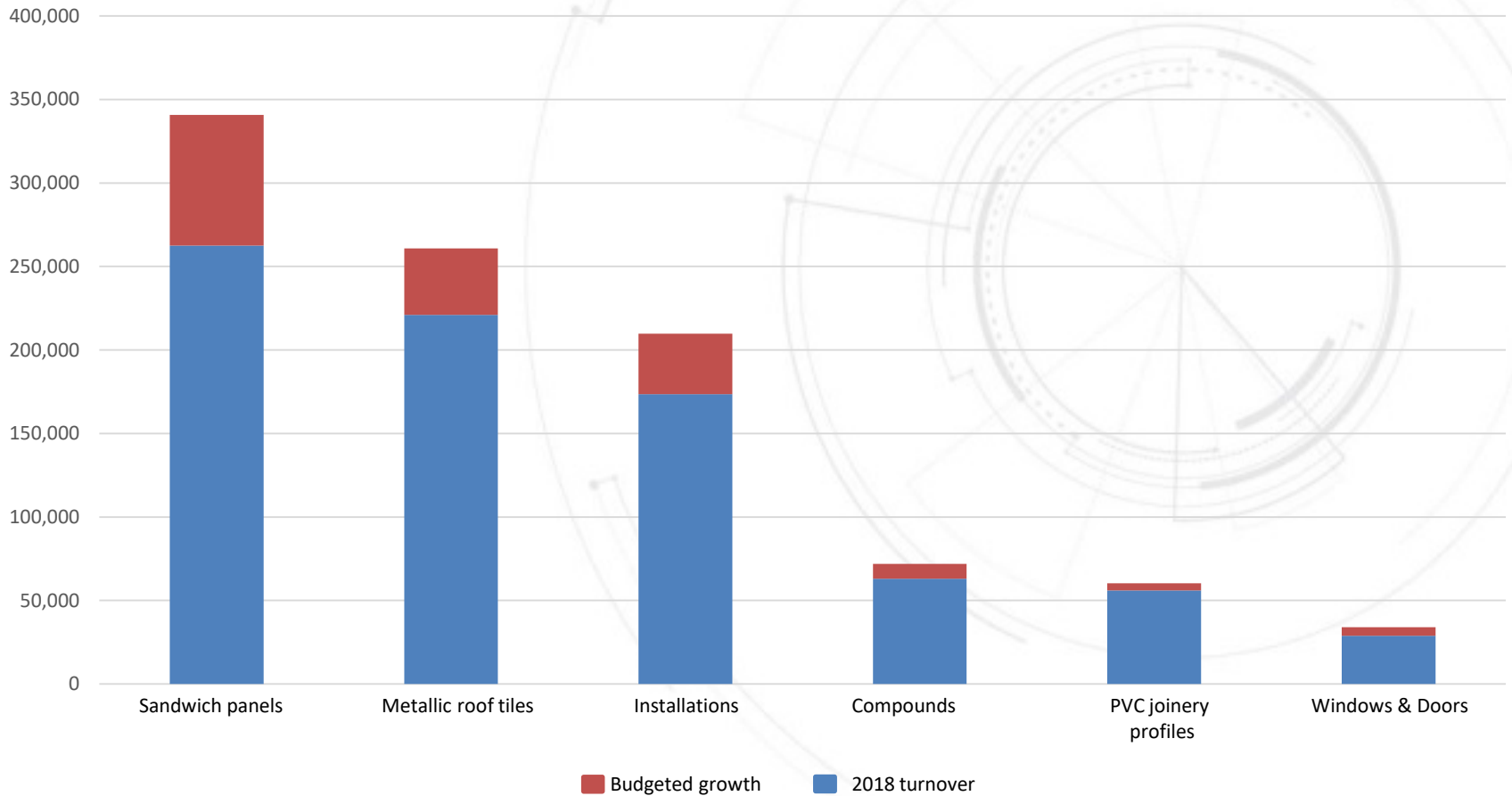
MARJA EBITDA

9.1%

all amounts in million RON

Segment	EBITDA 2019	EBITDA Margin 2019 (%)	Variation vs 2018	Revenue 2019	Variation vs 2018
Sandwich Panels (TeraSteel)	31.70	9.30%	19%	340.82	30%
Roof systems (Wetterbest)	22.25	8.50%	51%	260.82	18%
Installations (TeraPlast)	19.15	9.10%	93%	209.67	21%
Compounds (TeraPlast)	6.55	9.10%	-10%	71.98	14%
Window PVC Profiles (TeraPlast)	4.65	7.70%	33%	60.25	8%
PVC Windows & Doors (TeraGlass)	4.58	13.50%	39%	33.94	17%
Total	88.91	13.50%	73%	977.49	21%

2019 Budgeted growth (thousand lei)





TeraPlast



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