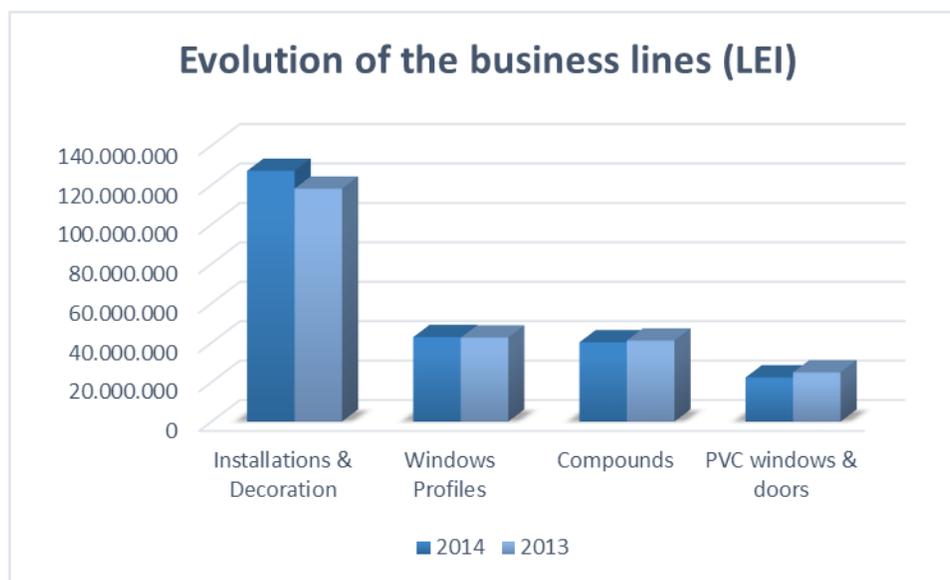


PRESS RELEASE

Teraplast estimates significant increases of the financial indicators in 2015

Bistrita, 29th of April 2015 - Teraplast (TRP), the largest PVC processor in Romania and one of the leading producers of materials for constructions and installations market, aims in 2015 to significant increases in all business lines, while in 2014, the company focused mainly on strengthening business and profitability indicators, in the context of the declining construction market.



At the beginning of 2015 Teraplast decided to transfer PVC windows & doors business line on a separate company - Teraglass Bistrita. This company is owned 100% by Teraplast.

The decision to transfer the PVC windows & doors business line on a separate entity was driven by the need of separating an auxiliary business, so that Teraplast can focus even more on its core business segments – Installations, Windows profiles and Compounds for plastics.

The PVC windows & doors business line had in 2014 a 10% contribution of the total turnover in Teraplast, the remaining business being generated by Installations, Compounds and Windows Profiles. After the transfer of activity, PVC windows & doors will be marketed under the brand Teraglass.

Teraplast's budget for 2015 includes three lines of business: Installations & Decoration, Windows profiles and Compounds. All three business lines will contribute to the evolution estimated for the current year.

The company estimates for this year a **turnover** of 284.26 million lei, increasing by over 22%, as compared to 2014 and a **net profit** of over 17.61 million lei, as compared to 9.41 million lei in 2014. According to estimates of budget of revenues and expenses, this year **EBITDA** will amount to approximately **35.52 million lei**, as compared to 26.21 million lei in 2014.

Key performance indicators, thousand LEI	2015 - budget	2014	▲%
Turnover	284,263	232,469	22.28
Total expenses	268,668	228,367	17.65
EBITDA	35,523	26,211	35.53
Net profit	17,619	9,414	87.16
Investments	18,920	6,261	202.19

Alexandru Stănean, CEO Teraplast: *“We set out an ambitious sales budget, but we are optimistic that we will achieve it. We rely on a favorable market context. For now, based on the Romanian public budget assignments, there are premises that public investments in the construction field will increase, which will implicitly generate an increase in private investments and construction market in general. We are a major player in this moment, on a large part of the markets where we operate, so that in 2015 we will focus on expanding the range of products and sales channels, both in Romania and foreign markets. In 2014 exports accounted for about 14% of the total turnover of Teraplast and for 2015, we plan to bring foreign sales to at least 20% of the turnover budgeted”.*

Premises of development on business lines:

Installations & Decoration business line includes sewage systems, supply and distribution systems for water and gas, interior sewage systems, rainwater and sewage management systems, interior design systems, electrical networks and individual connections to utilities systems.

This line of business has had a share of 55% in the turnover of the company in 2014. In 2015 we rely mainly on the environmental infrastructure works (sewerage and water supply), where available EU structural funds and it is the last year when we can access them. Teraplast is one of the leading players on the exterior sewerage, as our systems are being used for at least one sewerage network in every county in the country. In 2015 we also propose the development of Teraplast, on the interior sewerage market, a market that in the year 2014 we estimated to have had a share of approximately 20%.

Windows Profiles business line includes profile systems with 4, 6 and 7 chambers and constructive widths between 60 and 88 mm. This line of business has a share of 18% in the turnover of Teraplast and by 2015 we plan to increase the share on the domestic market, but also to develop our presence in foreign markets.

Currently, Teraplast works with over 200 partners, which are producing PVC windows & doors by using our systems. In the last 5 years Teraplast gained market share from less than 1% to 10%, while the share of this business line in the company's turnover reached 18% in 2014, as compared to 3% in the early 2009. Given the view of the situation on the

domestic market, our efforts to develop our product portfolio were made with a broader perspective, aiming the foreign markets that we intend to target by using 6 and especially 7 chambers systems.

Compounds business line includes plasticized and rigid compounds with applications in the processing industry for extrusion and injection. This division represents 17% of the turnover in Teraplast and for 2015 we plan to increase our share on the domestic market, but also to develop our presence in foreign markets.

On the segment of compounds, Teraplast is the leader on the domestic market with a share of over 30%, and delivers to the most important manufacturers of cables in Romania. In 2015 Teraplast aims to diversify its product portfolio towards other applications, so it can access a broader range of internal and external clients.

Investments in the development of the business

During 2015 Teraplast has proposed an **investment program worth over 18.9 million lei**, most of these amounts being directed towards the purchase of equipment. Teraplast Group has invested in 2007-2014 more than 200 million lei in the development and modernization of the production capacities. Teraplast currently owns in Saratel production and storage facilities of more than 200.000 sqm, distributed as follows: PVC Products Factory (Division of PVC pipes, Division of PVC paneling, Division of PVC profiles, Division of PVC granules) and Polyolefins Factory (Division of PE manholes and tanks, Division of PVC and PP fittings and Division of PP pipes).

Teraplast details:

With a tradition of over 115 years, Teraplast (TRP) is currently the largest PVC processor in Romania and one of the leading manufacturers of materials for construction and installation market. The products portfolio of the company is structured in three business lines: Installations & Decorations, Windows profiles and Compounds.

As of July the 2nd, 2008 Teraplast is listed on the Bucharest Stock Exchange under the symbol TRP.

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