



**IMPEL SA**

Management's Presentation

**Q4 2006 Financial Performance**

March 1st 2007



# Consolidated financial results

## Financial statements according to IFRS

PLN'000	2005	2006
Sales revenue	624,994	748,360
Subsidies	54,072	50,280
Depreciation/amortization	16,211	18,085
EBIT	21,758	15,922
EBIT <i>net of subsidies</i>	(32,314)	(34,358)
EBITDA	37,969	34,007
EBITDA net of subsidies	(16,103)	(16,273)
Net profit	20,364	16,301
Assets	351,020	392,334
Cash	72,369	40,617
Equity and reserves	222,345	235,099
Non-current liabilities	4,989	4,950
Current liabilities	111,287	141,090
Interest-bearing debt	2,458	3,252

*Balance-sheet data as at end of periods*

# Comparison of Consolidated Quarterly Results

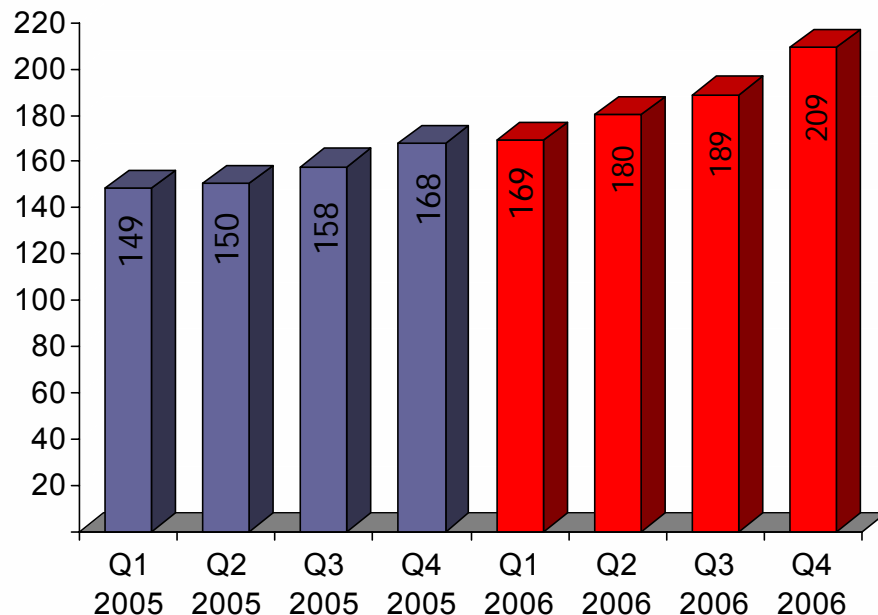
Q4 2006 result on the level of previous quarters

PLN'000	Q1 2005	Q2 2005	Q3 2005	Q4 2005	Q1 2006	Q2 2006	Q3 2006	Q4 2006
Sales revenue	148,647	150,456	157,807	168,084	169,426	180,494	188,999	209,441
Subsidies	13,483	13,995	13,262	13,332	12,923	12,130	11,912	13,315
Depreciation/amortization	4,595	3,462	4,112	4,042	4,294	4,395	4,450	4,946
EBIT	5,080	4,997	8,472	3,209	3,806	3,725	4,151	4,240
EBIT <i>net of subsidies</i>	(8,403)	(8,998)	(4,790)	(10,123)	(9,117)	(8,405)	(7,761)	(9,075)
EBITDA	9,675	8,459	12,584	7,251	8,100	8,120	8,601	9,186
EBITDA <i>net of subsidies</i>	(3,808)	(5,536)	( 678)	(6,081)	(4,823)	(4,010)	(3,311)	(4,129)
Net profit	4,384	4,484	7,397	4,099	2,920	3,641	3,777	5,963

# ••• Sales Revenue of the Impel Group

High revenue growth rate of the Group – maintained

PLN million



## 2006 relative to 2005

- **Organic sales growth** by PLN 91.0 million
- **Acquisitions** – sales increase by PLN 32.3 million  
(DC System Group, Krakpol, North Ochrona, and PS Asekuracja)

## Q4 relative to Q3 2006

- **Organic sales growth** by PLN 12.1 million
- **Acquisitions** – sales increase by PLN 8.3 million  
(new acquisition – PS Asekuracja Sp. z o.o.)





# Acquisitions

Projects completed in Q4 2006

- Przedsiębiorstwo Specjalistyczne Asekuracja – October 2006

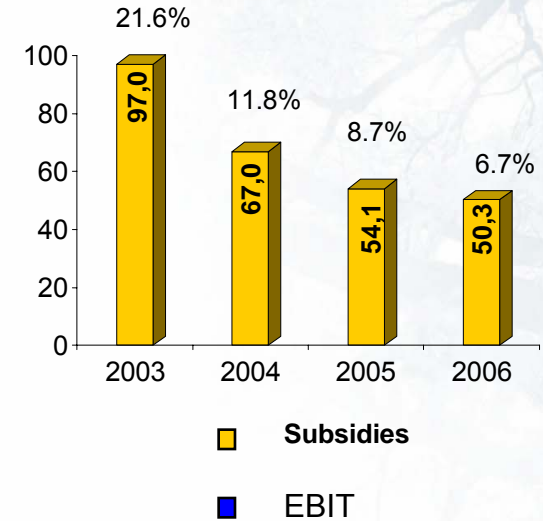
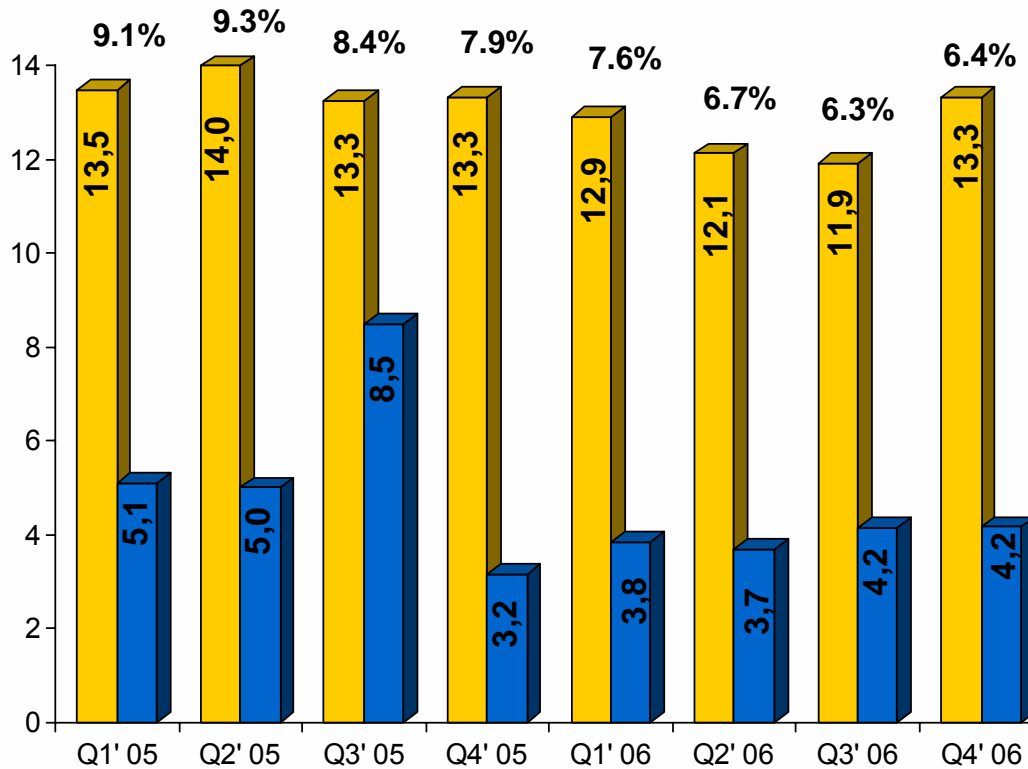
Sales revenue in Q4 2006 – PLN 7.3 million

- TeleBT – November 2006
- Sanechem Service – December 2006
- Wena Floor System Sp. z o.o. – December 2006

# EBIT and Subsidies in Q4 2006

Subsidies' contribution to total revenue in keeping with the Group's strategy

PLN million



- Subsidies expressed as a percentage of sales revenue



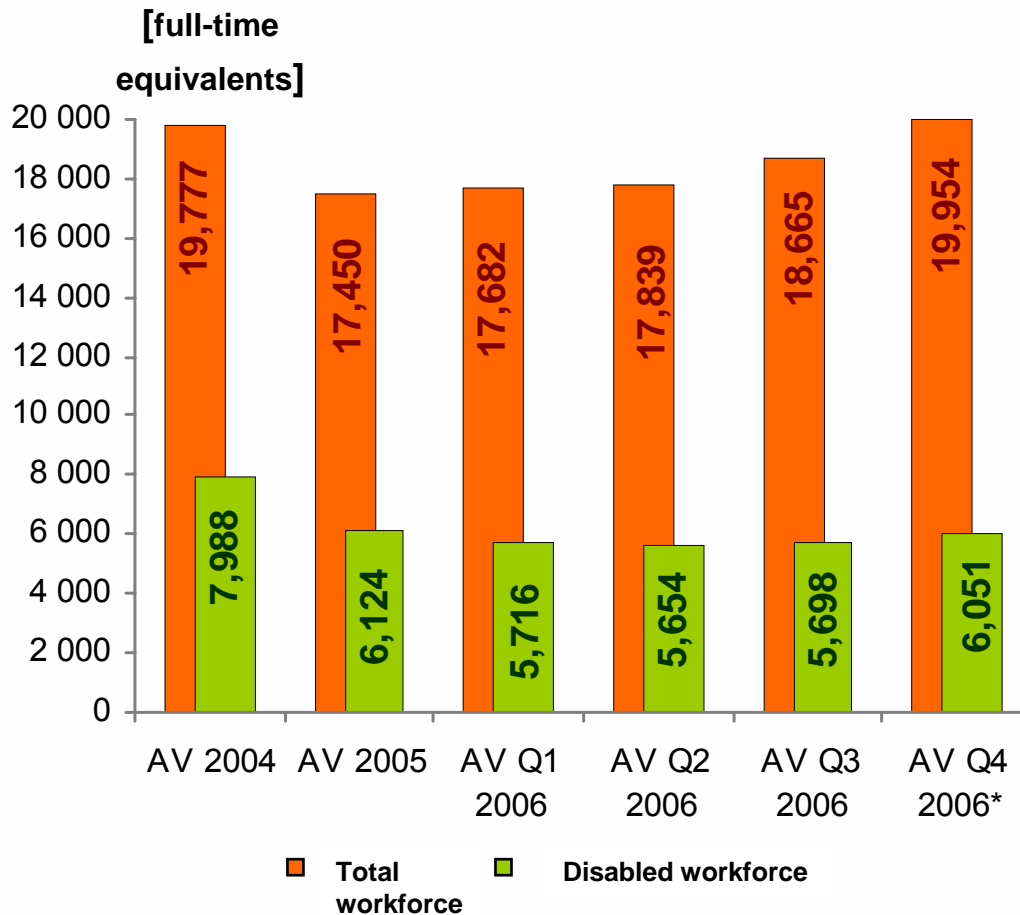
## ••••• Subsidies: Group Policy and Regulatory Environment

Subsidies account for a stable and predictable share of revenues

- No legislative changes coming into force in 2006
  - Act on Occupational Rehabilitation and Employment of the Disabled and Regulation of May 18th 2005, as amended (lump-sum subsidies)
- Draft of the amended Rehabilitation Act and the Government's own amendment to the Act filed with the Sejm
- Percentage share of subsidies in total sales revenue falling:
  - 21.6% in 2003
  - 11.8% in 2004
  - 8.7% in 2005
  - 6.7% in 2006

# Impel Group Workforce

Increase in employment results from development of new products and acquisitions



Average employment in the quarter – under employment contracts

\* Data inclusive of PS Asekuracja

# Performance by Business Segments – Q1-Q4 2006

Business segments according to IFRS (IAS 14)

PLN'000	Total		UPC		SECURITY		CATERING		OTHER	
	2005	2006	2005	2006	2005	2006	2005	2006	2005	2006
<b>Sales revenue <sup>1)</sup></b>	<b>624,994</b>	<b>748,360</b>	<b>238,548</b>	<b>289,345</b>	<b>248,317</b>	<b>269,698</b>	<b>48,513</b>	<b>52,793</b>	<b>89,616</b>	<b>136,524</b>
Subsidies	53,624	49,766	29,789	28,092	22,552	20,816	292	294	991	564
<b>SEGMENT'S RESULT</b>	<b>38,421</b>	<b>37,689</b>	<b>26,835</b>	<b>22,386</b>	<b>9,454</b>	<b>6,587</b>	<b>1,263</b>	<b>(268)</b>	<b>869</b>	<b>8,984</b>
EBIT margin <sup>2)</sup>	6.1%	5.0%	11.2%	7.7%	3.8%	2.4%	2.6%	-0.5%	1.0%	6.6%
Unallocated Group's overhead	(15,179)	(17,288)	PLN 1,800 thousand One-off events				PLN 7,900 thousand Sale of property			
Eliminations	(1,484)	(4,479)								
<b>EBIT</b>	<b>21,758</b>	<b>15,922</b>								

<sup>1)</sup> Revenue on sales outside the Group

<sup>2)</sup> Relative to sales revenue



••••• Comment on the Impel Group's Q4 2006 Performance  
Impact of external and internal factors

- Growing cost of labour
- Growing cost of acquiring and implementing new contracts
- Higher than anticipated costs of restructuring lost contracts
- Higher cost of consumables and raw materials (Catering)

# ••••• Impel Group's new business area

## Property development business - achievements

- Establishment of BNM Impel SA spółka jawna (registered partnership) – a housing project in Ślężna St. Wrocław.
- Purchase of 13.1 ha land in direct vicinity of Wrocław – detached houses development – increased capacity of Land Bank
- Valuation of property/land owned (property development assets).

## Property development business – the nearest future

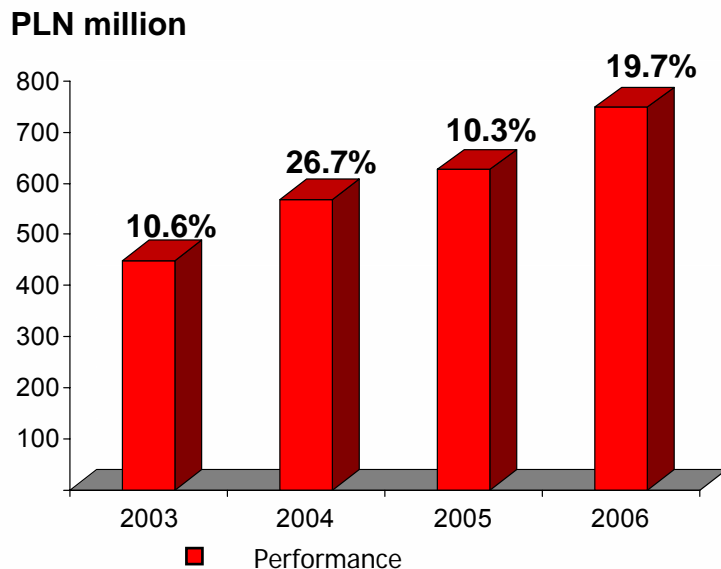
- Change in the potential of Land Bank – organization development projects
- Selection of a development concept for the land in the city centre of Wrocław (15 ha in Rychtalska St.)
- Commencement of Ślężna Project Construction Stage I



# Financial Forecast for 2006 Performance

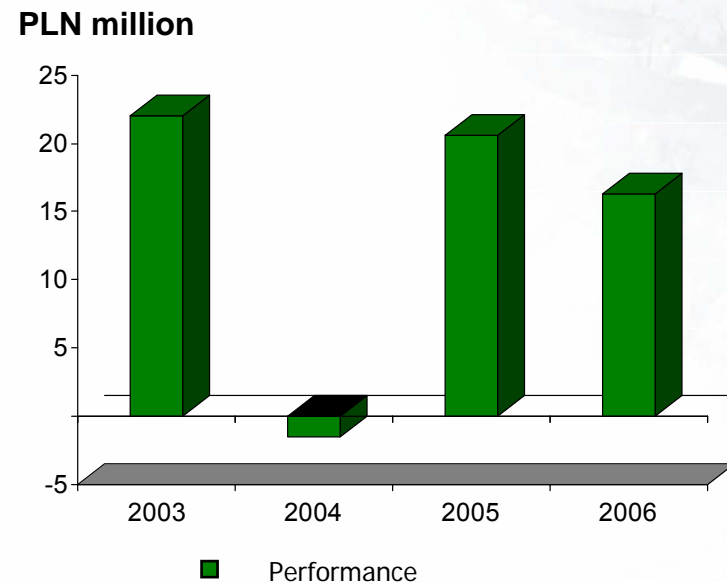
Adjustment of consolidated net profit forecast from PLN 20 million to PLN 16 million

**Sales revenue**  
**PLN 720 million**



Adjusted Forecast	PLN 720.0 million
Performance	PLN 748.4 million

**Net profit**  
**PLN 16 million**



Adjusted Forecast	PLN 16.0 million
Performance	PLN 16.3 million

# Orientation of the Impel Group's activities in 2007

- Renegotiation of prices for services, reflecting increased labour costs
- Maintenance of subsidies share in sales revenue on the level similar to that reported in 2006
- Development of management systems
- Development of new service products
- Property development business



**Thank you for your attention**

