

A background image showing a group of business professionals in a meeting. A man in a light blue shirt and tie is leaning over a table, pointing at documents. Other people are seated around the table, looking at the documents. The scene is brightly lit with a blue tint.

**IMPEL S.A.**

**Management's Presentation**

**Q1 2008 Financial Performance**

April 8<sup>th</sup> 2008





# Consolidated financial results

## Higher profitability and revenue

PLN'000	2007	Q1 2007	Q1 2008
Sales revenue	890 050	211 405	<b>238 380</b>
Subsidies	47 833	13 756	<b>8 114</b>
Depreciation/Amortization	20 530	4 902	<b>5 217</b>
EBIT	9 597	99	<b>4 496</b>
EBIT <i>net of subsidies</i>	(38 236)	(13 657)	<b>(3 618)</b>
EBITDA	30 127	5 001	<b>9 713</b>
EBITDA net of subsidies	(17 706)	(8 755)	<b>1 599</b>
Net profit	6 284	462	<b>1 384</b>
Assets	476 131	420 204	<b>473 889</b>
Cash	34 950	36 222	<b>28 042</b>
Equity and reserves	233 006	229 673	<b>234 407</b>
Non-current liabilities	30 533	6 352	<b>29 019</b>
Current liabilities	196 258	169 574	<b>194 831</b>
<i>of which: Interest debt</i>	71 380	24 965	<b>69 205</b>

*balance sheet data as at the end of periods*

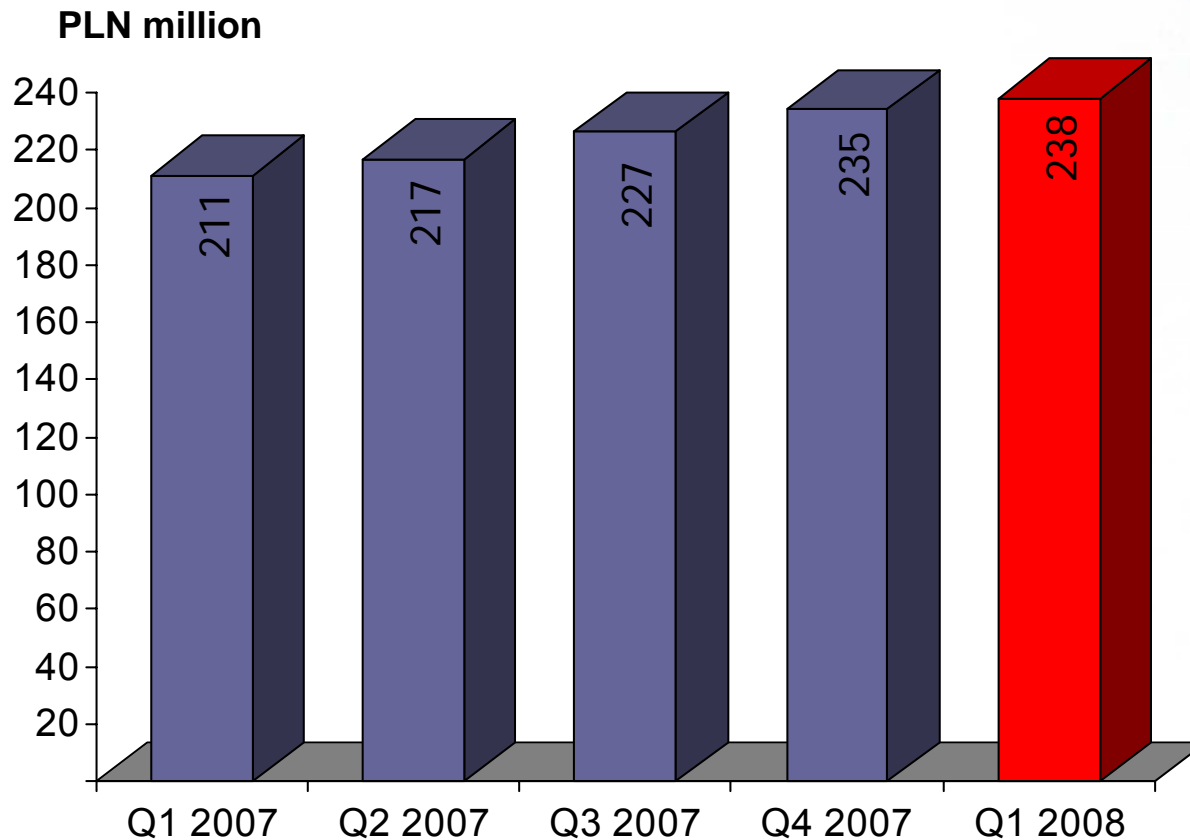
# Comparison of Consolidated Quarterly Results

## Significant improvement in operating margin

in PLN'000	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008
Sales revenue	211 405	217 061	226 553	234 626	238 380
Subsidies	13 756	14 594	11 024	7 982	8 114
Depreciation/Amortization	4 902	5 009	5 108	5 485	5 217
EBIT	99	6 291	5 594	(2 158)	4 496
EBIT <i>net of subsidies</i>	(13 657)	(8 303)	(5 430)	(10 140)	(3 618)
EBITDA	5 001	11 300	10 702	3 327	9 713
EBITDA net of subsidies	(8 755)	(3 294)	( 322)	(4 655)	1 599
Net profit	462	1 278	2 803	1 696	1 384

# ••• Sales Revenue of the Impel Group

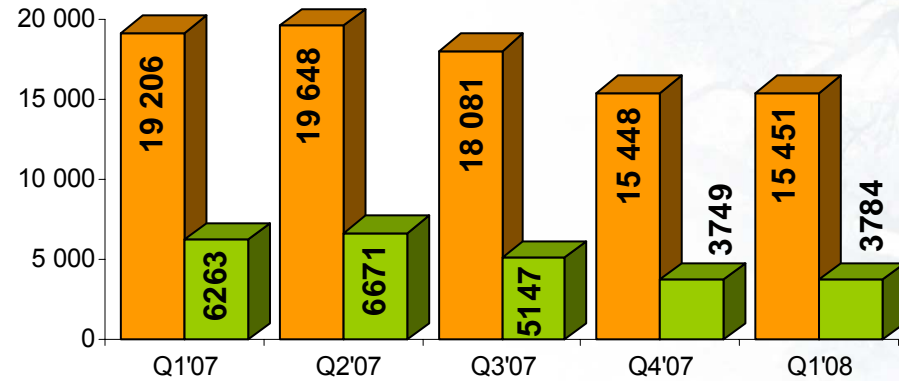
Organic growth in revenue. Stable leading position in the Polish outsourcing market.



# EBIT and subsidies in Q1 2008

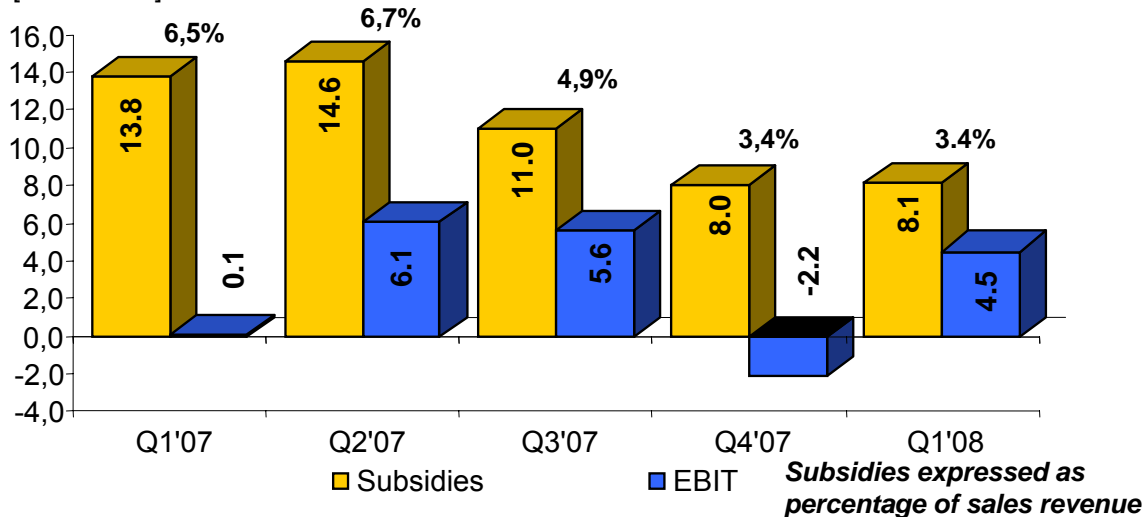
## Stabilization of employment and level of subsidies

Average quarterly employment (number of FTE)



Amount of Subsidies and EBIT

[PLN million]



Hiring on the basis of contracts of employment

- total
- disabled

# Performance by Business Segments

## Improved profitability of established services

PLN'000	Total			Facility Management			Security			Distribution			Other		
	Q1'07	Q4'07	Q1'08	Q1'07	Q4'07	Q1'08	Q1'07	Q4'07	Q1'08	Q1'07	Q4'07	Q1'08	Q1'07	Q4'07	Q1'08
Sales revenue 1)	211 405	234 626	238 380	89 527	96 523	102 472	79 813	85 910	89 016	20 334	24 097	23 678	21 732	28 096	23 214
Subsidies	13 614	7 882	7 983	7 508	3 537	3 798	5 574	3 947	3 889	83	77	77	449	321	219
SEGMENT'S RESULT net of charges payable to corporation 2)	4 456	1 492	11 289	4 153	5 765	9 106	978	-673	4 298	354	-2 269	-1 296	-1 029	-1 331	-820
EBIT margin 3)	2,1%	0,6%	4,7%	4,6%	6,0%	8,9%	1,2%	-0,8%	4,8%	1,7%	-9,4%	-5,5%	-4,7%	-4,7%	-3,5%
Unallocated Group's overhead	-4 462	-4 514	-6 253												
Eliminations	105	863	-539												
EBIT	99	-2 158	4 496												

1) Revenue on sales outside the Group

2) Charges for trademarks, as well as strategic and corporate management services

3) Relative to sales revenue





# Comments to the Financial Results

- Good results of the Business Units – Facility Management and Security – as a result of the strategy of focus on core business segments.
- Increased profitability – strategy of withdrawal from low-margin contracts.
- Neutralization of the effects of increased minimum wage (an increase of 20% since January 2008) as a result of renegotiation of contracts.
- Higher prices of new sales:
  - increased importance of factors other than price when choosing the service provider (quality, comprehensiveness of services, experience),
  - response of the industry to dynamic changes in remuneration.

# ••••• Current developments at the Impel Group

## Implementation of the Impel Group growth strategy

- Development of highly specialized services – obtainment of the Handling Agent Certificate by Impel Cleaning (ground handling of aircraft at the EU airports – the first private company in Poland).
- Acquisition of investors in selected product lines – an exclusive contract has been concluded in the process of investor acquisition for the Promedis company (medical services).

## Foreign companies

- Impel Griffin Group – finalization of the process of acquisition of contracts from the Griffin company in the Ukraine, achieving first significant revenue in Q2 2008.
- Impel UK Ltd. – first contracts and obtainment of the ACS quality certificate (in accordance with the requirements of the Security Industry Authority (SIA) – an organisation regulating the market of private security services in the UK)



# Property development activities

## Investment Agreement with Vantage Development (VD)

- Conclusion of Stages I and II of the Investment Agreement – contribution of property development companies of the Impel Group together with their assets to VD – Impel S.A. acquired 25.9% shares\*.

## Current investments of VD

- Słoneczne Sady:
  - Receipt of Building Permit and commencement of sale of houses at the 'Słoneczne Sady' housing estate in Sadków near Wrocław.
  - Ultimately, 129 high quality single-family houses.
  - The first stage of the execution has begun – construction of 43 houses.
- Centauris:
  - commencement of sale of apartments at the 'Centauris' housing estate at ul. Ślężna in the city centre of Wrocław – the investment executed in cooperation with BNM3 Sp. z o.o.
  - The plan provides for 350 high quality apartments and flats (about 20,000 m<sup>2</sup>).



\*transaction pending court registration



**Thank you for your attention**

