



Alumetal Group

2015 financial results

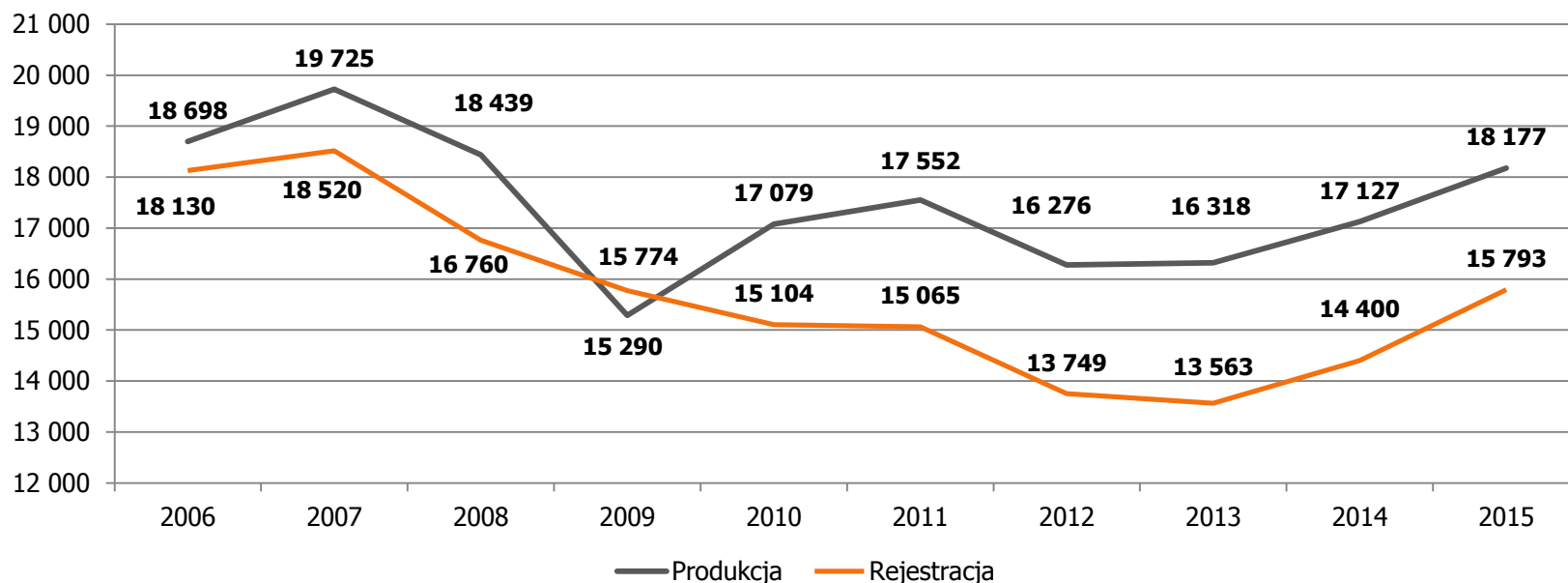
15th March 2016



FY 2015 at glance

- ⊕ **165 k tons sales volume** (6% increase yoy), full capacity utilisation
- ⊕ **PLN 106,6 mn EBITDA** (36% increase yoy) due to volume growth and better margins despite the negative impact of one-off events
- ⊕ **PLN 77,7 mn net profit** (32% increase yoy) due to EBITDA growth despite negative impact of negative balance on exchange rate differences
- ⊕ **PLN 46,7 mn net debt** (0,4x EBITDA'15) although higher capex, increase in net working capital and dividend payment
- ⊕ **PLN 70,1 mn operating cash flow** (20% increase yoy) due to higher EBITDA, despite the increase in net working capital

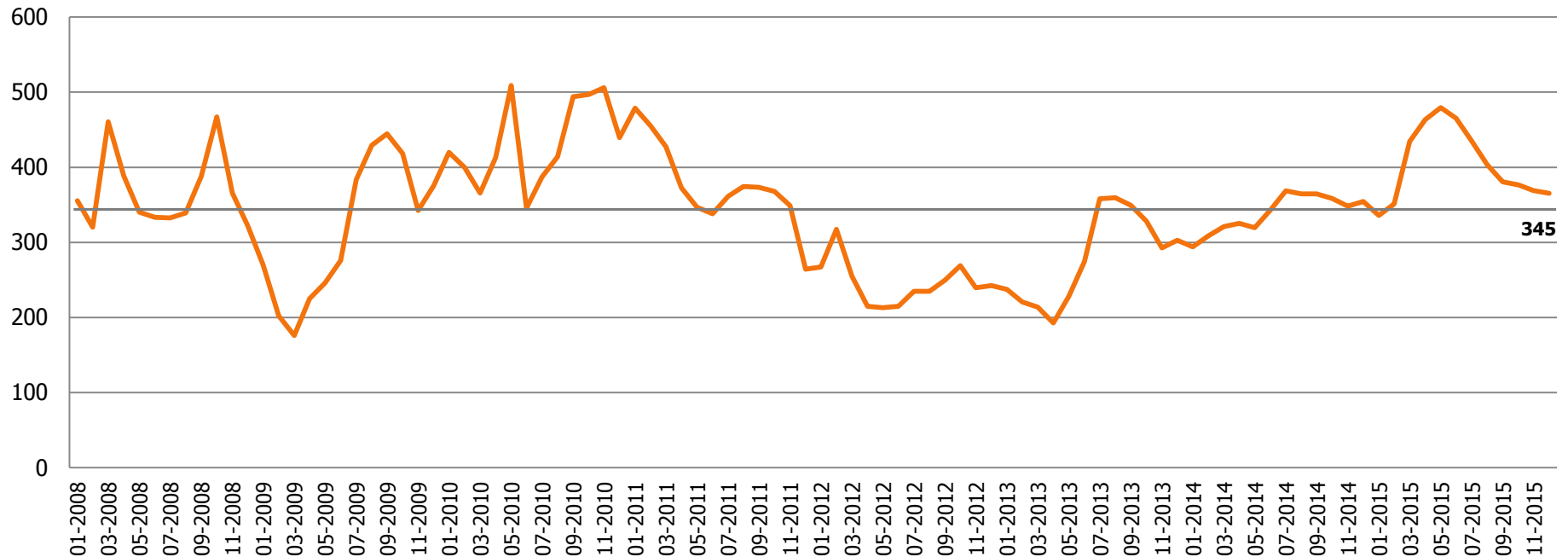
Motor vehicle production and sales in the EU in thou. units



- ✦ In 2015 the motor vehicle production in the EU increased by 6,1% and the motor vehicle sales increased by 9,7% (9,3% increase in PC and 12,5% increase in CV)
- ✦ In 2015 the CEE5 share in the production of motor vehicles in the EU accounted for 21,2% and the CEE5 and Germany share amounted to 54,4%

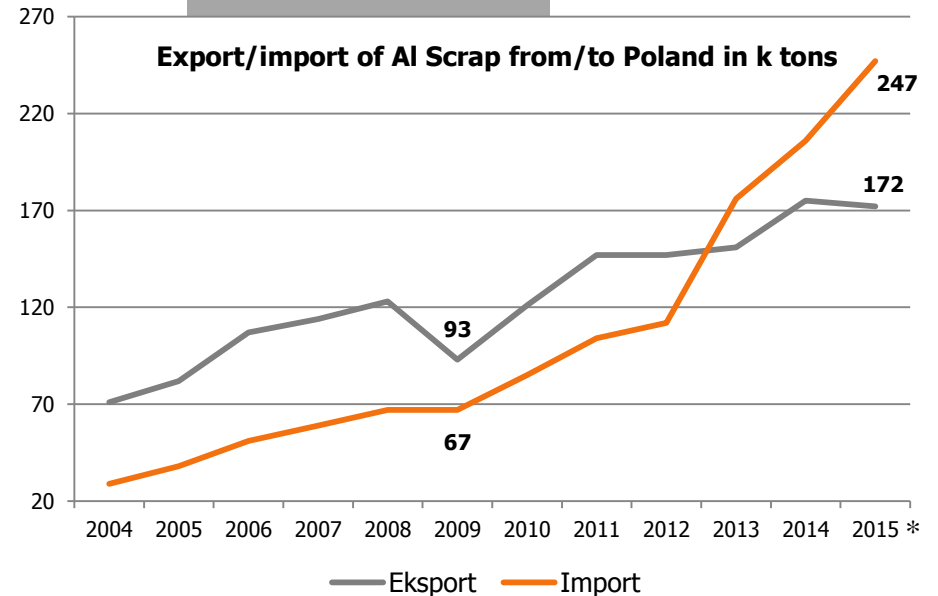
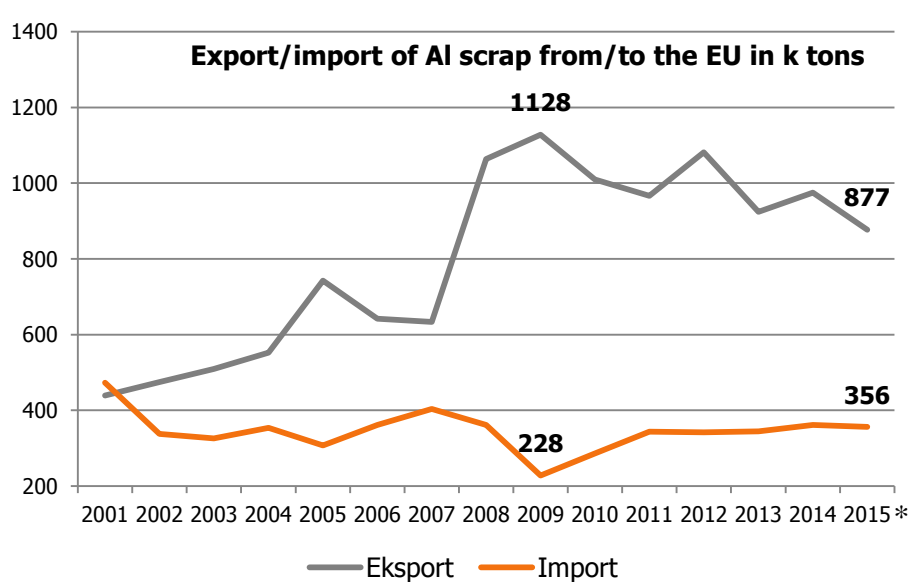
Metal Bulletin 226 alloy spread in EUR per ton

Benchmark margin (EUR/t)



⊕ In 2015 average margin amounted to 405 EUR/t, that was 19,4% higher than 2014 and 17,3% higher than the eight-year average

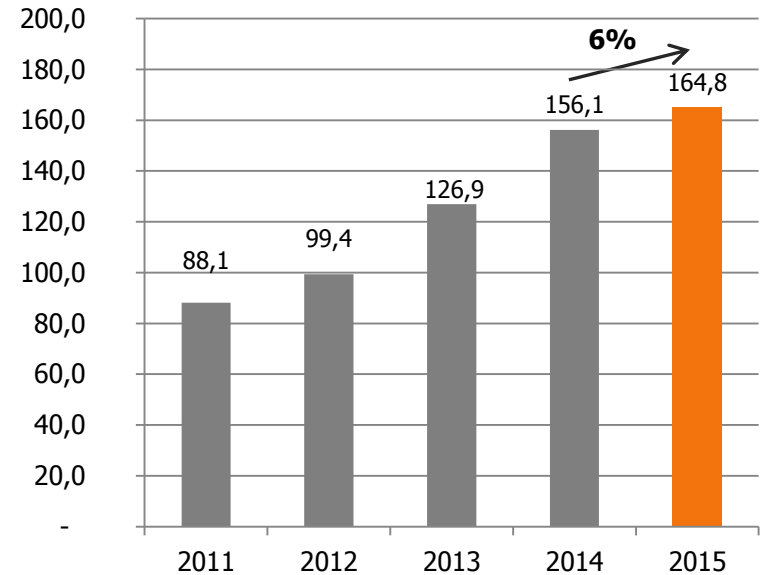
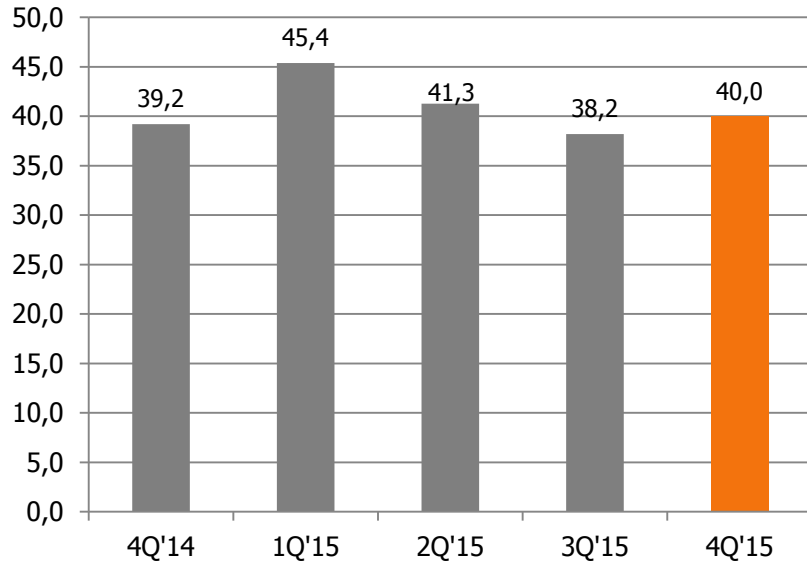
Export/import of aluminium scrap from/to the EU and Poland



* data for 2015 - from Dec 2014 till Nov 2015

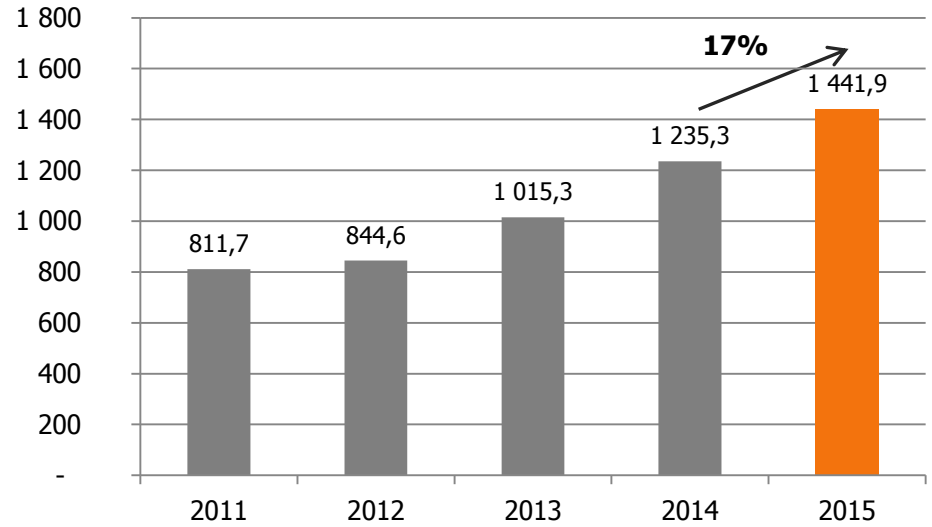
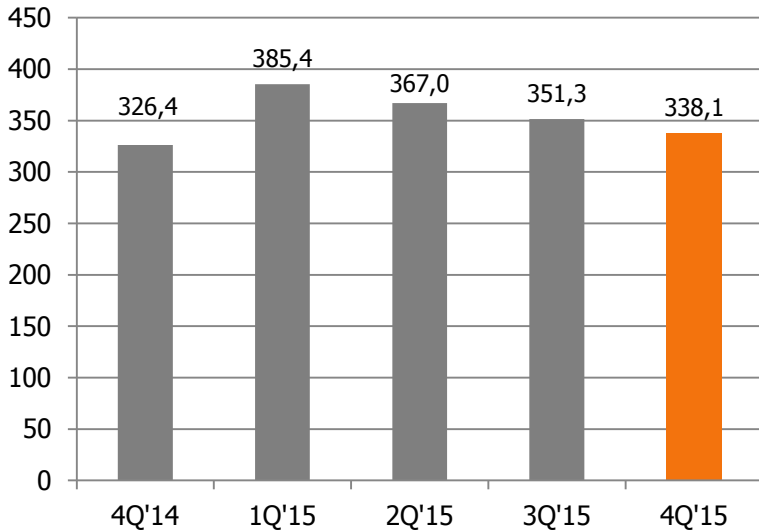
- Net export of aluminium scrap from the EU decreased from 641k tons in 2014 to 521k tons in 2015, which is 15% decrease (export declined by 10% and import went down by 1%). Export to China and India is responsible for 2/3 of the total EU export
- Net import of aluminium scrap to Poland increased from 33k tons in 2014 to 75k tons in 2015, which is growth of 128% (import increased by 19% and export decreased by 2%)

Sales volume in thou. tons



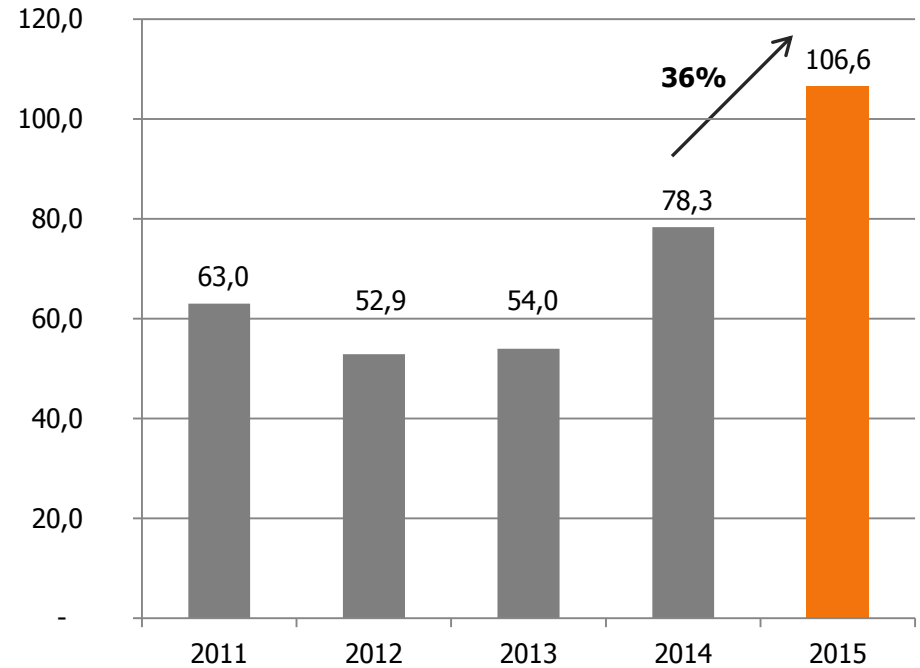
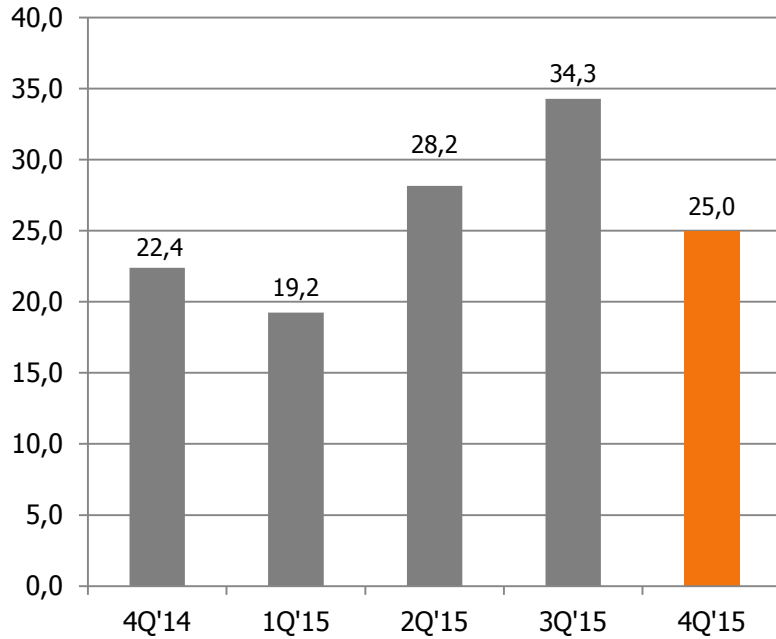
- ⊕ In 4Q 2015 sales volume increased by 2% yoy to 40k tons
- ⊕ In 2015 sales volume increased by 6% yoy to 164,8k tons

Sales revenue in mn PLN



- ⊕ In 4Q 2015 sales revenue increased by 4% yoy to PLN 338 mn
- ⊕ In 2015 sales revenue increased by 17% yoy to PLN 1 442 mn

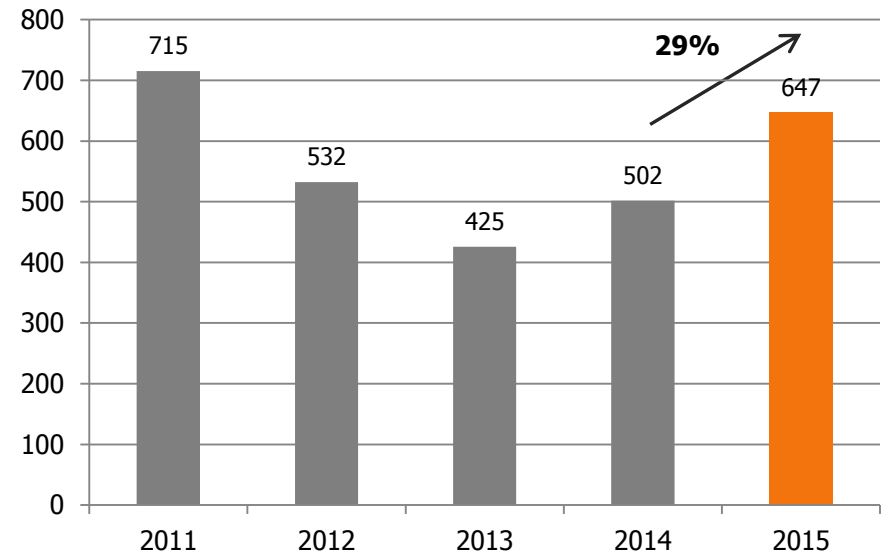
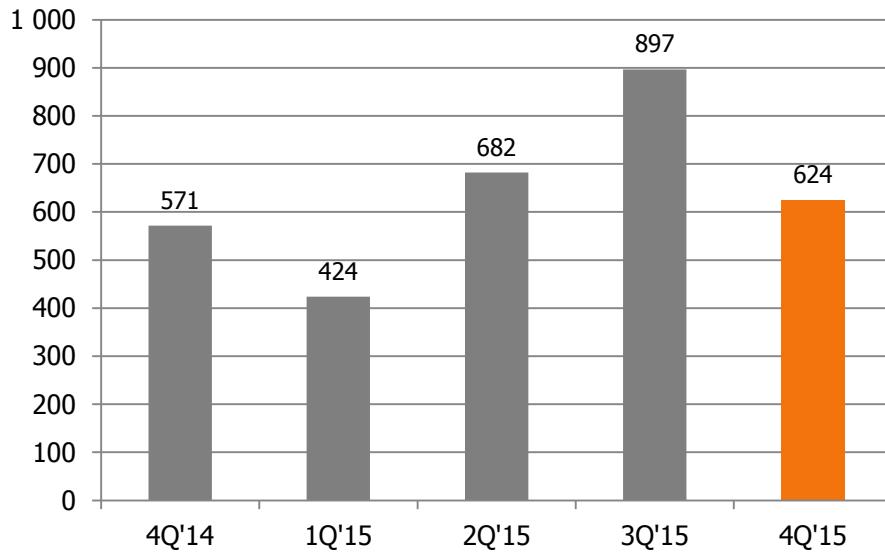
EBITDA in mn PLN



⊕ In 4Q 2015 EBITDA increased by 11% yoy to PLN 25 mn

⊕ In 2015 EBITDA increased by 36% yoy to PLN 106,6 mn

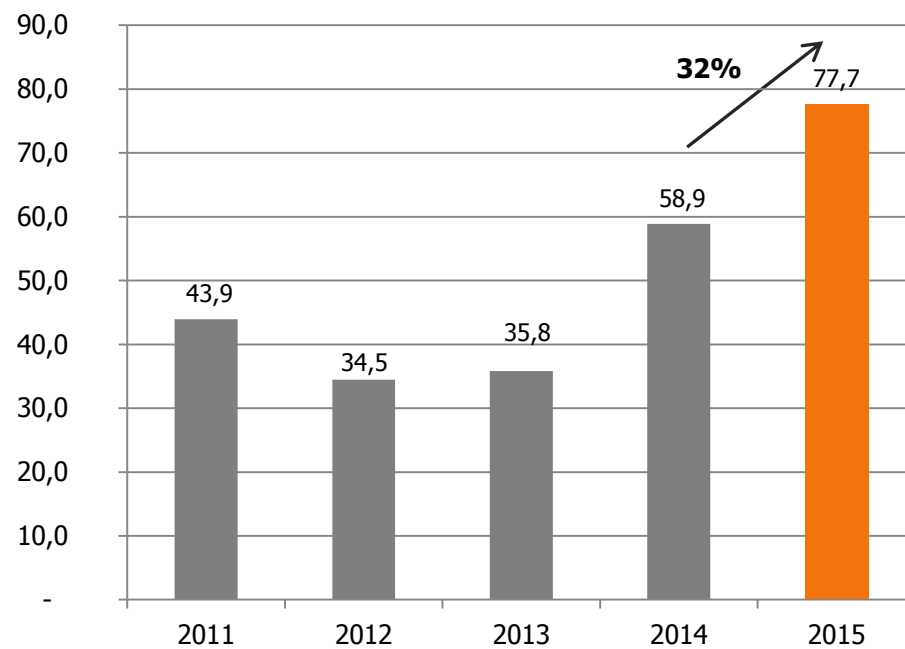
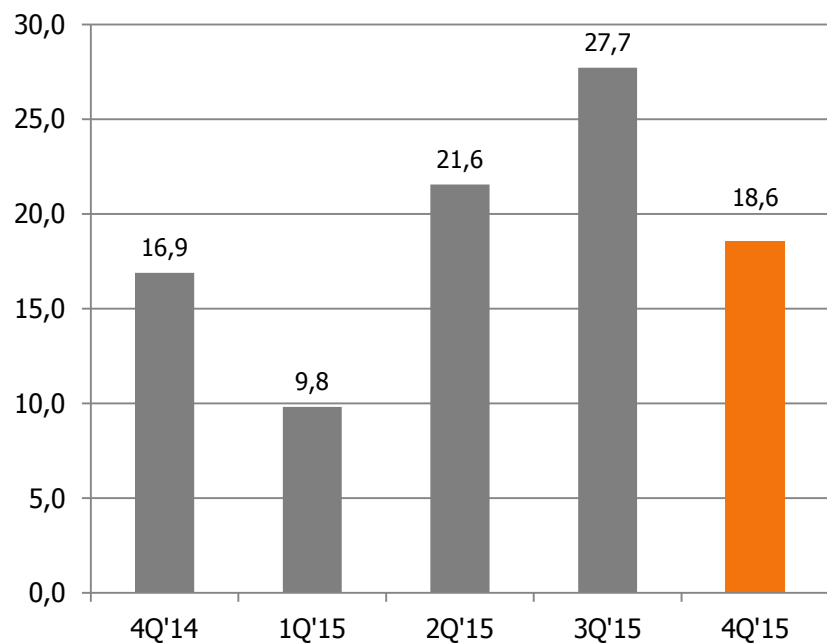
EBITDA per ton in PLN



⊕ In 4Q 2015 EBITDA per ton increased by 9% yoy to 624 PLN/t

⊕ In 2015 EBITDA per ton increased by 29% yoy to 647 PLN/t

Net profit in mn PLN



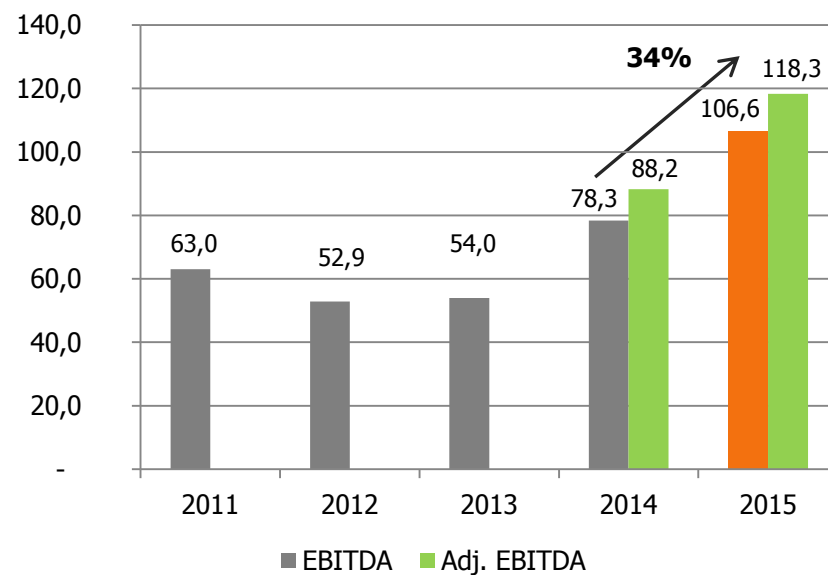
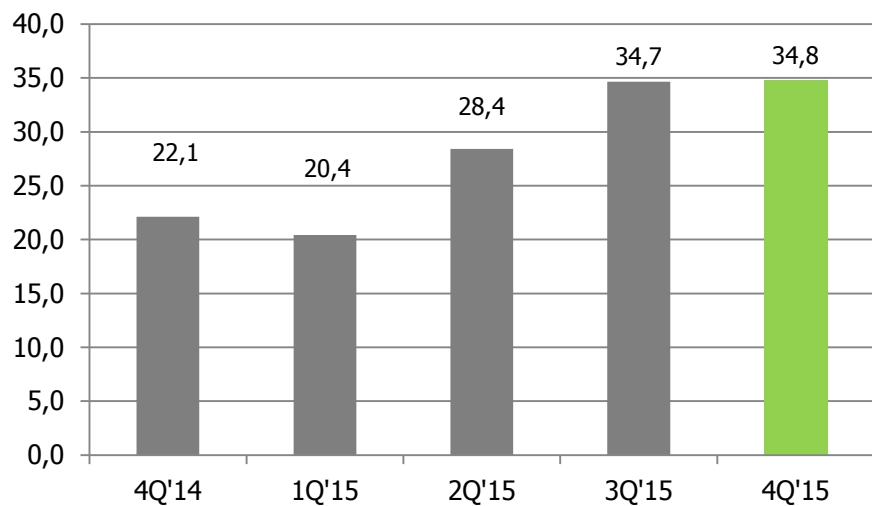
⊕ In 4Q 2015 net profit increased by 10% yoy to PLN 18,6 mn

⊕ In 2015 net profit increased by 32% yoy to PLN 77,7 mn

One-off events impact for 2015 financial results in thou. PLN

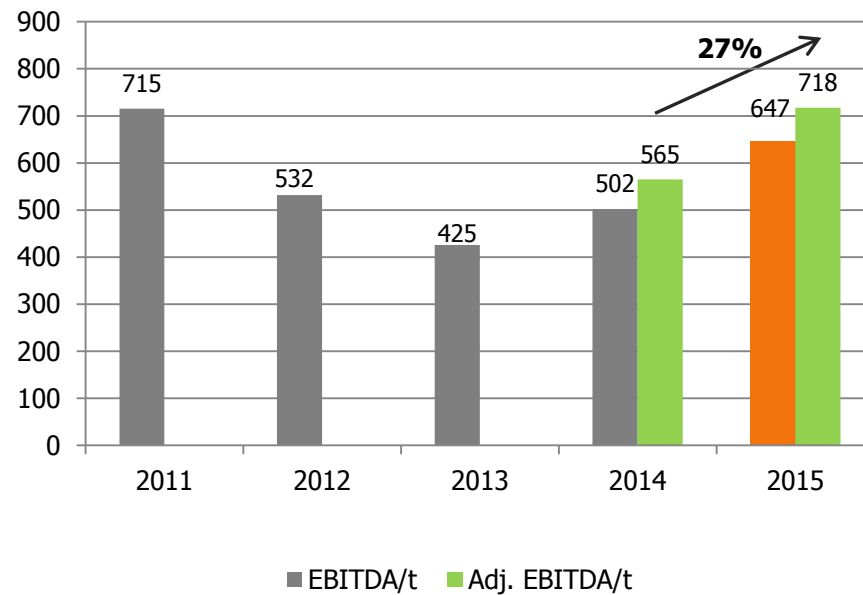
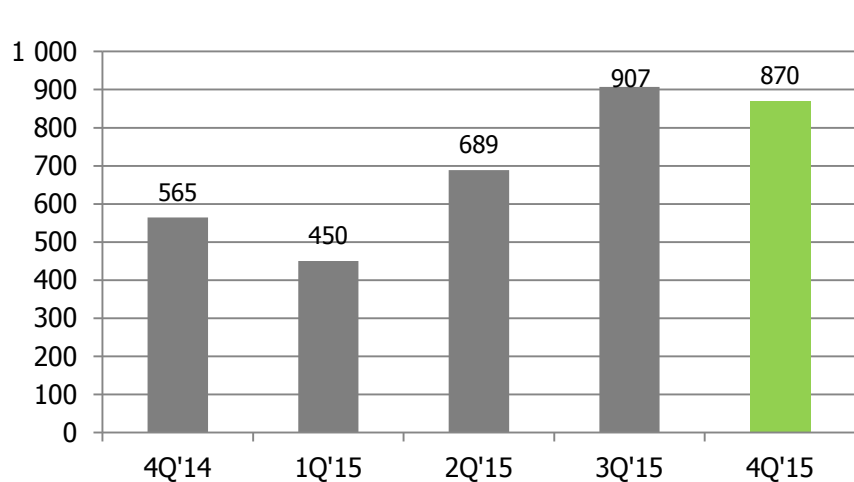
	1Q'14	2Q'14	3Q'14	4Q'14	2014	1Q'15	2Q'15	3Q'15	4Q'15	2015
Valuation of the managerial option program and yearly bonus for significant exceeding of 2015 budget				- 2 169	- 2 169	-1 205	- 265	- 381	- 1 614	-3 465
IPO costs	- 347	- 597	-546		- 1 490					0
Reversal of provision for VAT		1 106			1 106					0
Impairment of fixed assets					0				- 867	- 867
Receivables impairment charges decreased by previously written-off receivables		- 9 757		2 439	- 7 318				-7 329	-7 329
Impact on EBITDA	- 347	- 9 249	- 546	270	- 9 871	-1 205	-265	-381	-9 810	-11 660
Interest on refund of VAT		884			884					0
Income tax	66	1 967	104	- 463	1 673				774	774
Impact on net profit	-281	-6 398	-442	-193	-7 314	-1 205	-265	-381	- 9 037	-10 887

Adjusted EBITDA in mn PLN



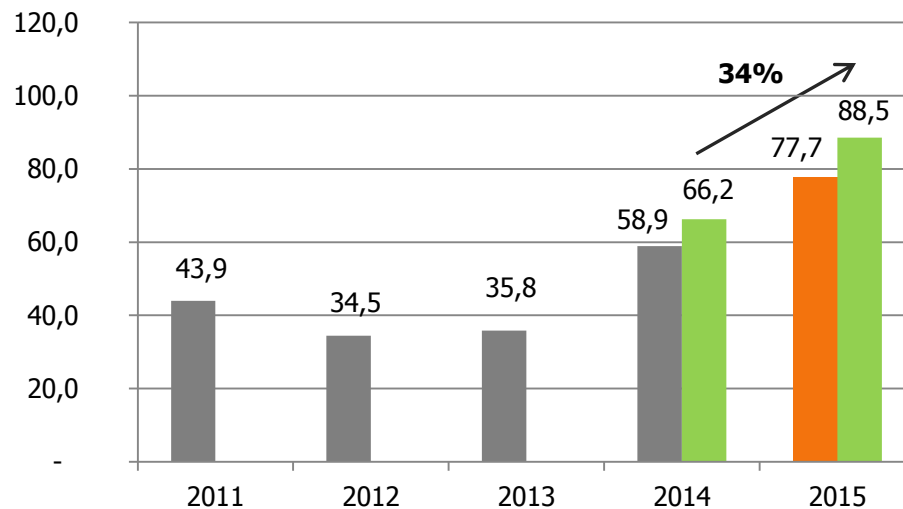
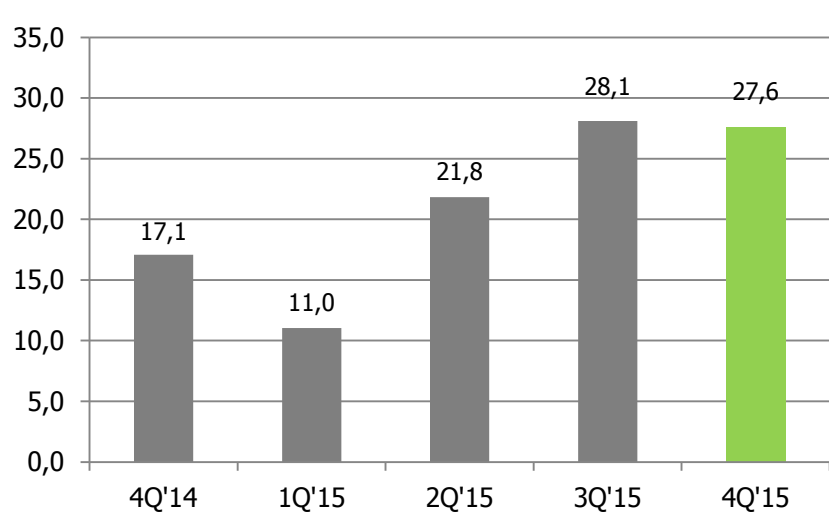
- ⊕ In 4Q 2015 adjusted EBITDA increased by 57% yoy to PLN 34,8 mn
- ⊕ In 2015 adjusted EBITDA increased by 34% yoy to PLN 118,3 mn

Adjusted EBITDA per ton in PLN



- ⊕ In 4Q 2015 adjusted EBITDA per ton increased by 54% yoy to 870 PLN/t
- ⊕ In 2015 adjusted EBITDA per ton increased by 27% yoy to 718 PLN/t

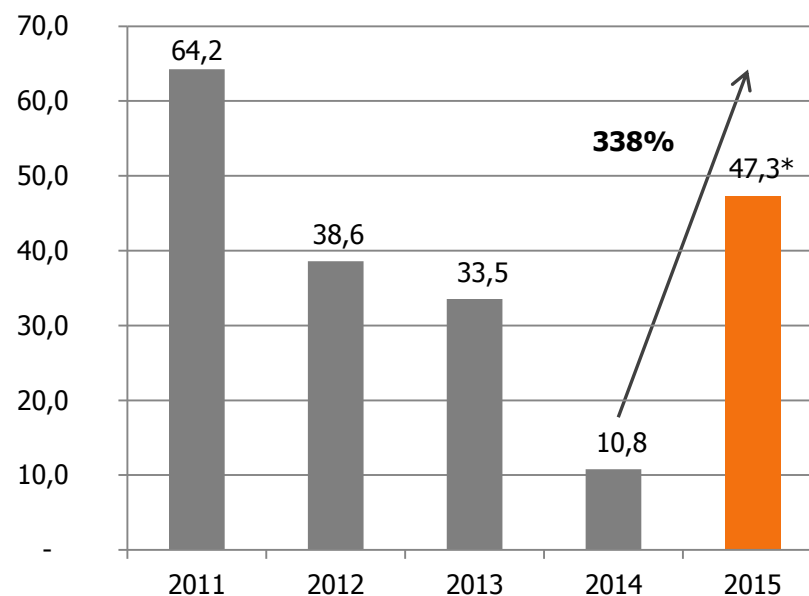
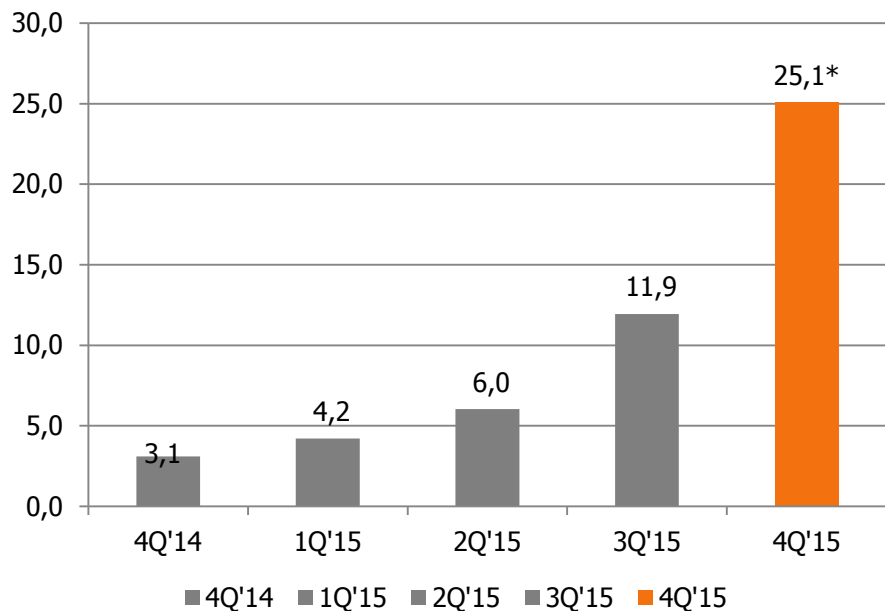
Adjusted net profit in mn PLN



■ Zysk netto ■ Adj. zysk netto

- ⊕ In 4Q 2015 adjusted net profit increased by 61% yoy to PLN 27,6 mn
- ⊕ In 2015 adjusted net profit increased by 34% yoy to PLN 88,5 mn

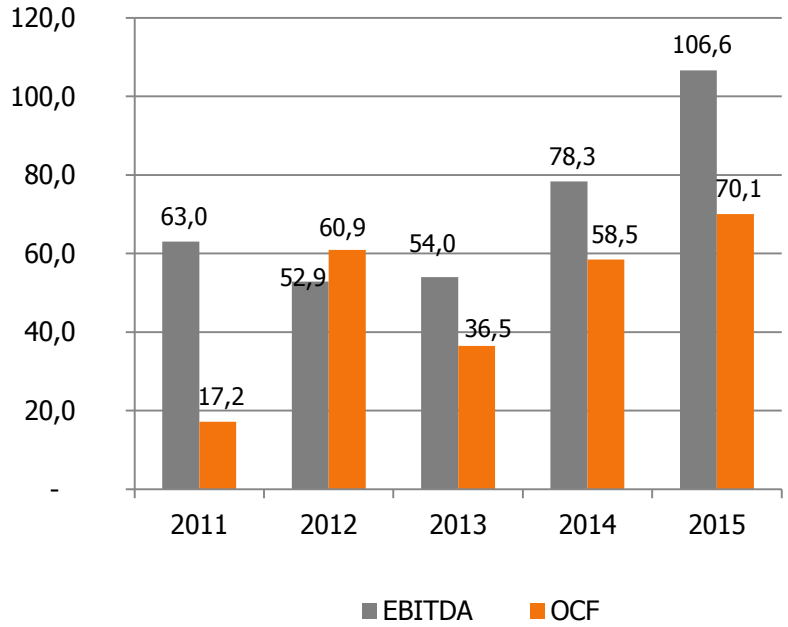
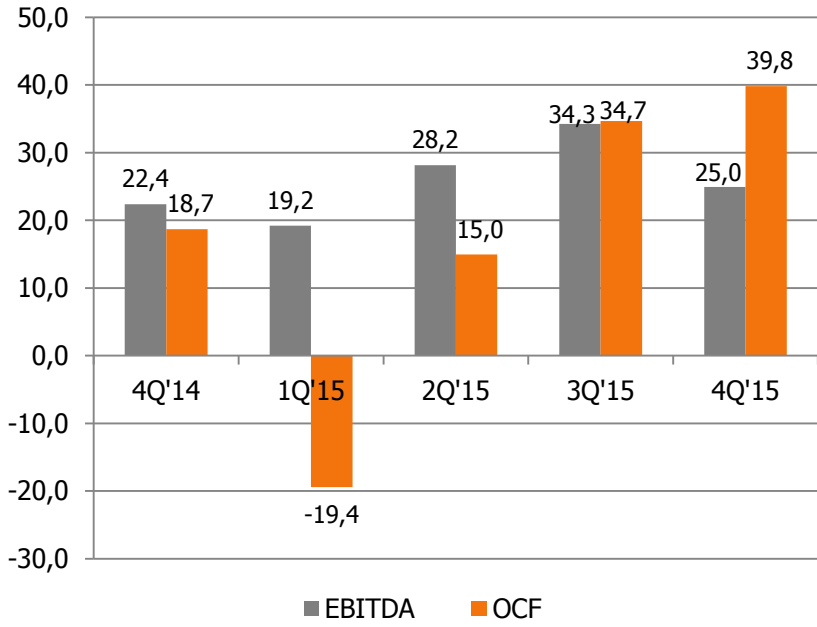
Capex in mn PLN



- ⊕ In 2015 capex increased by 338% yoy to PLN 47,3 mn of which:
- PLN 7,7 mn maintenance capex
 - PLN 5,8 mn metal management
 - PLN 33,8 mn product mix (liquid metal)/ capacity increase (Hungary)

*including amount transferred on collateral manager account (construction trustee service)

EBITDA vs OCF in mn PLN

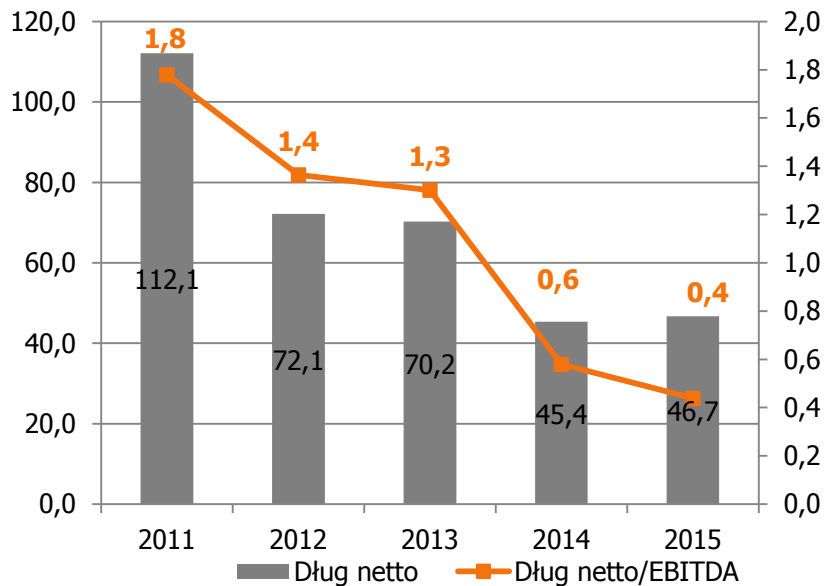


- ⊕ In 4Q 2015 OCF amounted to PLN 39,8 mn vs PLN 25,0 mn of EBITDA
- ⊕ In 2015 OCF amounted to PLN 70,1 mn vs PLN 106,6 mn of EBITDA

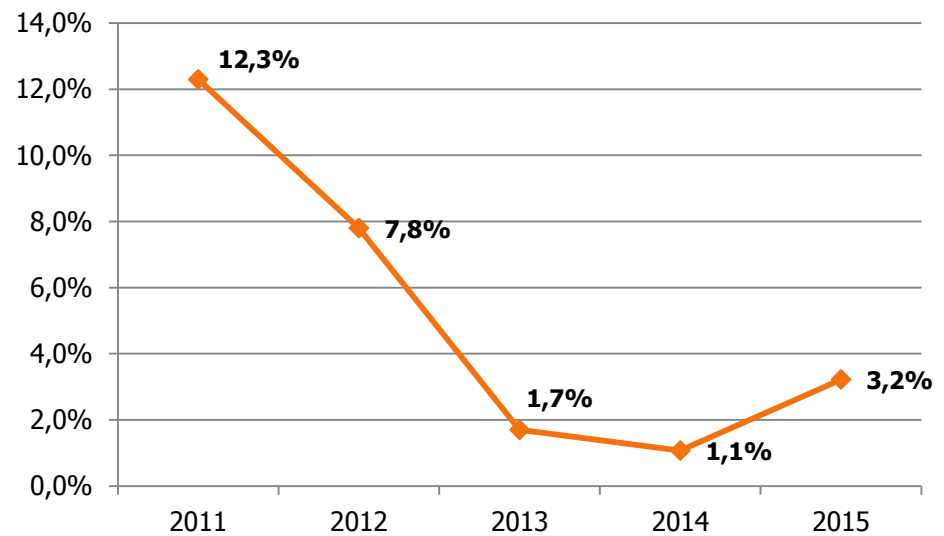


Net debt and effective CIT rate

Net debt



Effective CIT rate



- ⊕ At the end of 2015 net debt amounted to PLN 46,7 mn and Net debt/EBIDTA ratio decreased to the level of 0,4
- ⊕ Effective CIT ratio in 2015 amounted to 3,2%

Management Board proposal of the net profit distribution

- ⊕ PLN 77,7 mn of consolidated net profit
- ⊕ Management Board profit distribution proposal:
 - PLN 38,8 mn dividend for shareholders
 - PLN 38,4 mn for supplementary capital
 - PLN 0,5 mn for employees' social fund
- ⊕ PLN 2,55 dividend per share (PLN 1,95 year ago) – dividend yield at 5,4%
- ⊕ Planned dividend record date on 20th May 2016 and planned dividend payment date on 31st May 2016

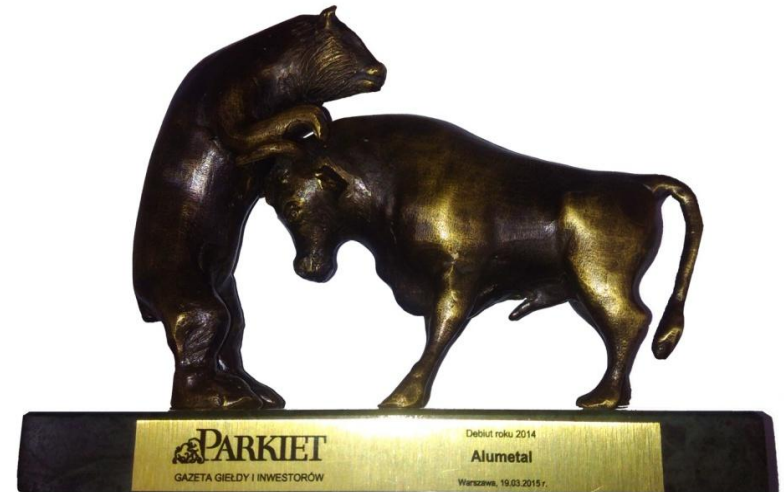
Hungarian project status

- ✦ September 2015 – start of the recruitment and training in Poland of the first production employees from Hungary, currently 26 employees are employed
- ✦ October 2015 – start of construction of the plant, currently construction works progress at ca. 50%
- ✦ October 2015 – signing cash grant agreement with the Hungarian government, the agreement entered into force on 2nd February 2016
- ✦ October 2015 – signing investment credit agreement between ING Bank Śląski S.A. and ALUMETAL S.A. and long-term loan agreement between ALUMETAL S.A. and ALUMETAL Group Hungary Kft.
- ✦ April 2016 – start of assembly of machines and equipment
- ✦ The project is on time and budget

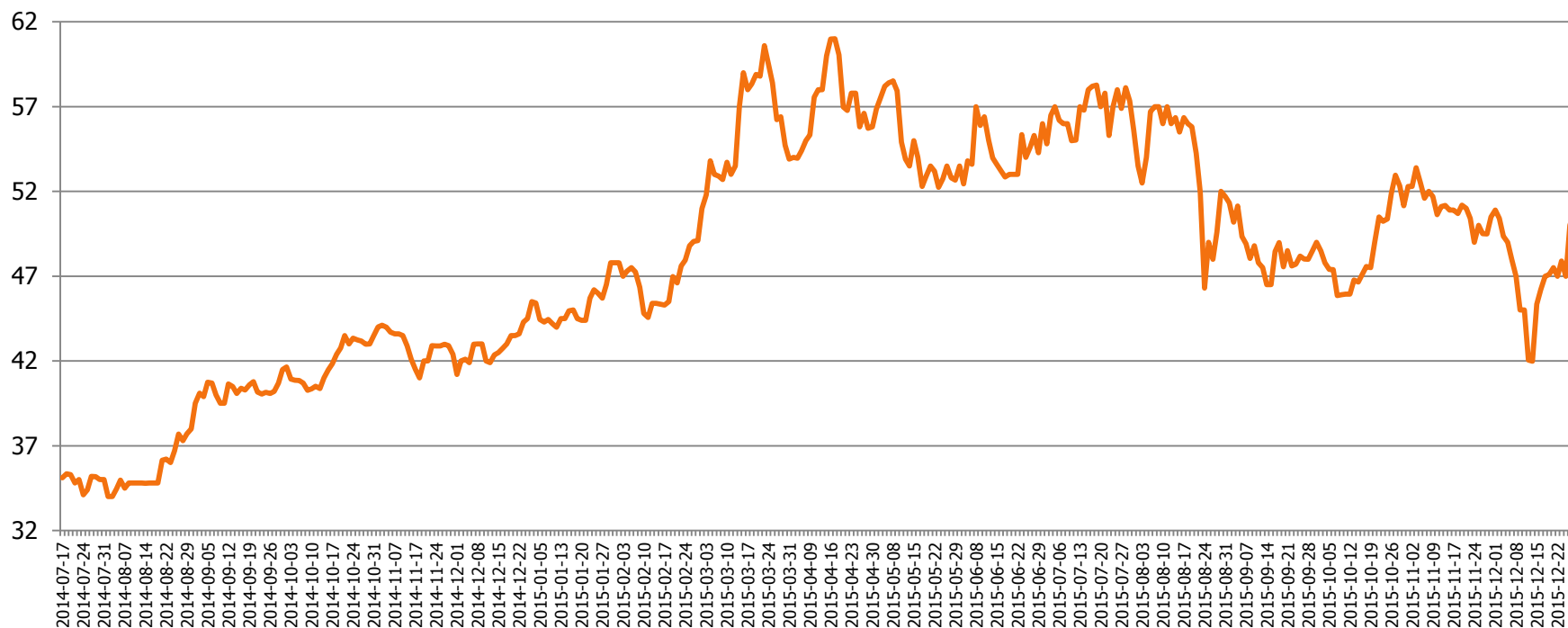


Prizes and Awards in 2015

- ✦ Warsaw Stock Exchange award for the highest value IPO in 2014
- ✦ Prize „Bulls and Bears” awarded by Parkiet newspaper in the category Debut in 2014
- ✦ Nomination for Prize „Best New Listed Company” awarded by Federation of European Securities Exchanges
- ✦ Award of Rzeczpospolita newspaper in the category of Employment Growth
- ✦ Awards: Business Cheetah 2015, Business Power 2015, Export Eagle 2015



Share price on the Warsaw Stock Exchange



- ⊕ At the end of 2015 share price was higher by 45% compared to IPO price
- ⊕ Market parameter for option in 2015 accomplished: change of average WIG $-1,4\%$ vs. the average Alumetal share price adjusted by dividend payment $+29,2\%$ (required difference $+5\%$)



Summary

- ⊕ Record financial results in 2015 – the highest ever EBITDA and net profit despite the one-off events
- ⊕ Strong balance sheet and solid OCF will allow to implement the development strategy and to continue the dividend policy
- ⊕ The project in Hungary realized according to schedule and budget
- ⊕ In 2016 the Management Board aims to achieve the parameters necessary for the completion of the third tranche of the management option. Sustained upward trend in the automotive industry and the pressure on margins is expected