



IMPEL SA

Mangement's Presentation

Q1 2005 Results

May 17th 2005



All data according to International Financial Reporting Standards



Financial Results

IFRS Accounts

PLN'000	2004	Q1' 2005
Sales revenue	568 950	148 647
Subsidies	66 961	13 483
Amortisation/depreciation	15 911	4 595
EBIT	2 966	5 080
EBIT <i>net of subsidies</i>	(63 995)	(8 403)
EBITDA	18 877	9 675
Net profit/(loss)	(1 399)	4 384
Assets	336 871	338 440
Cash	72 750	74 540
Shareholders' equity	201 294	206 009
Long-term liabilities	6 858	6 821
Short-term liabilities	113 282	108 380
Interest-bearing debt	6 785	4 989

Balance-sheet data as at end of periods.



Application of IFRS in 2005

Goodwill and trademark – the largest difference

PLN'000	2004
Net profit/(loss) acc. to Polish Accountancy Act	(6,486)
Goodwill	3,684
Trademark	1,108
Deferred expenses	(168)
Goodwill of subordinated undertakings	463
Net profit/(loss) for the year acc. to IFRS*	(1,399)

	Dec 31 2004
Equity acc. to Polish Accountancy Act	206,008
Goodwill of Impel SA	(8,559)
Trademark	(1,108)
Deferred expenses	(289)
Adjustments of profit/(loss) (specified above)	5,087
Goodwill of subordinated undertakings	155
Equity acc. to IFRS*	201,294



*Adjusted compared with the data disclosed in the annual report.

Comparison of Consolidated Quarterly Results

Quarterly historical data also according to IFRS

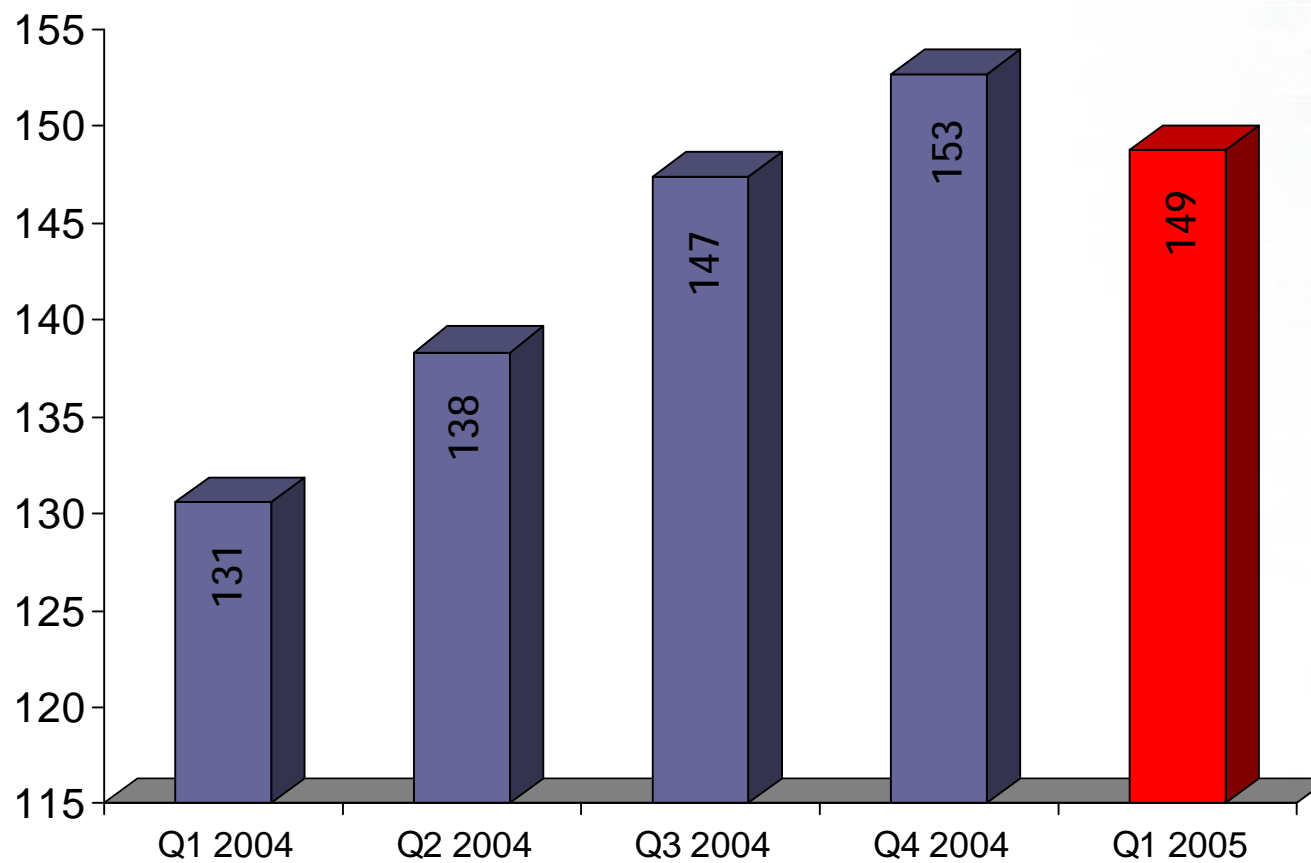
PLN'000	Q1 2004	Q2 2004	Q3 2004	Q4 2004	Q1 2005
Sales revenue	130,587	138,331	147,348	152,684	148,647
Subsidies	19,015	2,946	17,285	27,715	13,483
Amortisation/depreciation	3,787	4,790	4,065	3,269	4,595
EBIT	4,976	(21,198)	213	18,975	5,080
<i>EBIT net of subsidies</i>	(14,039)	(24,144)	(17,072)	(8,740)	(8,403)
EBITDA	8,763	(16,408)	4,278	22,244	9,675
Net profit/(loss)	4,627	(19,329)	(1,031)	14,334	4,384



Impel Group Sales Revenue

Lower sales as a side effect of the restructuring

PLNm





Sales Revenue - Commentary

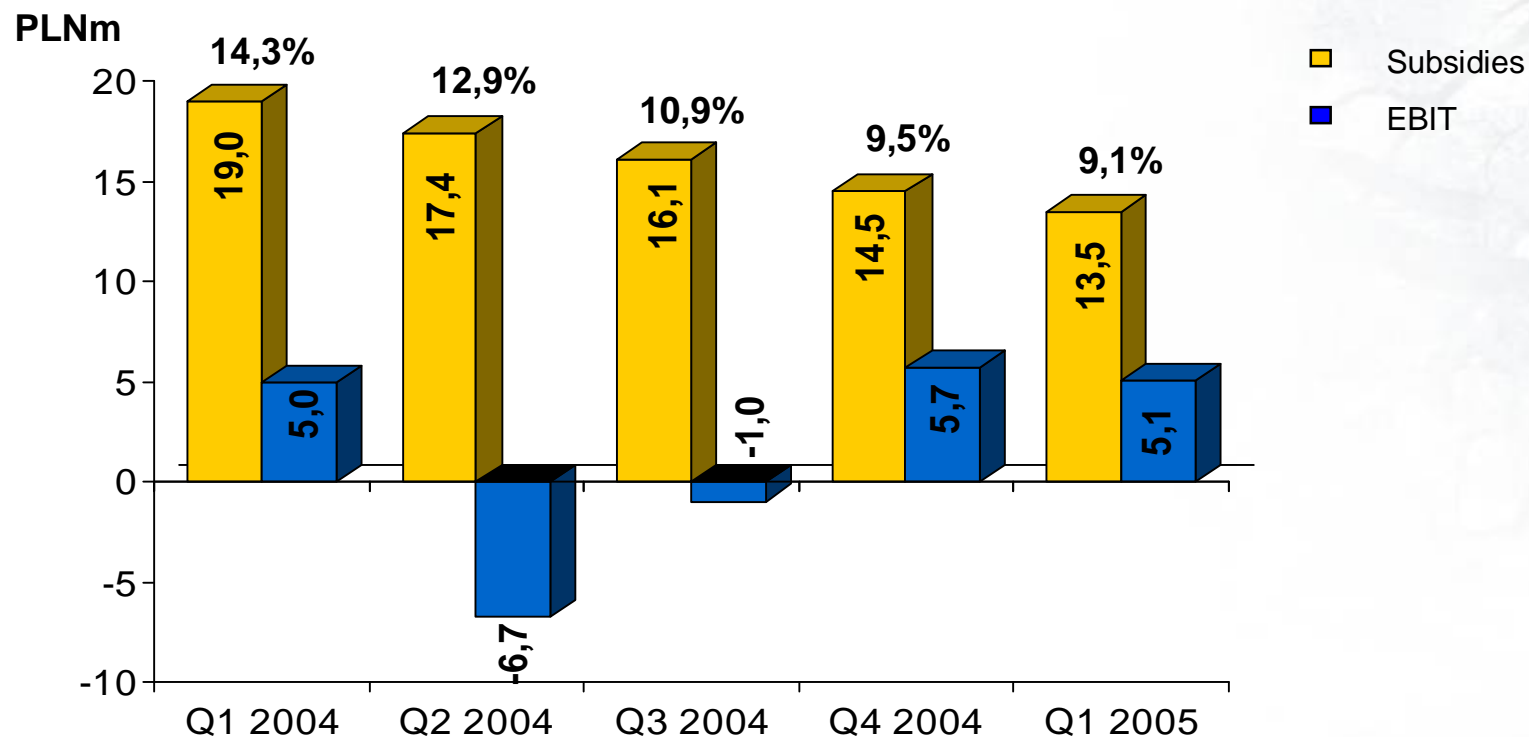
Lower sales as a side effect of the restructuring

- Factors with a bearing on Q1 2005 sales:
 - Planned restructuring of contracts (the largest contract – sales down by PLN 2.7m on the Q4 2004 figure)
 - Changes in contract value/loss of contracts: ca. PLN 2.5m down by on the Q4 2004 figure)
 - Higher sales of Temporary Employment services: up by PLN 1.2m.
- Expected further organic growth of sales revenue
 - Expected Q2 2005 sales of not less than Q4 2004 sales.



EBIT and Subsidies in Q1 2005

EBIT maintained, subsidies on a gradual decline



- Subsidies reflecting retroactive change of the regulations
- Percentage values – share of subsidies in total sales revenue.





EBIT in Q1 2005 - Commentary

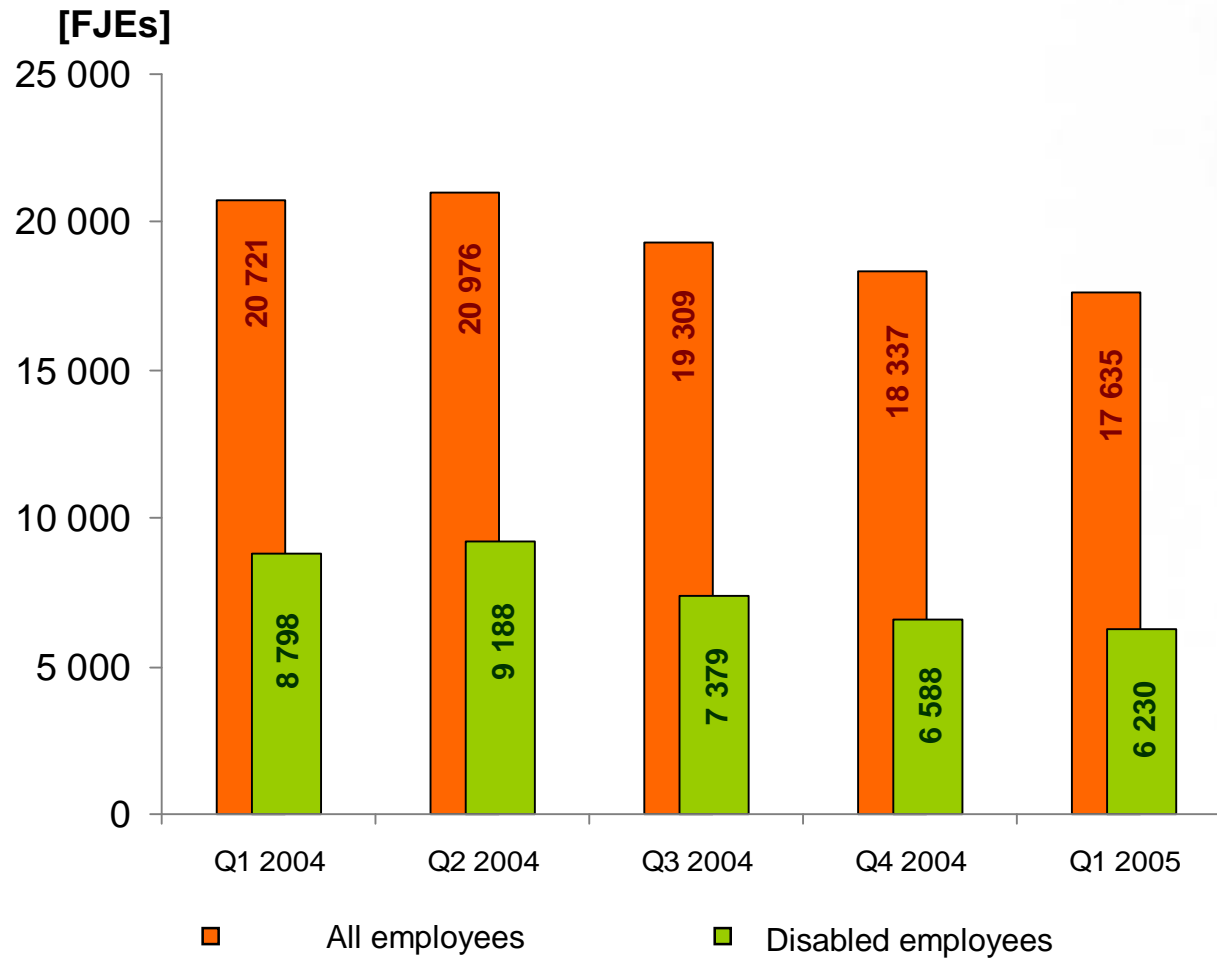
All effects of the restructuring maintained

- EBIT net of subsidies at PLN **-8.4m** – in line with expectations
- No significant factors with a bearing on the Q1' 05 result
(in Q4 2004 +PLN 2m)
- EBIT acc. to IFRS accounts for consolidation goodwill write-offs at subordinated undertakings.



Employment at the Impel Group

Employment structure maintained following the restructuring



Average employment during quarters – under employment contract.

Business Segments – Q1 2005

Segments acc. to IFRS (IAS 14)

PLN'000	CLEANING	SECURITY	CATERING	OTHER	Total
SALES REVENUE*	57,346	59,801	12,135	19,365	148,647
SEGMENT'S PROFIT/ (LOSS)	5,940	3,224	363	(1,112)	8,415
Profitability**	10.4%	5.4%	3.0%	-5.7%	
Non-allocated costs of the Group Exclusions					(2,551) (784)
EBIT					5,080



* Revenue on Group's sales to third parties

** Profit/(loss) To sales revenue.



Events Subsequent to Q1 2005

Acquisition of BD Faktor and disposal of Tailor

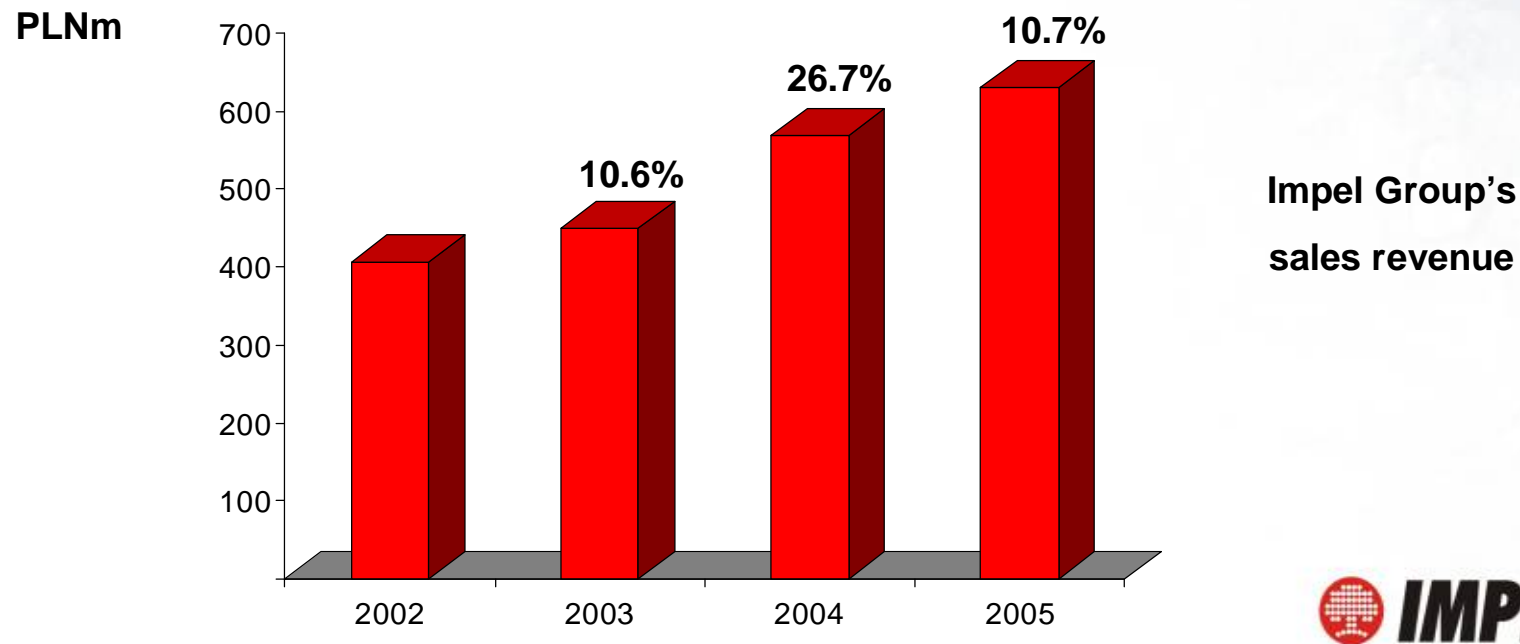
- Acquisition of BD Faktor Sp. z o.o.
 - Sales revenue of PLN 18.7m
 - Services: security, facility maintenance, cleaning
 - Contracts with BGŻ SA and third-party customers
 - Transaction value (not less than PLN 3.4m) depends on sales during 36 months
- Disposal of Tailor Sp. z o.o.
 - Transaction value equal to the company's net assets
 - PLN 1m tax loss realised
 - Exit from the production segment.



2005 Financial Forecast

Sales forecast at PLN 630m and net profit at PLN 17m

- The forecast does not account for potential future acquisitions
- PLN 61m growth (10.7%) on the 2004 figure
- Forecast update to be published at least every quarter, along with quarterly reports



% growth over the previous year.



Regulations on Subsidies

No changes in the legal environment

- Subsidies based on the following legislation:
 - Rehabilitation Act (most recent amendment in January 2004)
 - Regulation of October 12th (lump-sum subsidies)
- Government's bill on amendment of the Rehabilitation Act rejected
- No changes in the legal environment expected in the near future
- Subsidies' share in sales revenue has declined from **21.6%** in 2003 to **11.8%** in 2004 and to **9.1%** in Q1 2005
- Executive Board's objective is to continue reducing the share of subsidies in the sales revenue.