



**IMPEL S.A.**

**Management's Presentation**

**Q4 2008 Financial Performance**  
Comments on 2008 business activities

February 26, 2009





# Consolidated financial results

## Double growth in operating profit

<i>PLN'000</i>	<b>2007</b>	<b>2008</b>
Sales revenue	890 050	<b>1 002 624</b>
Subsidies	47 833	<b>25 839</b>
Depreciation/Amortization	20 530	<b>22 716</b>
EBIT	9 597	<b>22 009</b>
EBIT net of subsidies	(38 236)	<b>(3 830)</b>
EBITDA	30 127	<b>44 725</b>
Net profit	6 284	<b>42 164</b>
Assets	476 131	<b>513 752</b>
Cash	34 950	<b>68 203</b>
Equity and reserves	233 006	<b>275 616</b>
Non-current liabilities	30 533	<b>15 609</b>
Current liabilities	196 258	<b>207 433</b>
<i>including interest bearing debt</i>	<b>71 380</b>	<b>71 407</b>

*balance-sheet data as at end of periods*

# Comparison of Consolidated Quarterly Results

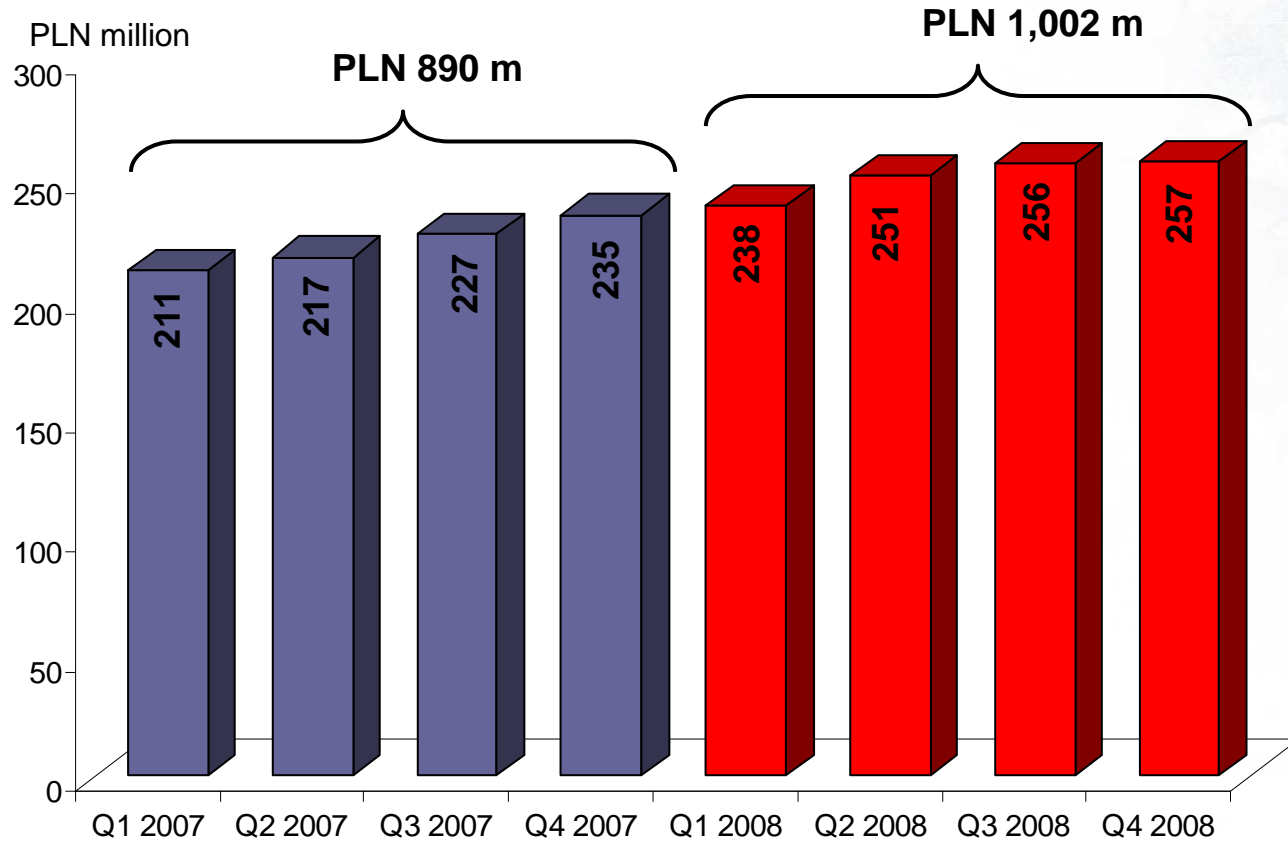
Improved profitability – positive trend in 2008

PLN'000	Q1 2007	Q2 2007	Q3 2007	Q4 2007	Q1 2008	Q2 2008	Q3 2008	Q4 2008
Sales revenue	211 405	217 087	226 553	234 626	238 380	251 003	256 074	<b>257 166</b>
Subsidies	13 756	14 594	11 024	7 982	8 114	6 073	5 851	<b>5 801</b>
Depreciation/Amortization	6 026	5 009	5 108	5 485	5 217	5 818	5 579	<b>6 103</b>
EBIT	99	6 082	5 594	(2 158)	4 496	7 367	7 870	<b>2 276</b>
EBIT net of subsidies	(13 657)	(8 512)	(5 430)	(10 140)	(3 618)	1 294	2 019	<b>(3 525)</b>
EBITDA	6 125	11 091	10 702	3 327	9 713	13 185	13 449	<b>8 379</b>
Net profit	462	1 278	2 803	1 741	1 384	2 981	37 338	<b>461</b>



# Sales Revenue of the Impel Group

Stable growth brings forth revenue in excess of PLN 1 billion

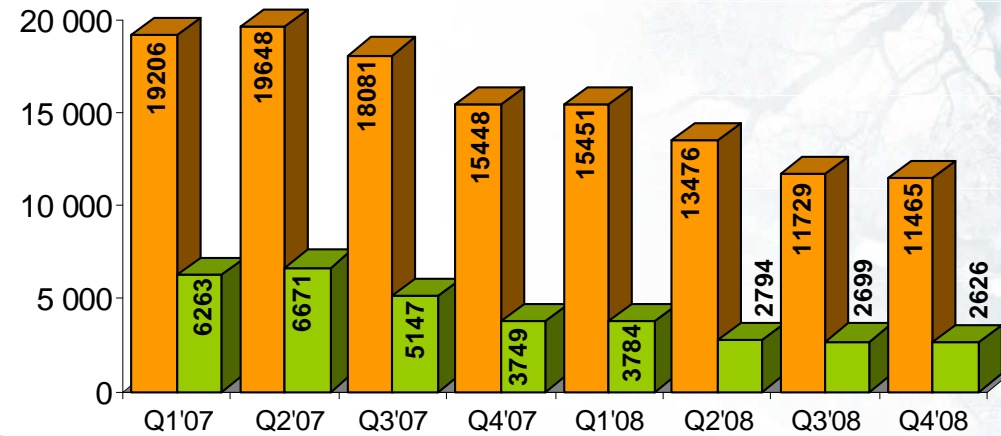




# EBIT and subsidies in Q4 2008

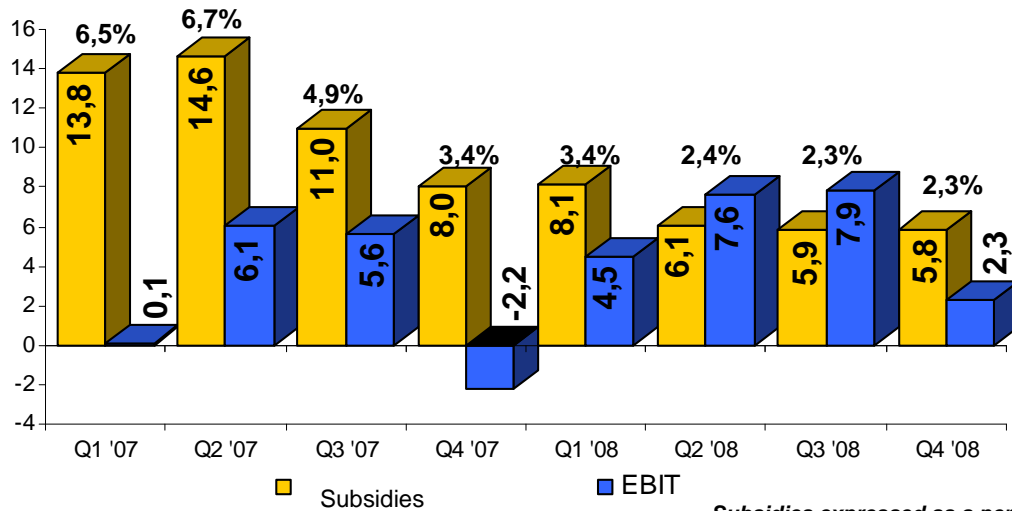
## Optimized levels of employment and subsidies

Average quarterly employment (FTE)



PLN million

Levels of subsidies and EBIT



Hiring on the basis of employment contracts

- total
- disabled

Subsidies expressed as a percentage of sales revenue



# Performance by Business Segments – cumulatively

## Improved profitability of mature services segment

PLN'000	Total		Facility Management		Security		Distribution		Other	
	2007	2008	2007	2008	2007	2008	2007	2008	2007	2008
<b>Sales revenue 1)</b>	<b>889 671</b>	<b>1 002 623</b>	<b>367 850</b>	<b>426 956</b>	<b>323 093</b>	<b>386 323</b>	<b>96 932</b>	<b>102 594</b>	<b>101 796</b>	<b>86 750</b>
Subsidies	46 914	25 839	25 437	7 669	19 638	16 344	315	315	1 524	1 511
<b>SEGMENT'S RESULT</b> net of charges to Corporation 2)	<b>30 702</b>	<b>47 799</b>	<b>22 755</b>	<b>30 934</b>	<b>13 082</b>	<b>24 176</b>	<b>(1 025)</b>	<b>(5 240)</b>	<b>(4 111)</b>	<b>(2 071)</b>
EBIT margin 3)	3,5%	4,8%	6,2%	7,2%	4,0%	6,3%	-1,1%	-5,1%	-4,0%	-2,4%
Unallocated Group's overhead	(19 051)	(24 145)								
Eliminations	(2 034)	(1 645)								
<b>EBIT</b>	<b>9 617</b>	<b>22 009</b>								

1) Revenue on sales outside the Group

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

3) Relative to sales revenue





## Comment on the Impel Group's 2008 Performance

- Facility Management and Security – increase in revenue and profitability
- EBIT – a rise of 129% relative to 2007, resulting from optimization of operation processes and employment systems:
  - Consistent increase in profitability – strategy of withdrawing from low margin contracts.
  - Neutralization of the impact of increase in National Minimum Wage in 2008 as a result of renegotiation of contracts
  - Higher prices of new sales:
    - Experience in optimization of client companies' costs
    - Response of the sector to the dynamic change in wages
- Continued cooperation with key account clients (e.g Kredyt Bank, City Council Housing and Letting Office in Poznań etc.), and acquisition of new clients - Vattenfall Heat Poland, Lot Ground Services
- Strengthened position in banking sector and shopping chains service



## Current events in the Impel Group

### Implementation of the Group's Strategy

- Sale of Promedis (disinvestment of selected companies) – the final value of the transaction: **PLN 34.2 million**
- Acquisition of sector partners for pre-determined product lines:
  - January 27th 2009 – formation of Autogrill Polska as part of *joint venture* – Impel 49%, Autogrill 51%
- Further consolidation of the laundry market – purchase of shares in Praxima Hotel Serwis
- July 1st 2008 – implementation of the first stage of the integrated IT system (SAP) – improved quality of management information
- Consistent implementation of the strategy of extending cooperation with subcontractors





## Increase in National Minimum Wage in 2009

13.3% - another challenge for the Impel Group business

- Directive of the Prime Minister dated July 24th 2008 on National Minimum Wage, which will amount to PLN 1,276 in 2009.
- Estimated increase in the total cost of wages within the Impel Group in 2009, relative to 2008, by approx. 4.5% (compared to the current conditions of the Group's operation).
  - Impact on the expenses within labour-intensive service segments i.e. facility management and security
- Further renegotiations of contracts with a view to minimizing the impact of the change in national minimum wage on the Group's performance
- New sales with consideration for the increased cost of wages





## Own shares bought back and to be retired

### Reasons for buyback

- Market valuation of Impel shares below fair value + low turnover
- Letting interested investors get rid of the investment
- Improvement of market indices for the investors not taking advantage of the share sale offer

### Buyback performance – Forecasted volume achieved

- February 2nd 2009 – 3 million shares bought back at the WSE under Tender Offer





## ••••• Changes in market and legal environment

### System of Aid for Employment of the Disabled

#### – Amendment of the Act on Occupational and Social Rehabilitation (...)

- The Aid for Employment in line with the general directive of the EU - General Block Exemption Regulation (GBER)
- 75% of the actual cost of hiring a disabled person is the maximum level of refund.
- Possibility of obtaining subsidies for the wages of persons already eligible for retirement



# ••••• Property development business

## Vantage Development Group

- Completion of Stage 1 and 2 of the investment agreement – transfer of shares in the Impel Group's developer companies to Vantage Development
- Investments of Vantage:
  - Słoneczne Sady (Sadków near Wrocław) – Work commenced on building infrastructure systems for the single-family houses estate and erecting the first houses
  - Centauris (Wrocław ul. Ślężna) – Building Permit obtained for Stage 1 of the housing estate project; optimization of the investment – high quality at affordable price
  - Promenady Wrocławskie (Wrocław ul. Rychtalska) – commercialization model prepared with Cushman&Wakefield; search for potential investors or co-investors



**Thank you for your attention**

