

**TRAKCJA  
GROUP**

# I-III Q 2015 Results



# Agenda

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1. General information
2. Financial data – TRAKCJA GROUP
3. Financial data– TRAKCJA PRKił S.A.
4. Debt – TRAKCJA GROUP
5. Projects - tendering
6. Projects - execution

*Data are presented in milion Polish zlotys (mPLN)*



**TRAKCJA  
GROUP**



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# GENERAL INFORMATION

TRAKCJA GROUP

# Summary of I-III Q 2015

**1 739** mPLN

**Signing in Jan – Oct 2015  
contracts for a total  
amount of 1 739 mPLN**

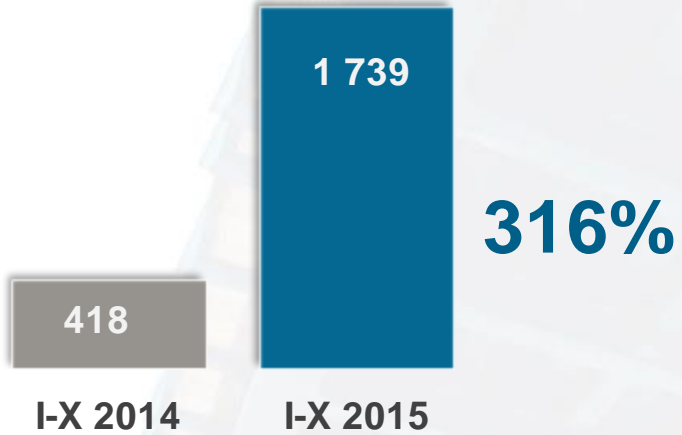
**DECREASE  
OF DEBT**

**Debt 2 times lower than at  
the end of III Q 2014**

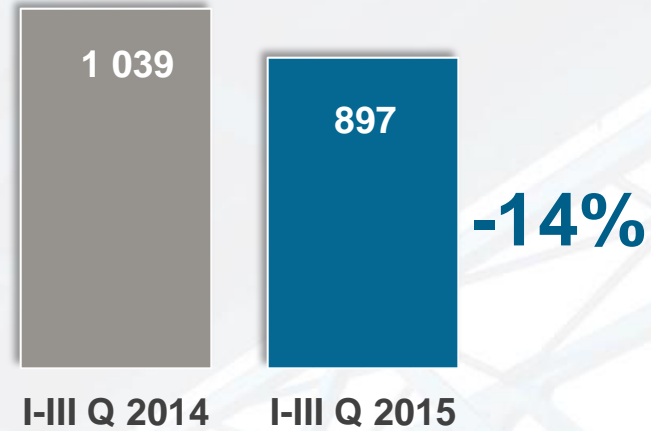
**SOLID CASH-  
FLOW FROM  
OPERATING  
ACTIVITIES**

**Effective management of  
working capital**

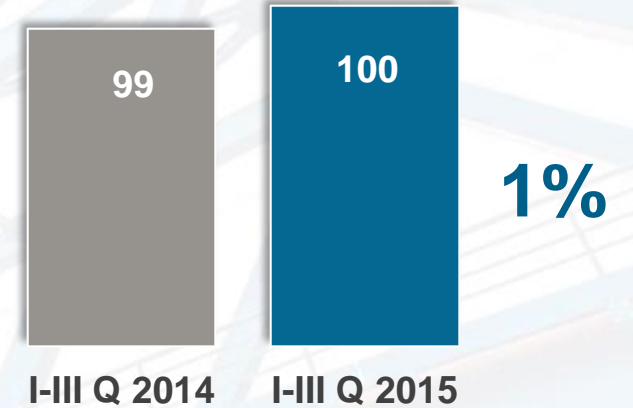
### Signed contracts



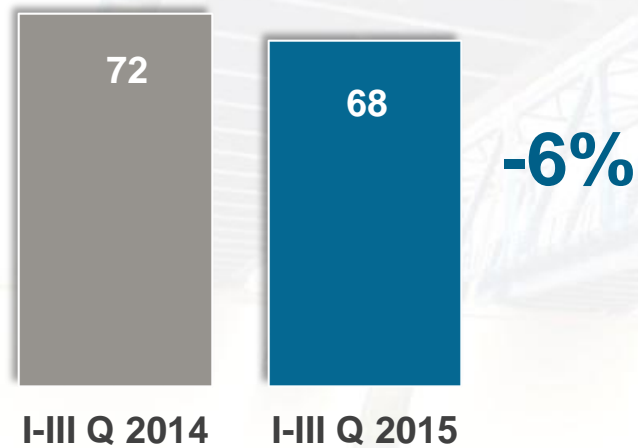
### Sales revenues



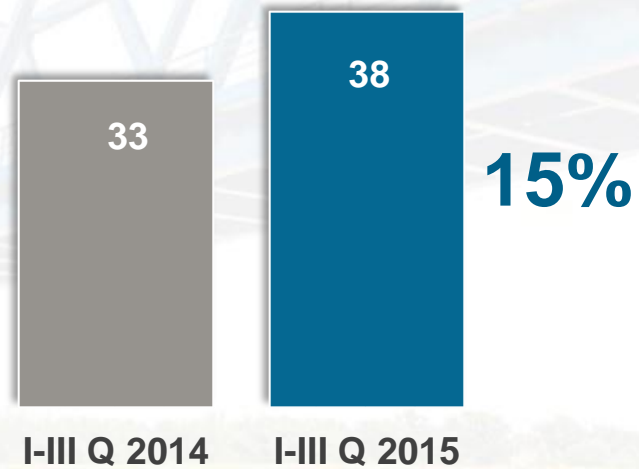
### Gross profit on sales



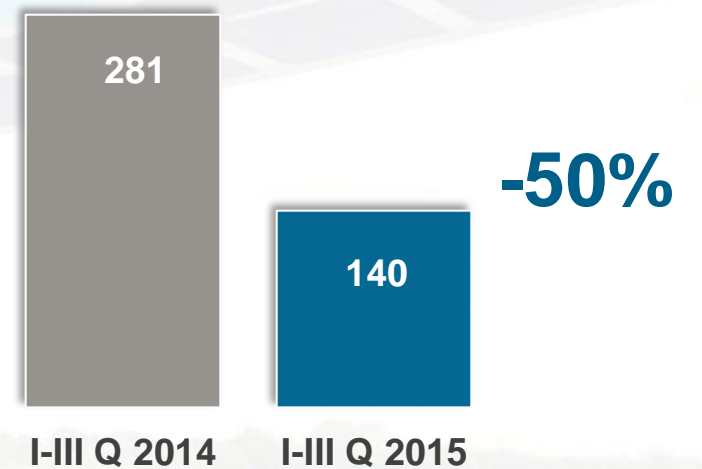
### EBITDA



### Net profit



### Debt





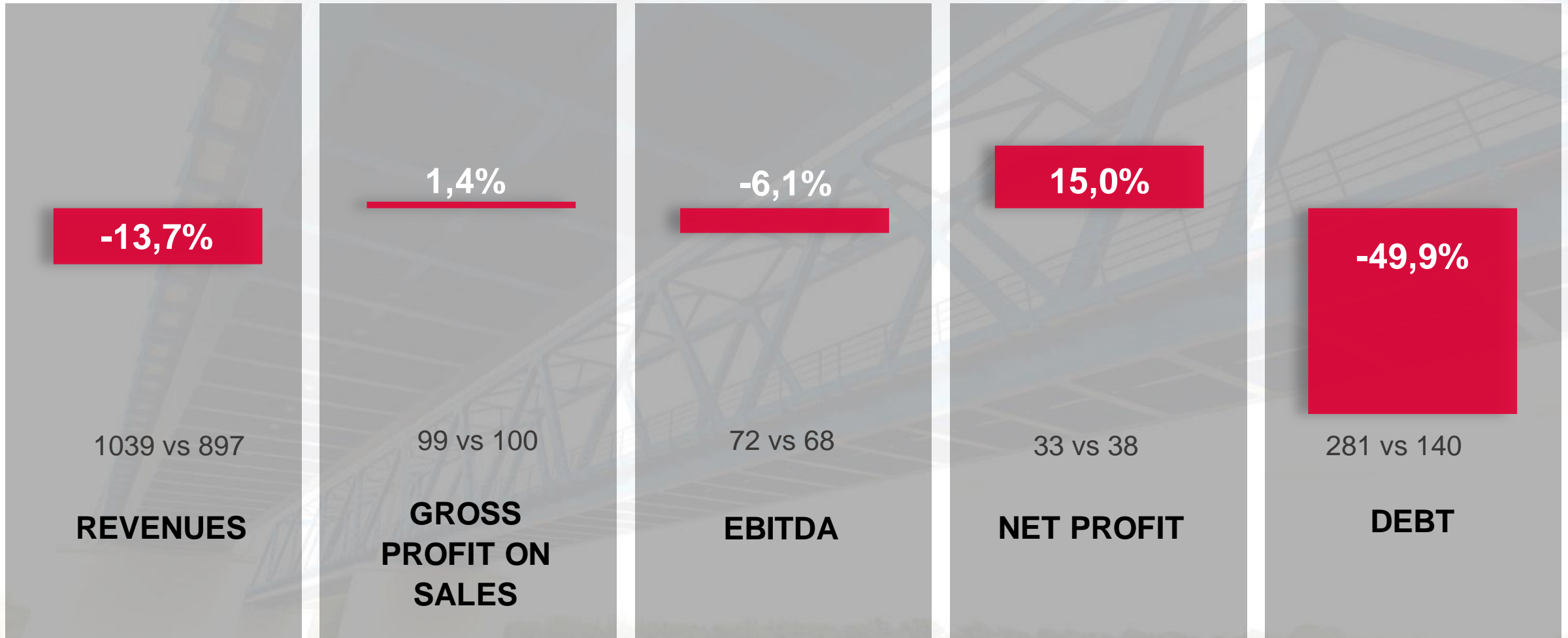
**TRAKCJA  
GROUP**

# The financial data

TRAKCJA GROUP



# Change of financial data for the period I-III Q 2014 / I-III Q 2015



# Consolidated P&L of Trakcja Group

|   | I - III Q 2015 | I - III Q 2014 |
|---|----------------|----------------|
| Sales revenues                                  | 897            | 1 039          |
| Cost of goods sold                              | -796           | -940           |
| <b>Gross profit / (loss) on sales</b>           | <b>100</b>     | <b>99</b>      |
| <i>Gross profit margin on sales</i>             | <i>11,2%</i>   | <i>9,5%</i>    |
| General expenses (management, marketing, sales) | -51            | -46            |
| Balance of other operating activity             | -1             | 0              |
| <b>Operating profit (loss)</b>                  | <b>49</b>      | <b>53</b>      |
| <i>Operating profit margin</i>                  | <i>5,5%</i>    | <i>5,1%</i>    |
| Balance of financial activity                   | -3             | -13            |
| <b>Gross profit (loss)</b>                      | <b>46</b>      | <b>40</b>      |
| <i>Gross profit margin</i>                      | <i>5,2%</i>    | <i>3,8%</i>    |
| Income tax                                      | -8             | -7             |
| <b>Net profit (loss)</b>                        | <b>38</b>      | <b>33</b>      |
| <i>Net profit margin</i>                        | <i>4,3%</i>    | <i>3,2%</i>    |
| Depreciation                                    | 19             | 19             |
| <b>EBITDA</b>                                   | <b>68</b>      | <b>72</b>      |
| <i>EBITDA margin</i>                            | <i>7,5%</i>    | <i>6,9%</i>    |

| Change Y/Y      |   |
|-----------------|---|
| <b>1,7 p.p.</b> | <b>INCREASE OF GROSS PROFIT MARGIN ON SALES</b> |
| <b>-8%</b>      | <b>DECREASE OF OPERATING PROFIT</b>             |
| <b>15%</b>      | <b>INCREASE OF NET PROFIT</b>                   |
| <b>0,6 p.p.</b> | <b>INCREASE OF EBITDA MARGIN</b>                |



# Consolidated balance sheet

## Trakcja Group

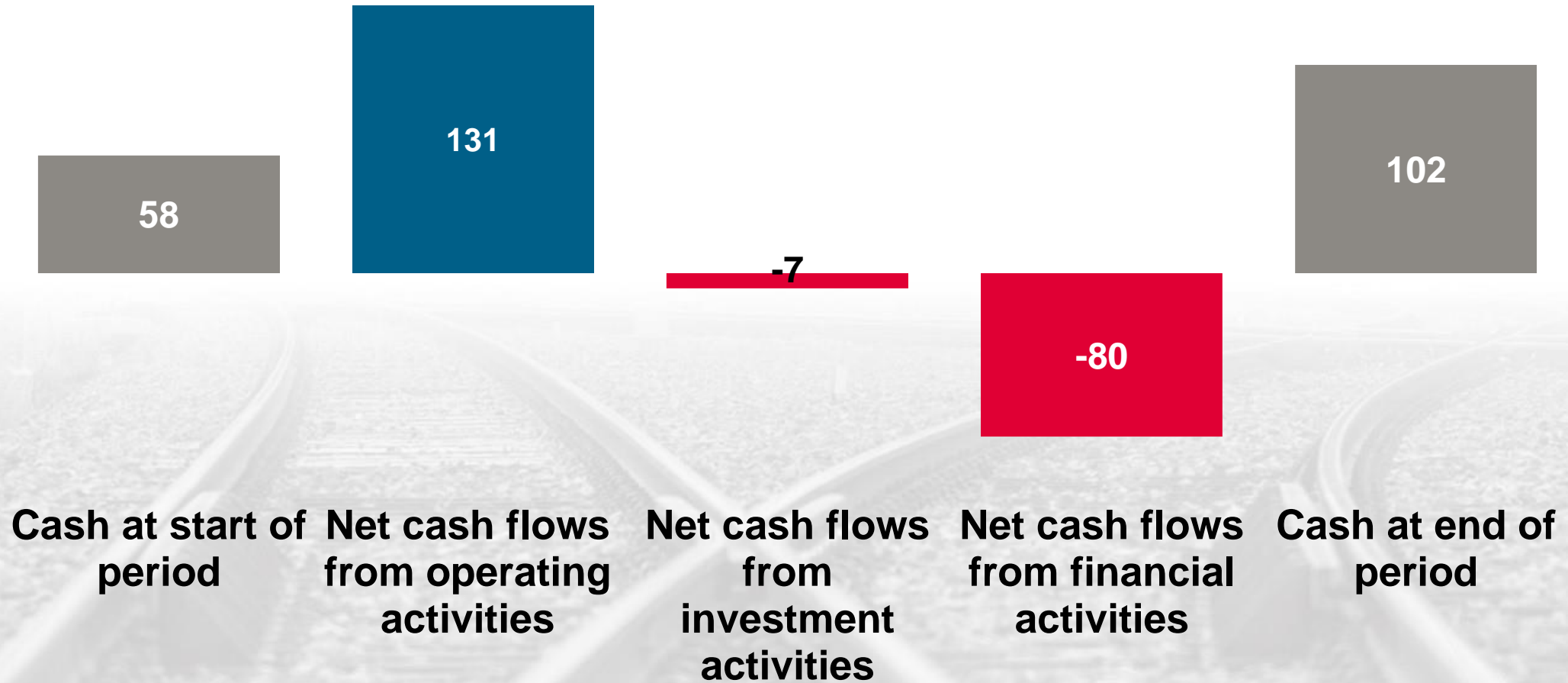
**-4%**

CHANGE  
IN TOTAL  
OF BALANCE  
SHEET

| ASSETS                      | 30.09.2015   | 31.12.2014   |
|-----------------------------|--------------|--------------|
| <b>Non-current assets</b>   | <b>721</b>   | <b>720</b>   |
| Tangible non-current assets | 192          | 186          |
| Intangible assets           | 61           | 60           |
| Goodwill                    | 341          | 342          |
| Investment properties       | 23           | 23           |
| Other                       | 104          | 109          |
| <b>Current assets</b>       | <b>669</b>   | <b>726</b>   |
| Inventory                   | 71           | 60           |
| Trade receivables           | 421          | 522          |
| Construction contracts      | 45           | 67           |
| Cash                        | 102          | 62           |
| Other                       | 30           | 15           |
| <b>Total assets</b>         | <b>1 390</b> | <b>1 446</b> |

| EQUITY AND LIABILITIES              | 30.09.2015   | 31.12.2014   |
|-------------------------------------|--------------|--------------|
| <b>Total equity</b>                 | <b>710</b>   | <b>675</b>   |
| <b>Long-term liabilities</b>        | <b>137</b>   | <b>151</b>   |
| Loans and borrowings                | 86           | 101          |
| Other                               | 51           | 50           |
| <b>Short-term liabilities</b>       | <b>543</b>   | <b>620</b>   |
| Loans and credits                   | 21           | 30           |
| Bonds                               | 33           | 32           |
| Trade liabilities                   | 353          | 389          |
| Construction contracts              | 109          | 87           |
| Factoring                           | 0            | 38           |
| Other                               | 27           | 43           |
| <b>Total equity and liabilities</b> | <b>1 390</b> | <b>1 446</b> |

# Consolidated cash flow statement 9 M 2015



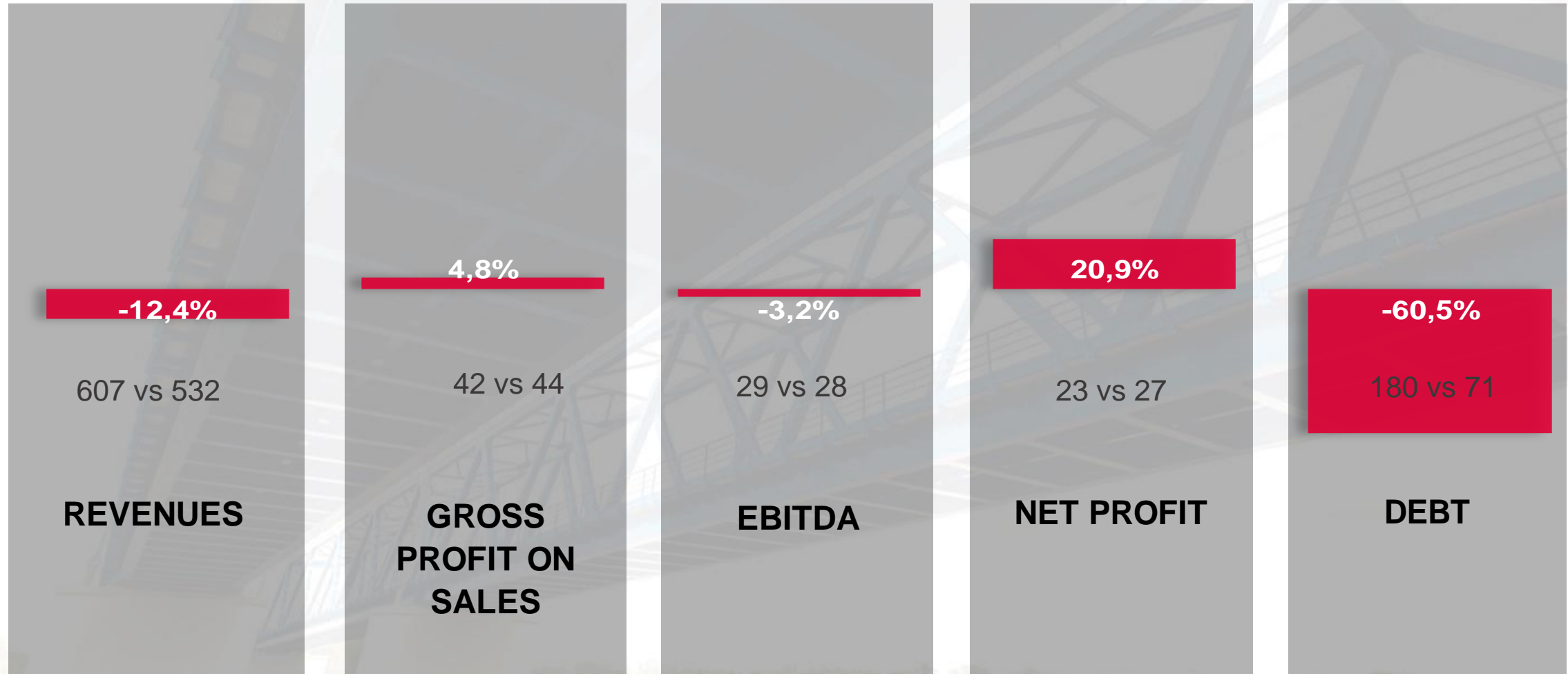


**TRAKCJA  
PRKiI**

# The financial data

TRAKCJA PRKiI S.A.

# Change of financial data for the period I-III Q 2014 / I-III Q 2015



# Profit and loss account of Trakcja PRKił S.A.

|   | I - III Q 2015 | I - III Q 2014 |
|---|----------------|----------------|
| Sales revenues                                  | 532            | 607            |
| Cost of goods sold                              | -488           | -565           |
| <b>Gross profit / (loss) on sales</b>           | <b>44</b>      | <b>42</b>      |
| <i>Gross profit margin on sales</i>             | <i>8,3%</i>    | <i>6,9%</i>    |
| General expenses (management, marketing, sales) | -27            | -21            |
| Balance of other operating activity             | 1              | -1             |
| <b>Operating profit (loss)</b>                  | <b>18</b>      | <b>20</b>      |
| <i>Operating profit margin</i>                  | <i>3,5%</i>    | <i>3,4%</i>    |
| Balance of financial activity                   | 13             | 5              |
| <b>Gross profit (loss)</b>                      | <b>31</b>      | <b>25</b>      |
| <i>Gross profit margin</i>                      | <i>5,8%</i>    | <i>4,1%</i>    |
| Income tax                                      | -4             | -3             |
| <b>Net profit (loss)</b>                        | <b>27</b>      | <b>23</b>      |
| <i>Net profit margin</i>                        | <i>5,1%</i>    | <i>3,7%</i>    |
| Depreciation                                    | 10             | 9              |
| <b>EBITDA</b>                                   | <b>28</b>      | <b>29</b>      |
| <i>EBITDA margin</i>                            | <i>5,3%</i>    | <i>4,8%</i>    |

## Zmiana r/r

**5%** INCREASE OF GROSS PROFIT ON SALES

**-10%** DECREASE OF OPERATING PROFIT

**21%** INCREASE OF NET PROFIT

**0,5 p.p.** INCREASE OF EBITDA MARGIN

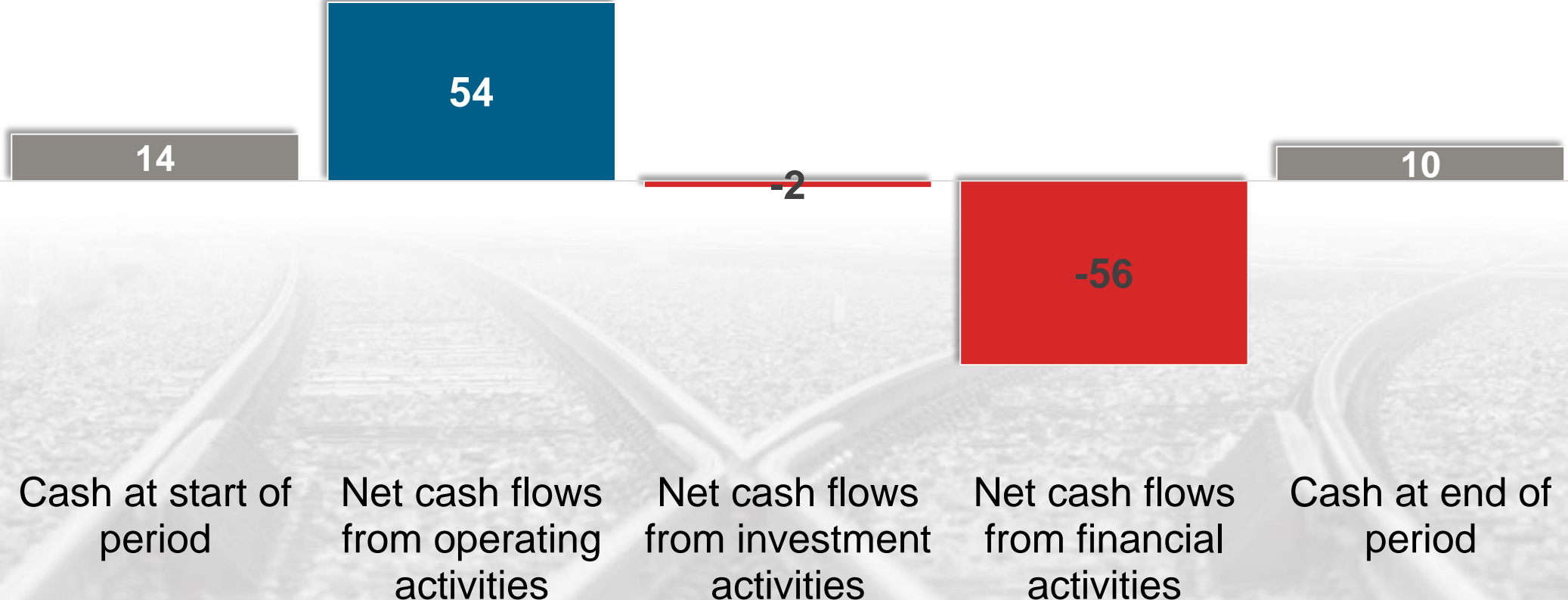
# Balance sheet Trakcja PRKił S.A.

**-11%**

**CHANGE  
IN TOTAL  
OF BALANCE  
SHEET**

| ASSETS                      | 30.09.2015 | 31.12.2014   | EQUITY AND LIABILITIES                  | 30.09.2015 | 31.12.2014   |
|-----------------------------|------------|--------------|---|------------|--------------|
| <b>Non-current assets</b>   | <b>606</b> | <b>604</b>   | <b>Total equity</b>                     | <b>607</b> | <b>581</b>   |
| Tangible non-current assets | 115        | 113          | <b>Long-term liabilities</b>            | <b>56</b>  | <b>60</b>    |
| Intangible assets           | 60         | 59           | Loans and borrowings                    | 29         | 33           |
| Goodwill                    | 383        | 384          | Other                                   | 27         | 27           |
| Investment properties       | 18         | 18           | <b>Short-term liabilities</b>           | <b>290</b> | <b>431</b>   |
| Other                       | 29         | 29           | Loans and credits                       | 9          | 16           |
| <b>Current assets</b>       | <b>347</b> | <b>469</b>   | Bonds                                   | 33         | 32           |
| Inventory                   | 25         | 20           | Trade liabilities                       | 184        | 286          |
| Trade receivables           | 258        | 381          | Construction contracts                  | 52         | 40           |
| Construction contracts      | 19         | 26           | Factoring                               | -          | 38           |
| Cash                        | 10         | 14           | Other                                   | 12         | 19           |
| Other                       | 34         | 29           | <b>Total equity<br/>and liabilities</b> | <b>952</b> | <b>1 073</b> |
| <b>Total assets</b>         | <b>952</b> | <b>1 073</b> |   |            |              |

# Cash flow statement 9M 2015 of Trakcja PRKiI S.A.



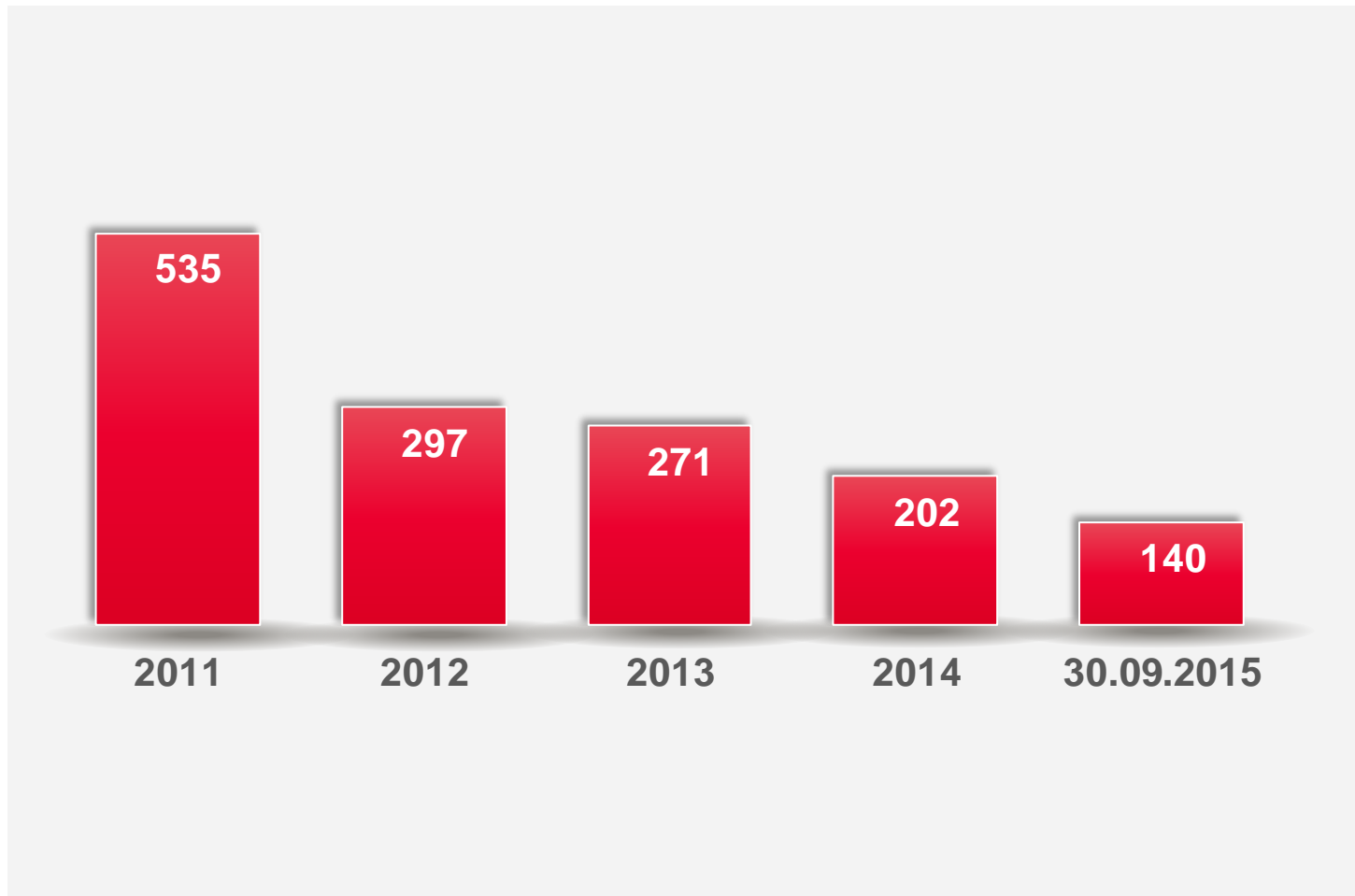


# Debt

TRAKCJA GROUP



# Debt of Trakcja Group



## 2011 – THE BOND ISSUE

in connection with the acquisition of the AB Kauno Group and Tiltra Group

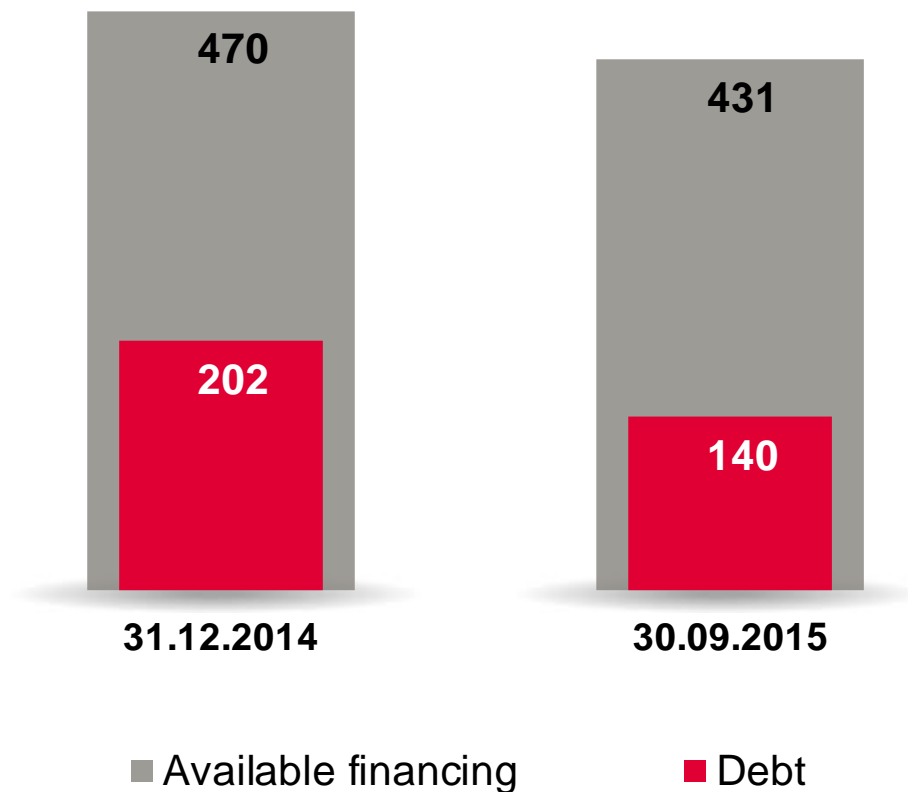
## 2013 – THE CONVERSION OF BONDS INTO EQUITY

## 2014 - 2015 FURTHER OPTIMIZATION

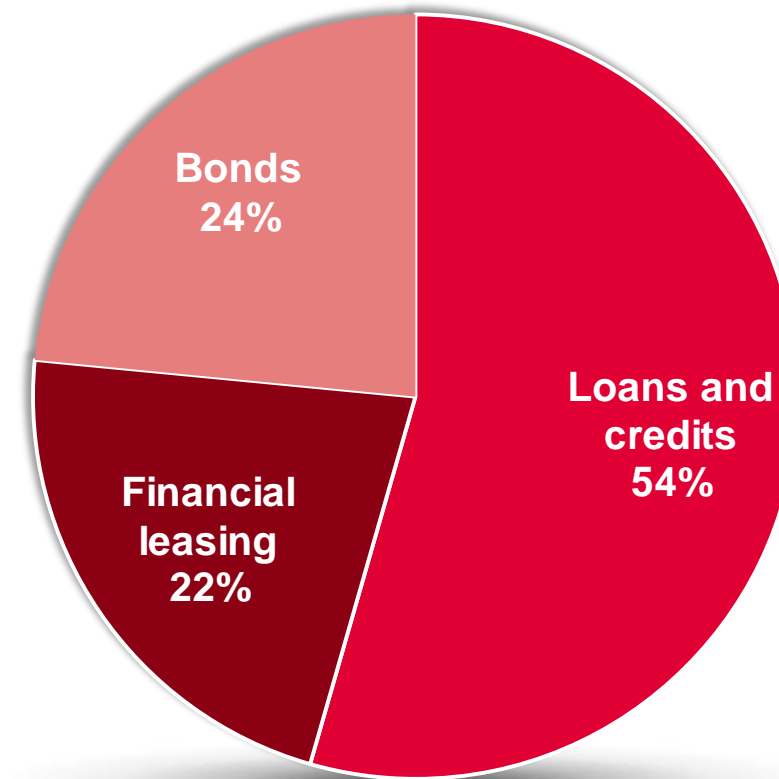
reducing the need for working capital

# Debt of Trakcja Group

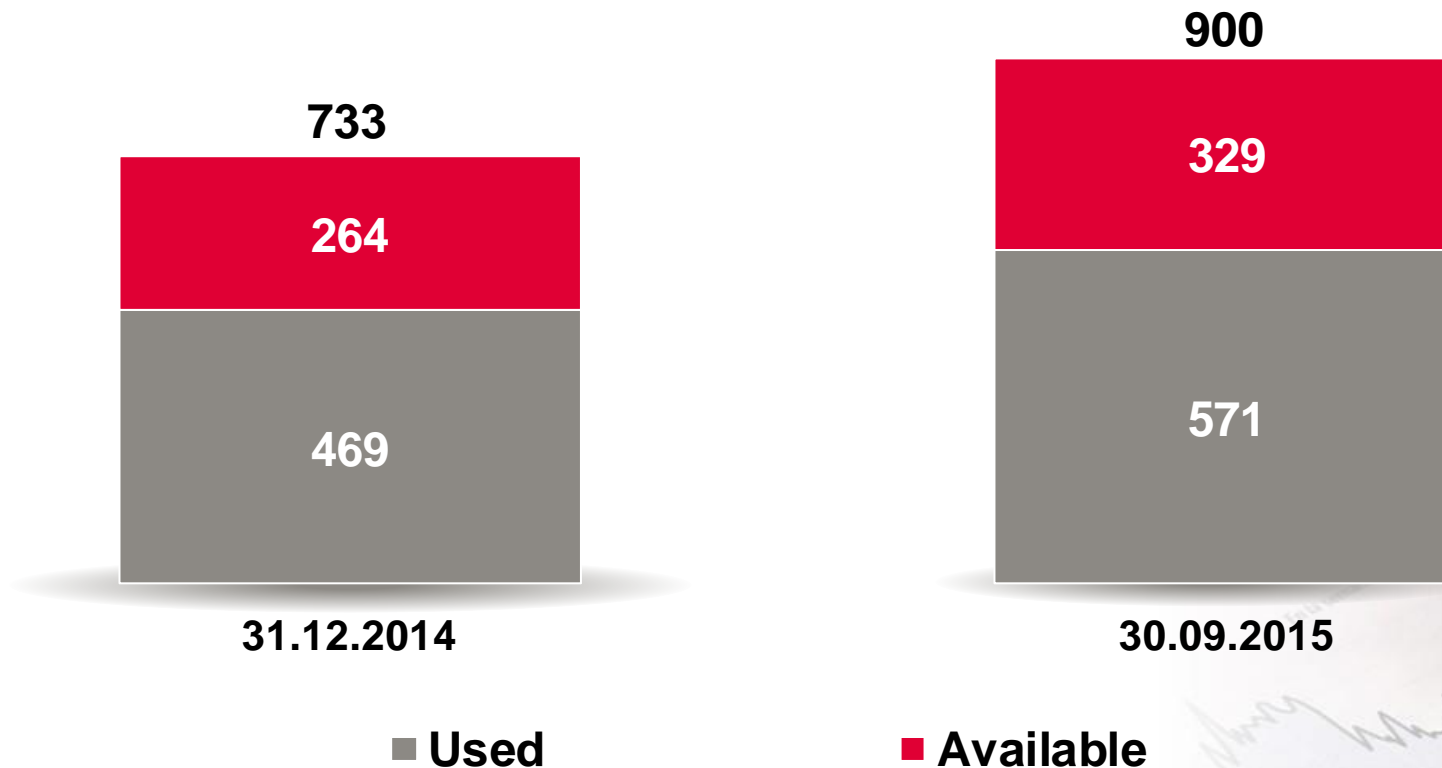
## AVAILABLE FINANCING



## SOURCES OF FUNDING OF TRAKCJA GROUP AS AT 30.09.2015



# Limits of guarantee lines of Trakcja Group





# Projects - tendering



# Contracts signed in 2015

## Trakcja Group

(as at October 30<sup>th</sup>, 2015)

TOTAL NET VALUE

1 739

### RAIL SEGMENT

| Net value (mPLN) | Location                     | Project name  |
|------------------|------------------------------|---|
| 376              | Warszawa Okęcie - Radom      | Development of execution projects and execution of works for the Local Area Control Center Warszawa Okęcie (railway line no 8)          |
| 173              | Czempiń - Poznań             | Track and substructure modernization works on E59 railway line Wrocław-Poznań, section Czempiń - Poznań                                 |
| 43               | PKP Warszawa Gdańska         | Modernization of the line no. 20 within the Warsaw railway station Gdansk in conjunction with the line E 65 and the underground station |
| 18               | Oleśnica - Wrocław Psie Pole | Modernization of railway tracks 1 and 2 Kalety - Wrocław Mikołajów, section Oleśnica - Wrocław Psie Pole                                |
| 68               | Other                        | Other   |
| <b>678</b>       | <b>TOTAL</b>                 |   |

### ROAD SEGMENT

| Net value (mPLN) | Location               | Project name   |
|------------------|------------------------|--|
| 273              | Vilnius bypass         | Construction of the Trans-European network interchange - Vilnius western bypass Phase III  |
| 286              | Nowe Marzy - Bydgoszcz | S-5 expressway, Szubin - Jaroszewo (section 6 of Nowe Marzy - Bydgoszcz -frontier of voivodships kujawsko-pomorskie and wielkopolskie route)     |
| 154              | Nowe Marzy - Bydgoszcz | S-5 expressway, Aleksandrowo-Tryszczyń (section 3 of Nowe Marzy - Bydgoszcz -frontier of voivodships kujawsko-pomorskie and wielkopolskie route) |
| 135              | Lithuania - Kovno      | Extension of E67 road (Via Baltica) of TransEuropean network, section Kaunas - Marijampole   |
| 23               | Czempiń - Poznań       | Construction of engineering facility - overpass - object A, section Czempiń - Poznań   |
| 16               | Czempiń - Poznań       | Construction of engineering facility - overpass - object C, section Czempiń - Poznań   |
| 174              | Other                  | Other  |
| <b>1 060</b>     | <b>TOTAL</b>           |  |

# Order backlog Trakcja Group

TOTAL NET VALUE

**1 266**<sub>m</sub> PLN

| Order Backlog as of<br>30.09.2015 | Net value |
|-----------------------------------|-----------|
|-----------------------------------|-----------|

|               |     |
|---------------|-----|
| Trakcja PRKil | 828 |
|---------------|-----|

|                |     |
|----------------|-----|
| AB Kauno Group | 438 |
|----------------|-----|

|                      |              |
|----------------------|--------------|
| <b>Trakcja Group</b> | <b>1 266</b> |
|----------------------|--------------|

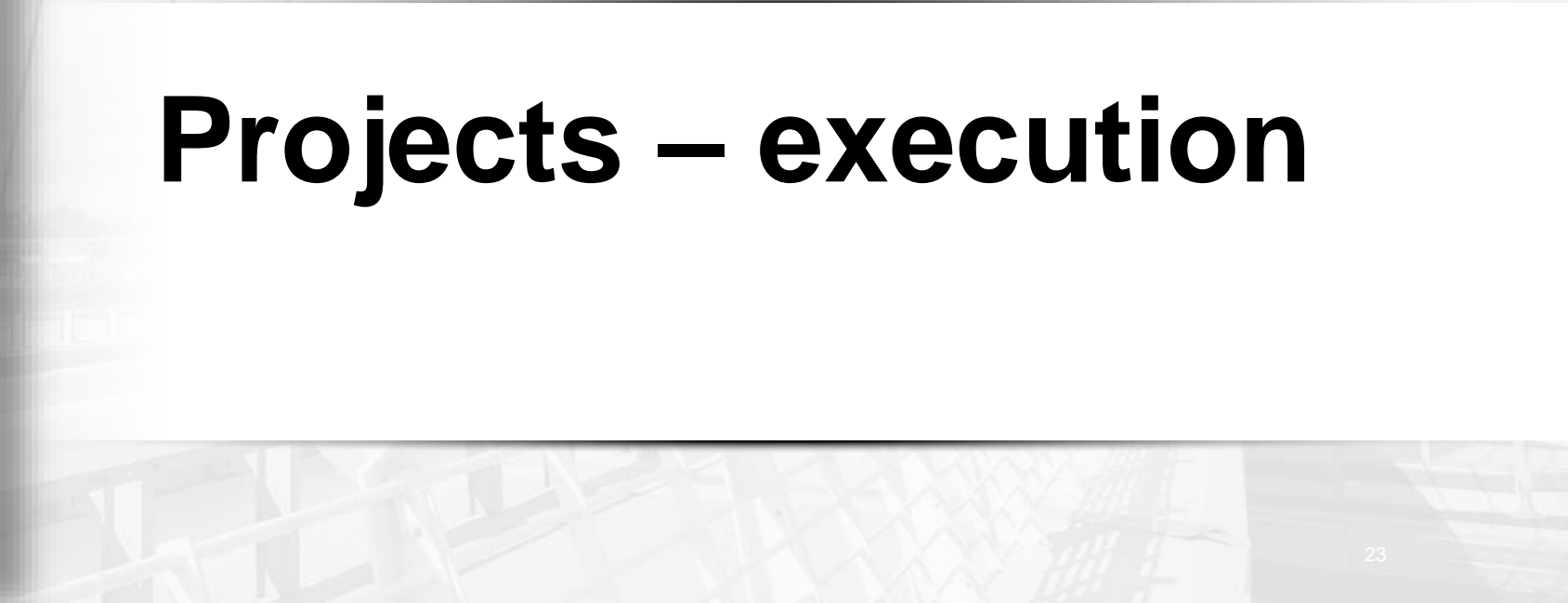
|  |     |
|--|-----|
| Projects signed in October<br>2015 (value with the<br>Consortium Members part) | 715 |
|--|-----|

|  |     |
|--|-----|
| Projects pending to be signed<br>(value with the Consortium<br>Members part) | 115 |
|--|-----|

For projects in EUR – the exchange rate EUR/PLN 4.2386,  
for projects in SEK- the exchange rate SEK/PLN 0.4515.



# Projects – execution



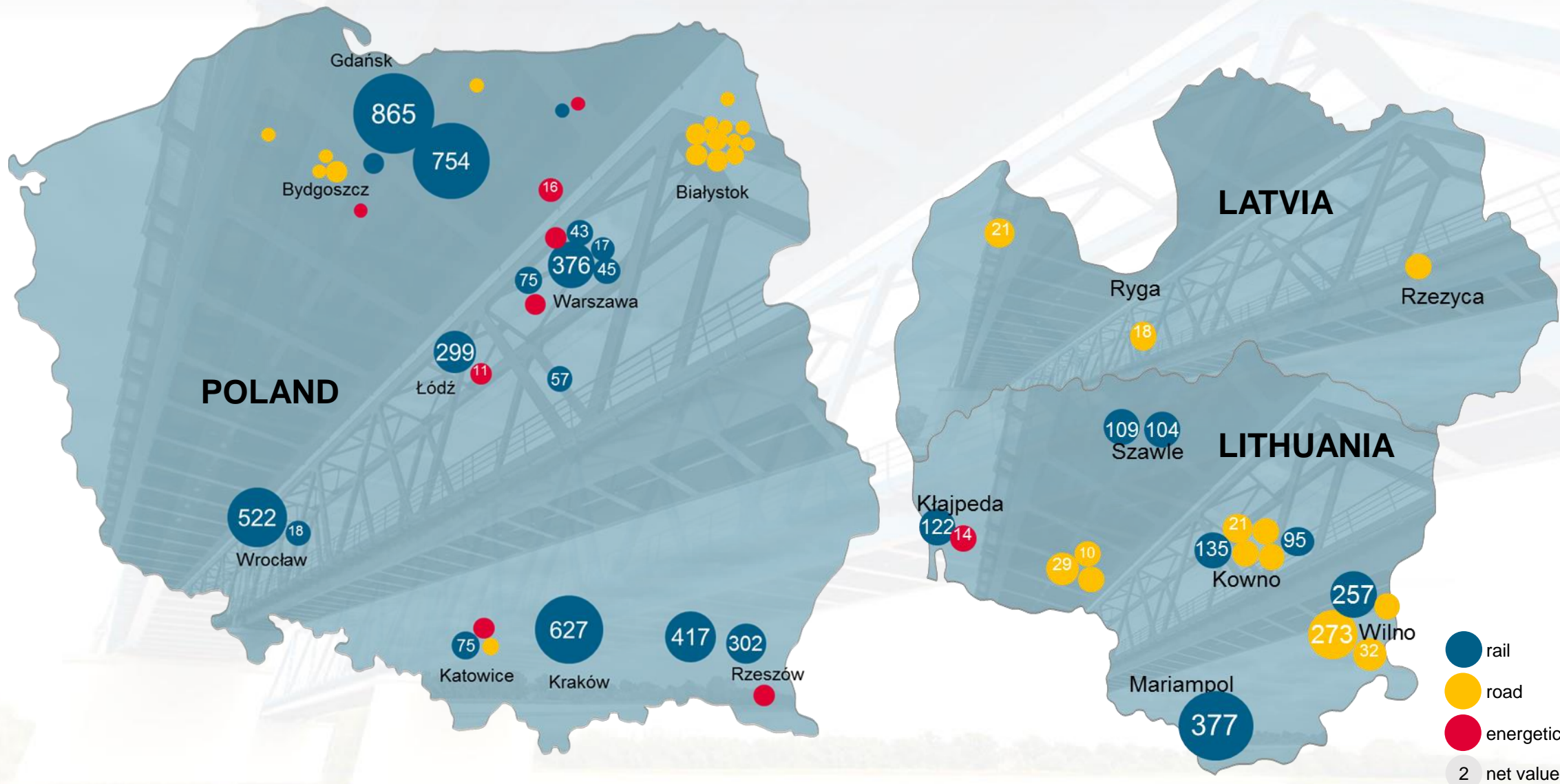
# Key projects executed

## by Trakcja Group in 2015

| Net value (mPLN) | Location   | Project name   |
|------------------|--|--|
| 865              | Malbork  | Modernization of the railway line nr 9, section from km 236,920 to 287,700, covered by the Local Area Control Center, based in Malbork   |
| 754              | Działdowo  | Modernisation of the E65/C-E65 railway line, Warsaw – Gdynia section – area of LCS Działdowo   |
| 627              | Podłęże - Bochnia                                  | Design and performance of construction works on the Krakow – Medyka – state border railway line on the Podłęże – Bochnia section   |
| 522              | E 59 na odc. Wrocław - granica woj. dolnośląskiego | Basic linear construction works on the section Wrocław - Grabiszyn - Skokowa and Żmigród - border of Lower Silesia province  |
| 417              | Dębica - Sędziszów Małopolski                      | Design and execution of construction works on the railway line Krakow - Medyka - state border section Debica - Sędziszów Małopolski  |
| 376              | Warszawa Okęcie - Radom                            | Development of execution projects and execution of works for the Local Area Control Center Warszawa Okęcie (railway line no 8)   |
| 299              | Łódź Widzew i szlak Łódź Fabryczna - Łódź Widzew   | Design and construction of Łódź Widzew station and part of a railway track Łódź Fabryczna – Łódź Widzew within railway traffic control and telecommunication facilities for all section Łódź Fabryczna – Łódź Widzew |
| 302              | Sędziszów Małopolski - Rzeszów Zach.               | Design and execution of construction works on the railway line Krakow - Medyka - state border section Sędziszów Małopolski - Rzeszów Zachodni  |
| 273              | Wilno  | Construction of the Trans-European network interchange - Vilnius western bypass Phase III  |
| 257              | Kyviškės-Valčiūnai                                 | Vilnius railroad bypass Kyviškės-Valčiūnai second road construction  |
| 135              | Lithuania - Kovno                                  | Extension of E67 road (Via Baltica) of TransEuropean network, section Kaunas - Marijampole   |
| 122              | Kūlpėnai - Kretinga                                | Construction of the Double Tracks in section Kūlpėnai-Kretinga   |
| 377              | Marijampolė - Šeštokai, część I - V                | Reconstruction of "Rail Baltica" railway section Marijampolė - Šeštokai, Part I  |
| 109              | Pavenčiai-Raudėnai                                 | Construction of the Double Tracks in section Pavenčiai-Raudėnai  |
| 104              | Telšiai-Dūseikiai                                  | Construction of the Double Tracks in section Telšiai-Dūseikiai   |
| 95               | ul. Juozapavicius i ul. Tiltu.                     | Construction of a bridge between Juozapavicius str. and Tiltu str.   |
| 75               | Jaworzno Szczakowa - Trzebinia                     | Modernization of the railway line E-30, Phase II section Zabrze - Katowice - Krakow: Tender 1 - Mod. Section: Jaworzno Szczakowa - Trzebinia; Jaworzno Szczakowa - Sonowiec Jęzor                                    |



# Projects executed in 2015 by Trakcja Group



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