

TeraPlast Group - 76% increase in profitability in the first quarter

Bistrița, April 24th, 2019

TeraPlast Group, the largest Romanian producer of construction materials, recorded a 76% increase in EBITDA in Q1 2019, compared to the first quarter of last year, to 13,2 million lei, as a result of a 34% increase in turnover and a targeted plan to increase profitability.

The increase in the Group's turnover, from 131 million lei to 175 million lei was organic, generated by the increase of the constructions sector and an improved focus of the Group's sales team.

„During the first quarter, the plans of margin improvement showed their results, on the background of a favourable context in the construction sector. We are on track to reaching the objectives of 2019 in terms of EBITDA and turnover and we are capitalizing on the investments made in the last 2 years”, stated **Ioana Birta, the CFO of the TeraPlast Group.**

Main indicators, lei thousand

TeraPlast Group	Q1 2019	Q1 2018	Increase (%)
Turnover	174,643	130,720	34%
EBITDA	13,169	7,502	76%
TeraSteel Romania and Serbia – Sandwich Pannels	Q1 2019	Q1 2018	Increase (%)
Turnover	55,767	47,662	17%
EBITDA	5,711	3,704	54%
Wetterbest – Metallic Roof Tiles	Q1 2019	Q1 2018	Increase (%)
Turnover	44,083	25,547	73%
EBITDA	1,266	-809	n/a
TeraPlast – Installations, Compounds and PVC Profiles	Q1 2019	Q1 2018	Increase (%)
Turnover	68,836	51,412	34%
EBITDA	5,672	4,087	39%
TeraGlass – PVC Windows and Doors	Q1 2019	Q1 2018	Increase (%)
Turnover	5,958	6,099	-2%
EBITDA	520	520	0%

Wetterbest had the sharpest increase in turnover, with RON 18,6 million, as a result of the improvements made by Mr. Pirvu's team. Mr. Pirvu joined the company at the beginning of 2019. Thus, the company's turnover reached RON 44 million for Q1 2019 as opposed to RON 25,5 million in the same period of 2018.

TeraPlast SA had a RON 17,5 million increase in turnover due to the start of the water and sewage infrastructure projects, financed by EU funds. This increase in volumes, as well as measures taken to improve the operational performance of the company lead to an EBITDA increase to RON 5,7 million, +39% versus Q1 2018.

Sandwich panel sales increased by RON 8 million in Q1 of this year as opposed to the same period of last year mostly due to the increase of the Serbian subsidiary. This evolution was the result of the increase of the customer base in the Balkans area as well as the consolidation of existing partnerships.

In 2019 the Group will invest more than EUR 23 million in the expansion of the production capacities and the diversification of the products portfolio.

About TeraPlast Group

With a tradition of over 120 years, the TeraPlast Group is currently the largest Romanian construction materials producer. The Group comprises of the following companies: TeraPlast, TeraSteel Romania & Serbia, Wetterbest (Depaco), TeraGlass, TeraPlast Hungary. Starting with April 2019, the recycling business has been spun off in the independent company TeraPlast Recycling.

Since the 2nd of July, 2008, the largest company of the Group – TeraPlast SA – is listed at the Bucharest Stock Exchange under the TRP symbol. TeraPlast's shares are included in the following indexes: BET-BK, BET-XT, BET-XT-TR and BET-Plus.

The report for the first quarter 2019 can be found on the website www.TeraPlast.ro/ Investors / Financial Reports section and can be accessed in the following link:

<https://www.teraplast.ro/en/investors/financial-reports/>