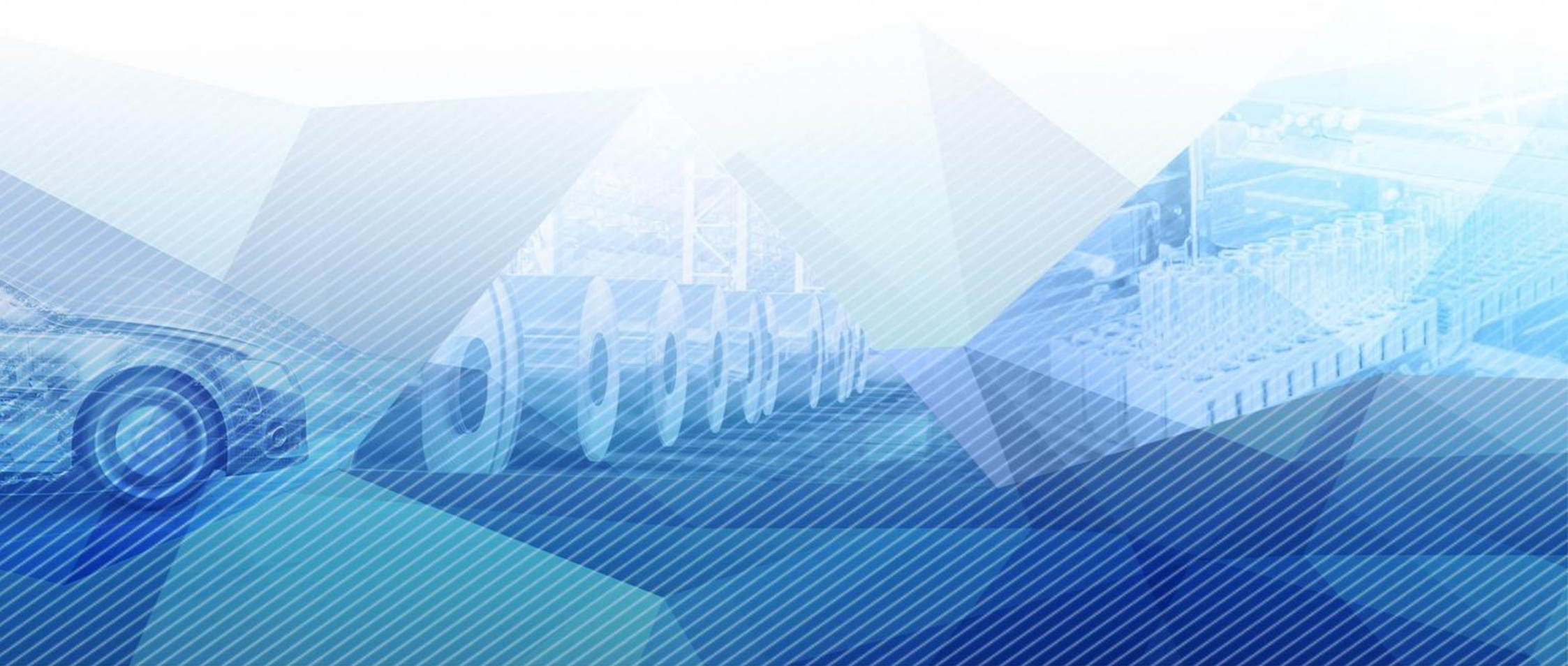


BORYSZEW GROUP

Q3 2019 FINANCIAL RESULTS



BORYSZEW





BORYSZEW

1. Boryszew Group – Q1-Q3 2019 Summary

2. Market environment

3. Q1-Q3 2019 financials

4. Operating segments

5. Plans for the next quarters



BORYSZEW

KEY FACTORS AFFECTING THE GROUP IN Q3 2019

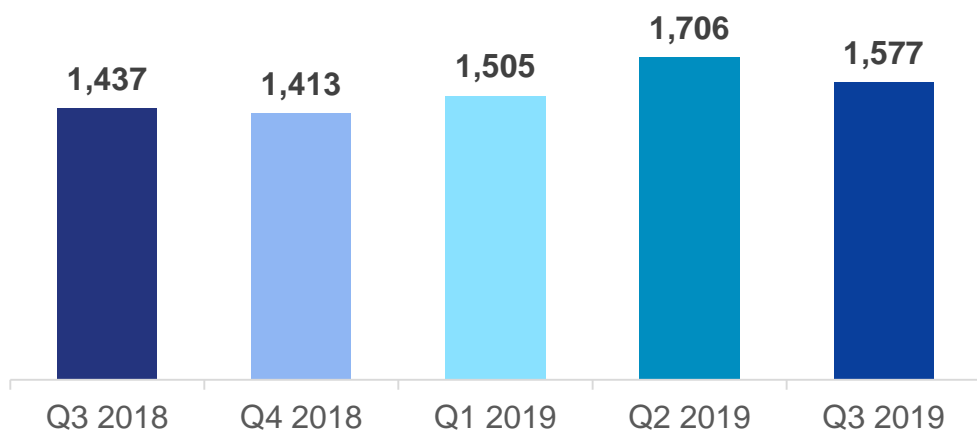
- Positive effects of active management of working capital ;
- Improved profitability in the Maflow Group;
- A noticeable economic slowdown in Western Europe;
- A significant slowdown on the market of infrastructural and construction investments;
- Lower volumes and margins in the steel sector.



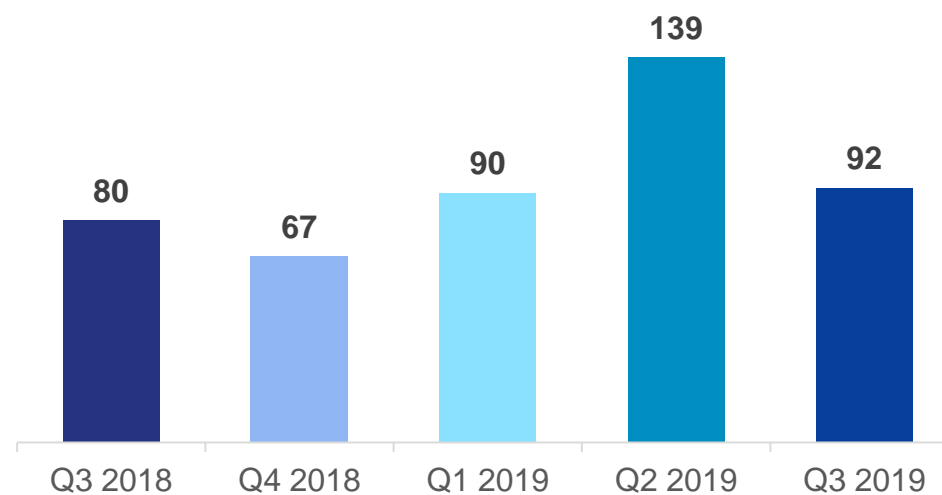
BORYSZEW

BORYSZEW GROUP – Q1-Q3 2019 SUMMARY

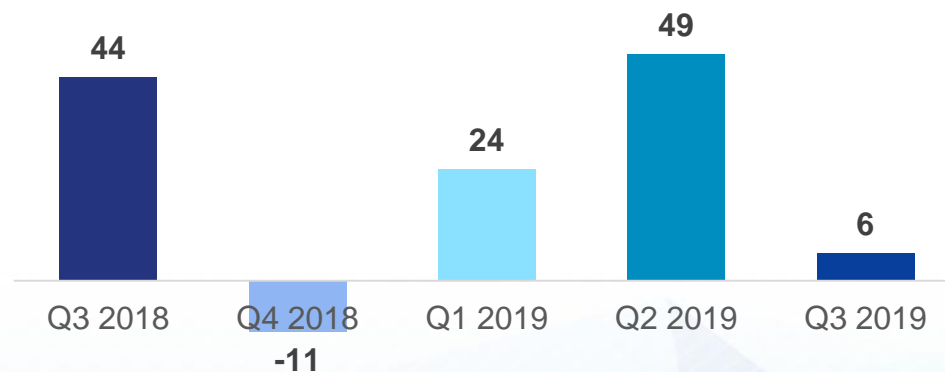
Revenue
[PLN m]



EBITDA
[PLN m]



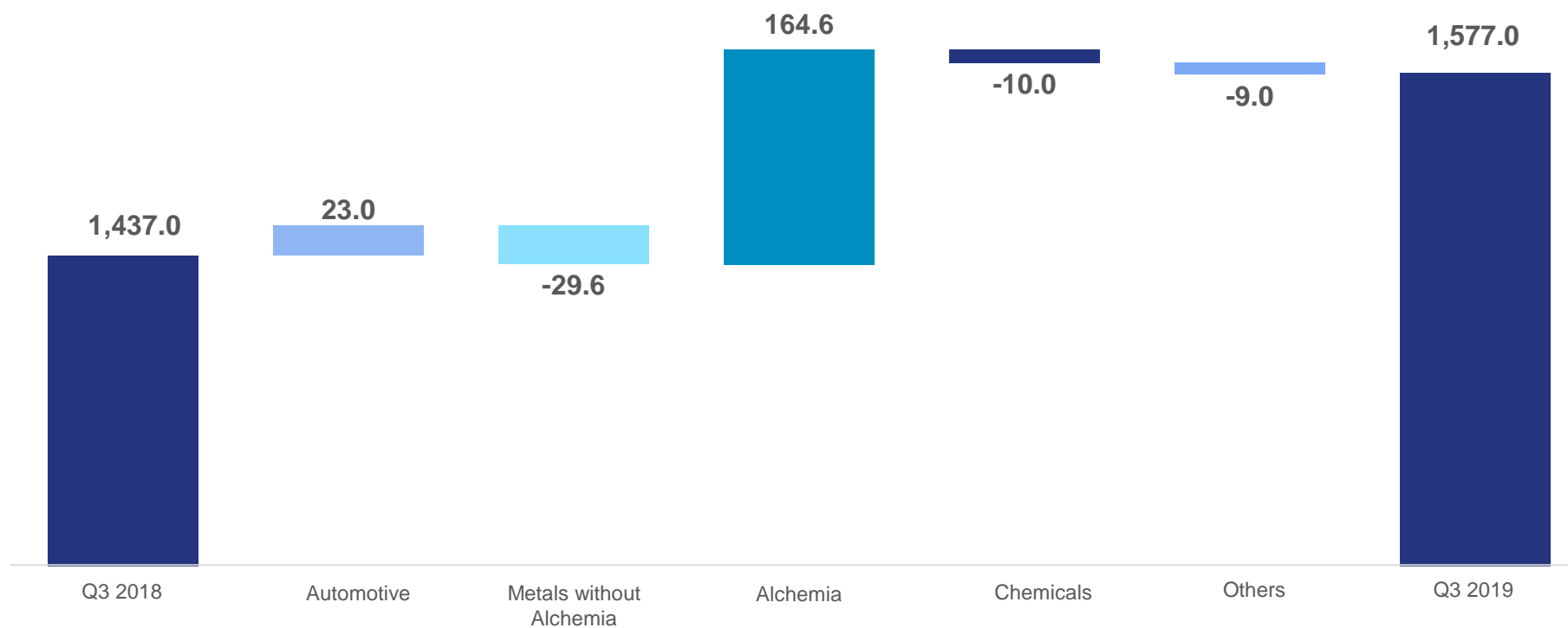
Net profit
[PLN m]





BORYSZEW

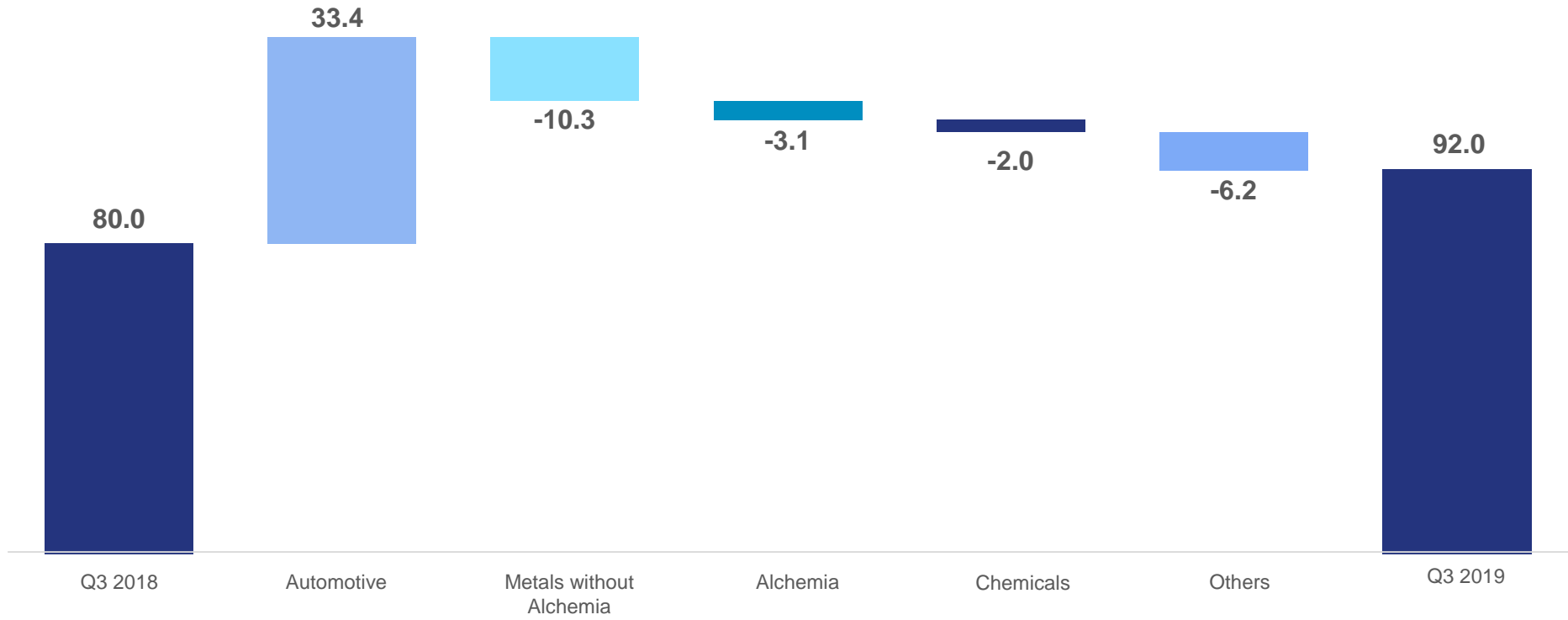
Q3 2019 REVENUES BRIDGE





BORYSZEW

Q3 2019 EBITDA BRIDGE





BORYSZEW

1. Boryszew Group – Q1-Q3 2019 Summary

2. Market environment

3. Q1-Q3 2019 financials

4. Operating segments

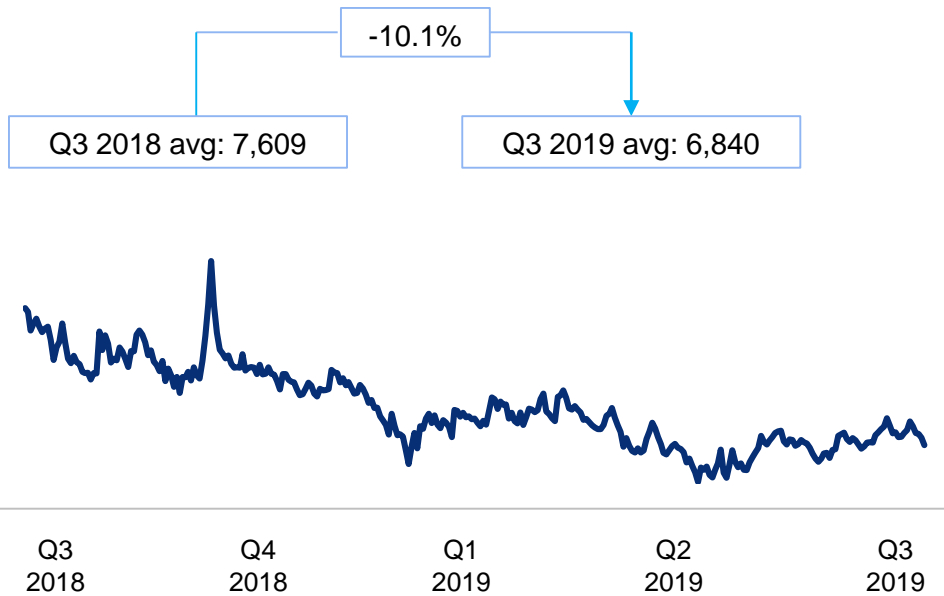
5. Plans for the next quarters



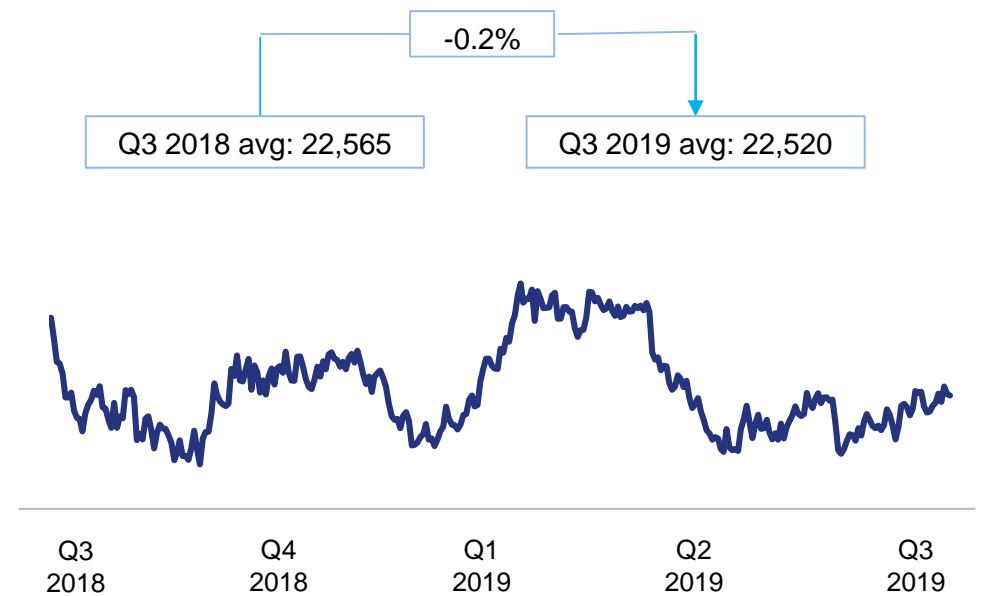
BORYSZEW

PRICE QUOTATIONS OF KEY METALS (PLN/t)

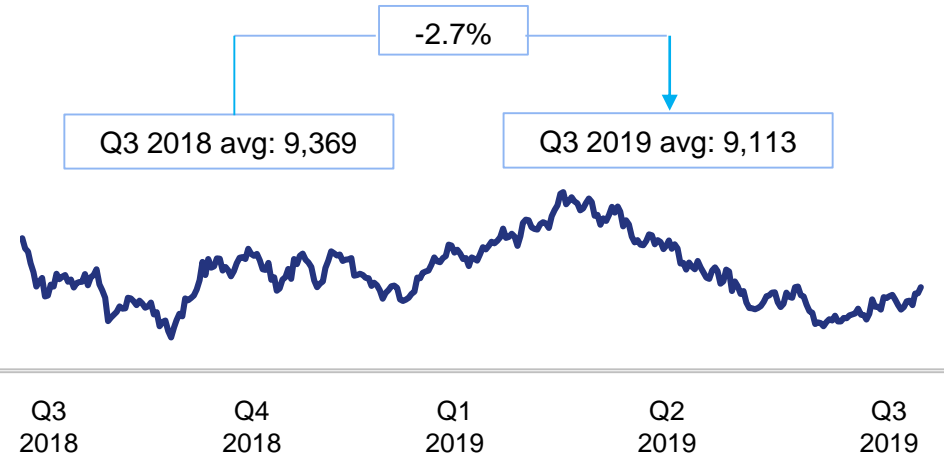
Aluminium



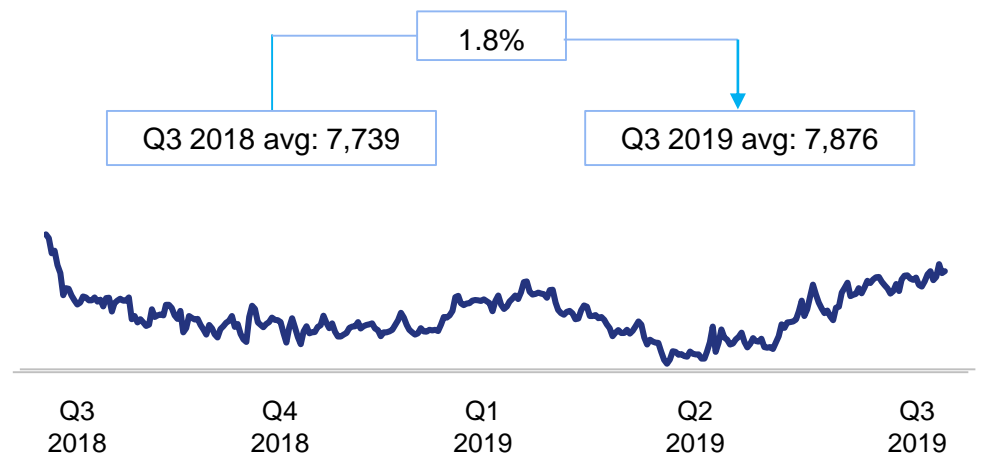
Copper



Zinc



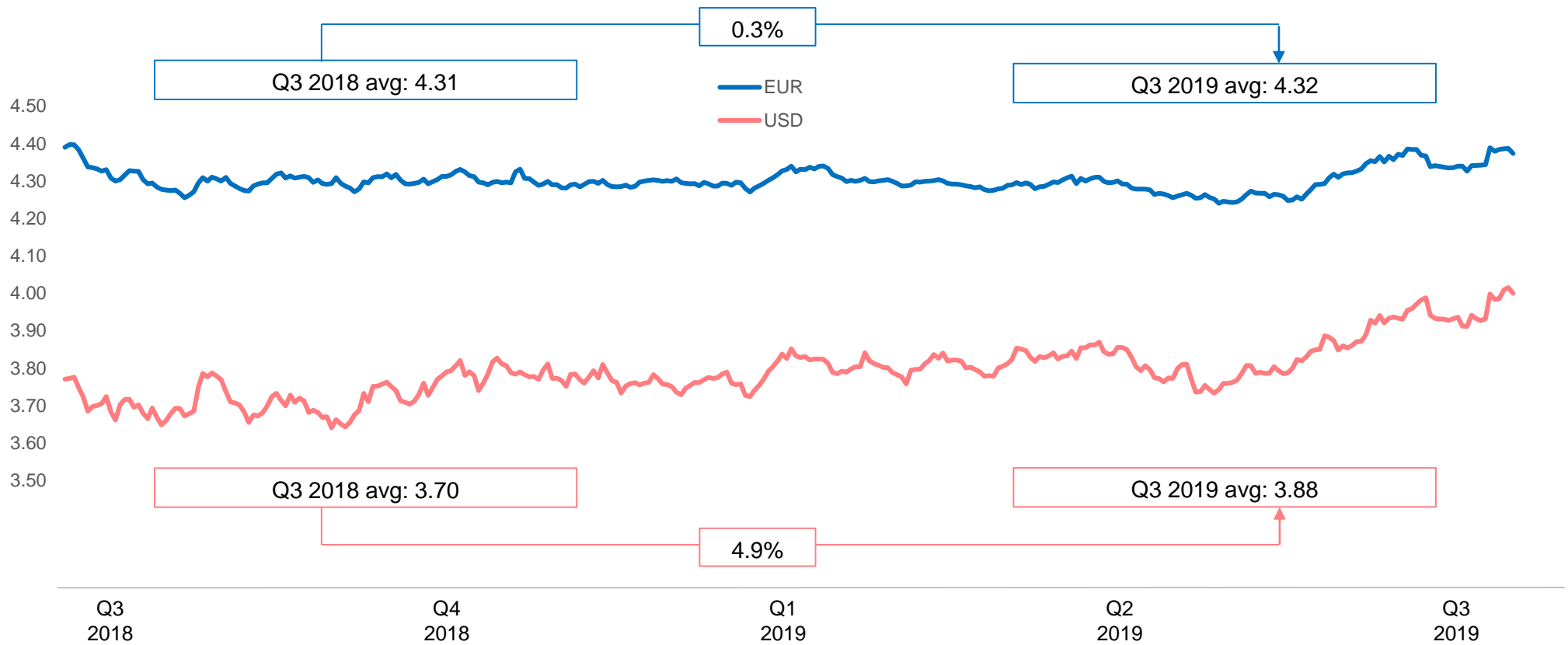
Lead





BORYSZEW

CURRENCY EXCHANGE RATES

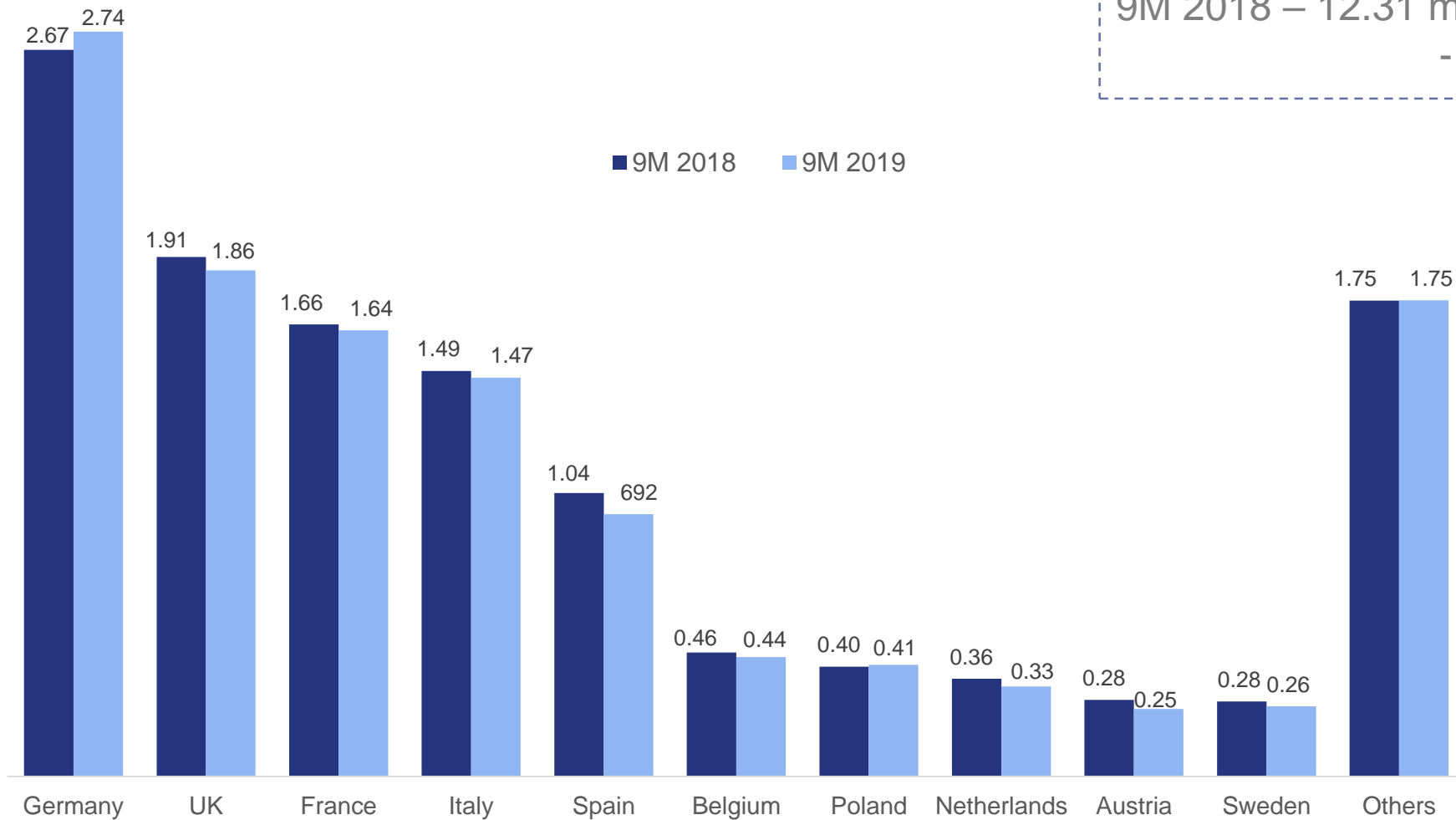




BORYSZEW

EUROPEAN AUTOMOTIVE MARKET

Registrations of new cars by country in millions (according to ACEA*)



9M 2019 – 12.12 million
9M 2018 – 12.31 million
-1.6%

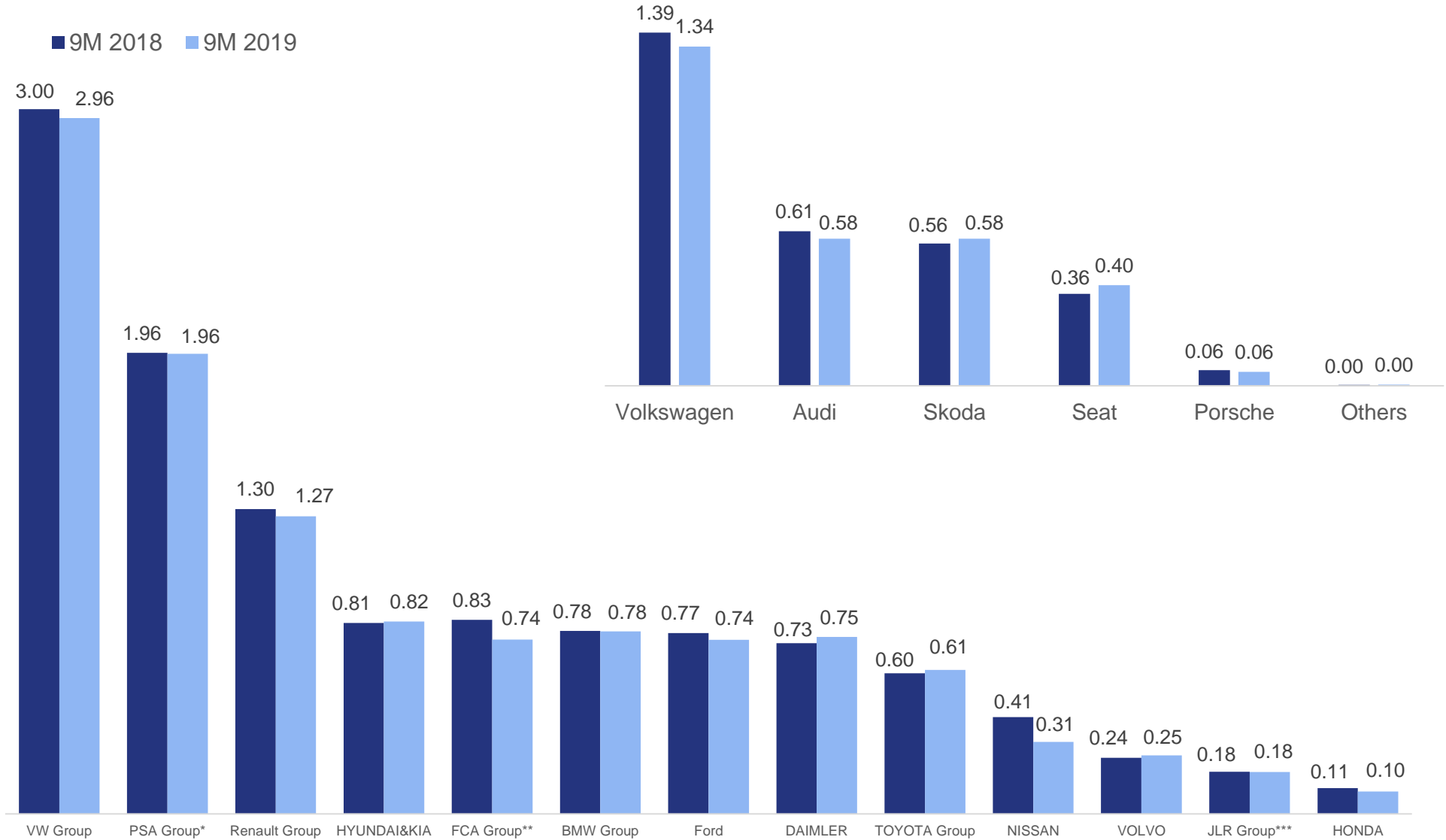
* ACEA (European Automobile Manufacturers Association)



BORYSZEW

EUROPEAN AUTOMOTIVE MARKET

Registrations of new cars by country in millions (according to ACEA)



* PSA Group = Peugeot, Opel, Citroen, DS.

** FCA Group = Fiat, Jeep, Alfa Romeo, Lancia, Chrysler

***JLR = Jaguar Land Rover



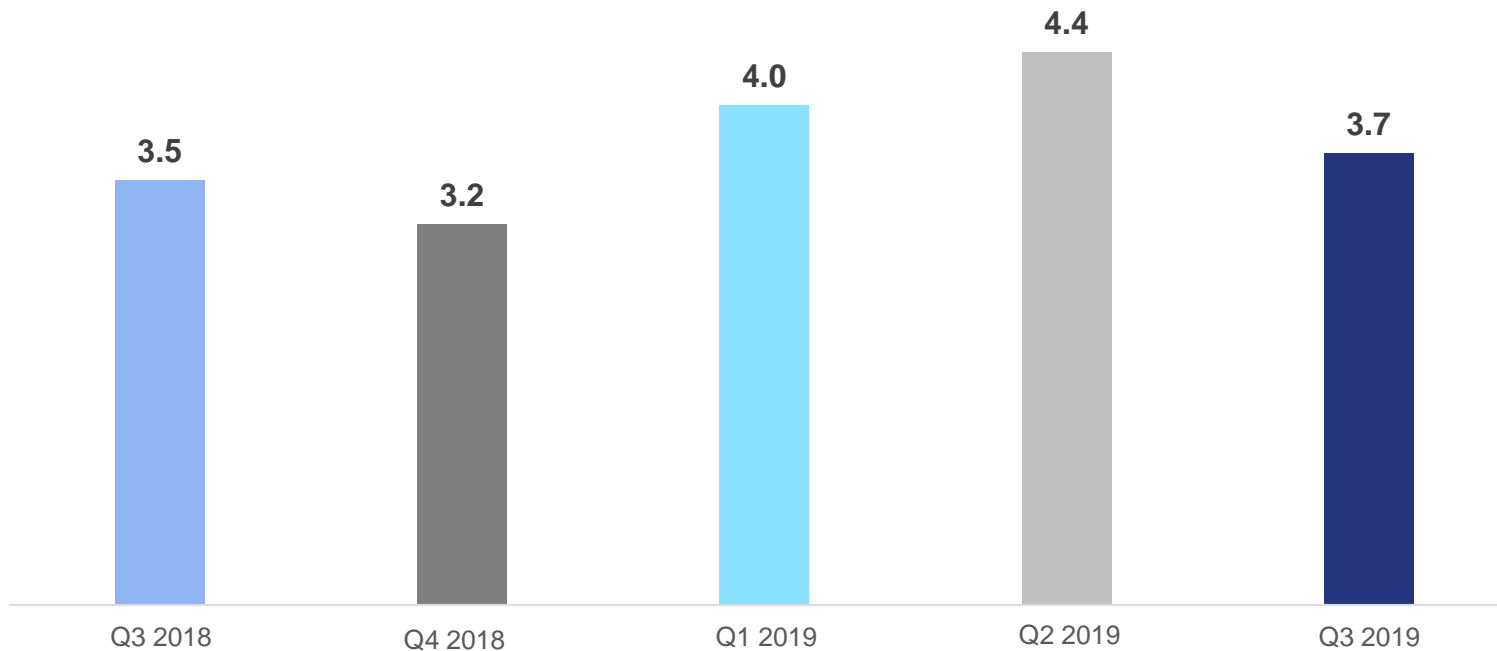
BORYSZEW

EUROPEAN AUTOMOTIVE MARKET

Registrations of new cars by country in millions (according to ACEA*)

Registrations of new cars in 9M 2019

	Market share (%)		Quantity ('000)		Y/Y %
	2018	2019	2018	2019	change
VW Group	24.3	24.4	2,996	2,958	-1.3
VOLKSWAGEN	11.3	11.1	1,394	1,340	-3.9
AUDI	5.0	4.8	610	581	-4.9
SKODA	4.6	4.8	562	581	+3.2
SEAT	2.9	3.3	363	397	+9.5
PORSCHE	0.5	0.5	62	55	-10.9
OTHERS	0.0	0.0	4	5	+15.5



* ACEA (European Automobile Manufacturers Association)



BORYSZEW

1. Boryszew Group – Q1-Q3 2019 Summary

2. Market environment

3. Q1-Q3 2019 financials

4. Operating segments

5. Plans for the next quarters



BORYSZEW

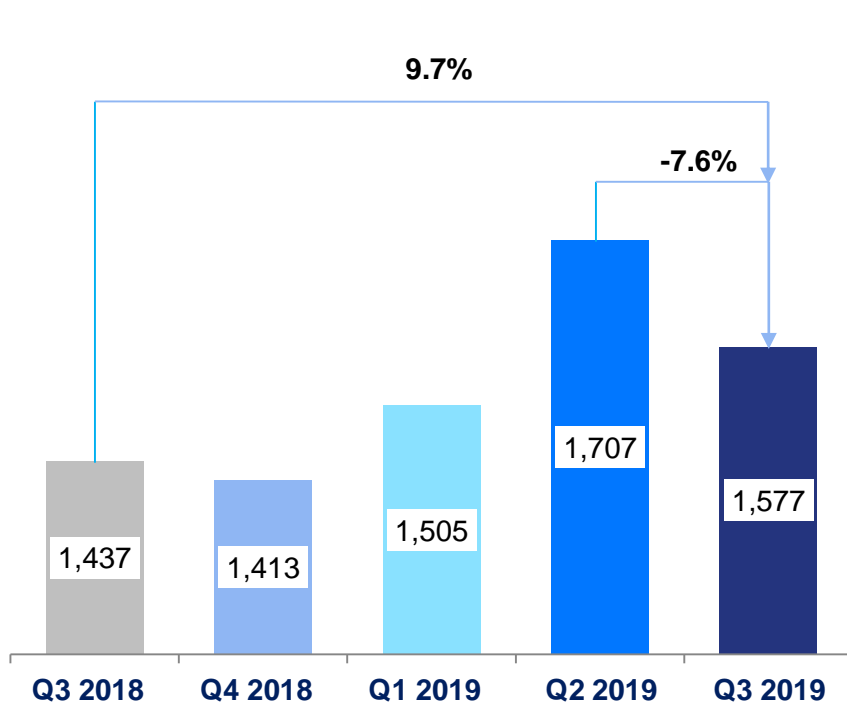
KEY FINANCIALS (PLN million)

	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Y/Y % change 2019 vs 2018
Sales revenues	1,437	1,413	1,505	1,706	1,577	9.7%
EBIT	43	29	49	87	41	-4.7%
EBITDA	80	67	90	139	92	15.0%
EBITDA margin	5.6%	4.8%	6.0%	8.1%	5.8%	4,8%



BORYSZEW

REVENUES (PLN million)



Revenues by segment (PLN m)	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Y/Y % change Q3 2018 vs Q3 2019
Automotive	401	466	449	474	424	5.7%
Metals	923	808	907	1,133*	1,058*	14.6%
Chemicals	69	81	73	60	59	-14.5%
Others**	44	58	76	39	35	-20.5%

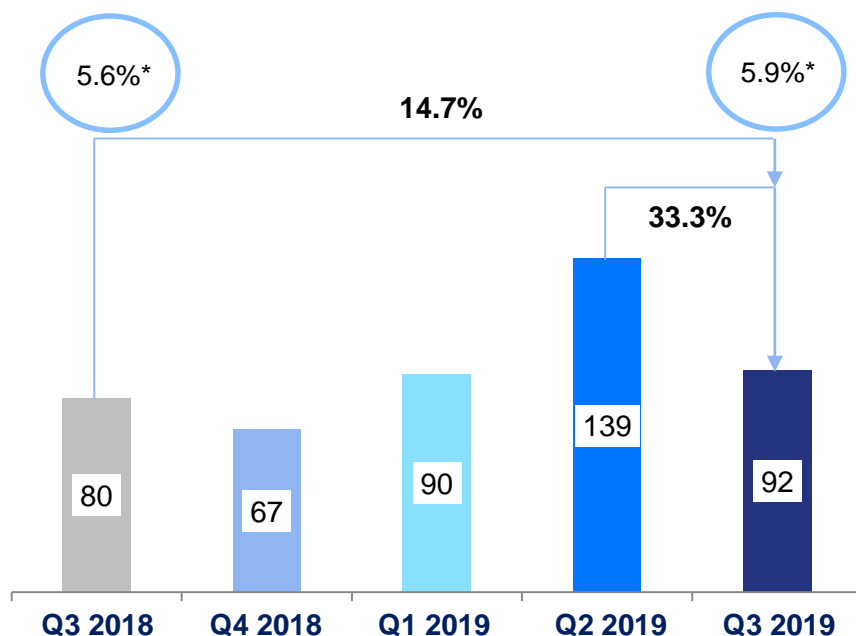
- Automotive Segment:
 - + sales growth by nearly 6% on Q3 2018;
 - + tool sales growth in BAP (PLN 42m).
- Metals Segment:
 - + consolidation of Alchemia Group’s revenues in Q3 2019 (PLN 164.6m);
 - lower metal prices on the LME (ca. PLN 35m).

* including Alchemia Group’s revenues ** including consolidation adjustments



BORYSZEW

EBITDA (PLN million)



EBITDA by segment (PLN m)	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Y/Y % change Q3 2018 vs Q3 2019
Automotive	-3.2	12.7	20.5	31.8	30.2	
Metals	74.9	50.5	58.0	102.7	61.5	-17.9%
Chemicals	3.7	4.1	3.5	5.0	1.7	-54.1%
Others**	4.8	-0.1	8.2	-1.0	-1.4	-129.2%

- Automotive Segment:

- + cost optimization in plants;
- + reduction of the cost of poor quality (CoPQ);
- + tool sales growth (PLN 42m).

- Metals Segment:

- + EBITDA growth in NPA Skawina (PLN 1.3m);
- + EBITDA growth in Huta Oława (PLN 1.0m);
- Consolidation of Alchemia Group's EBITDA in Q3 2019 (PLN -3.1m).

* EBITDA margin

** including consolidation adjustments



BORYSZEW

Q1-Q3 2019 CAPEX



PLN **190** million

Automotive

Metals

Alchemia Group

Chemicals
and Other



PLN

52 million



PLN

111 million



PLN

25 million








PLN

2 million



BORYSZEW

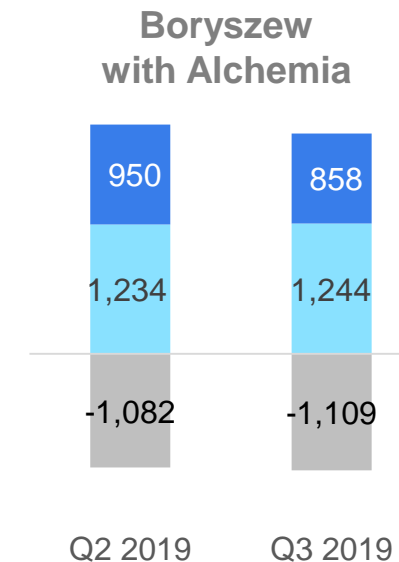
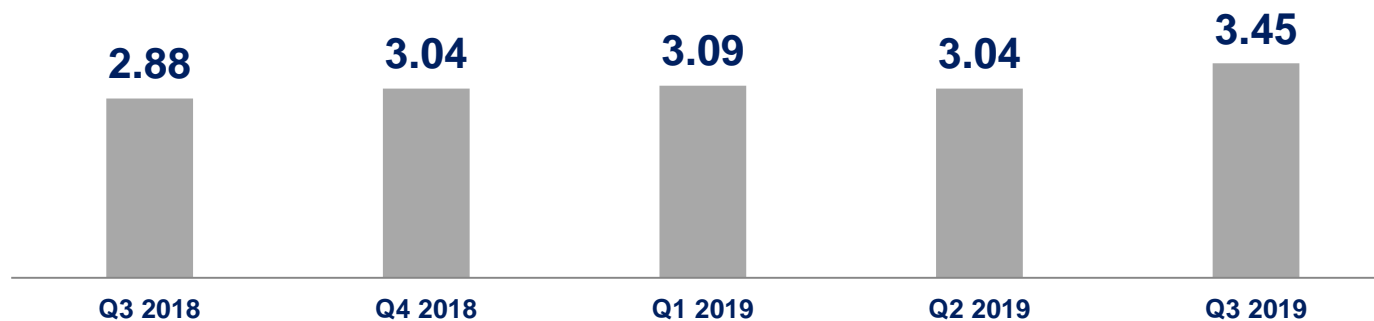
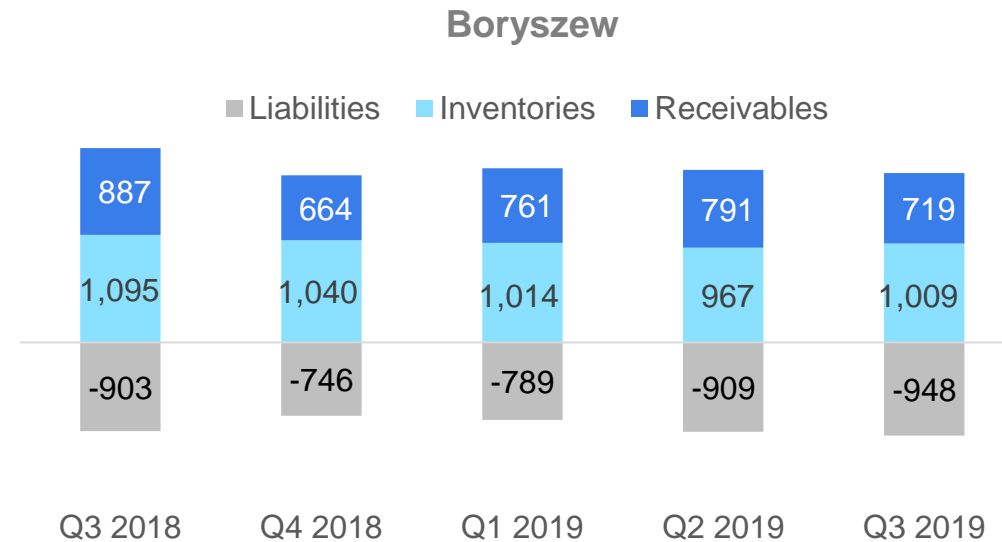
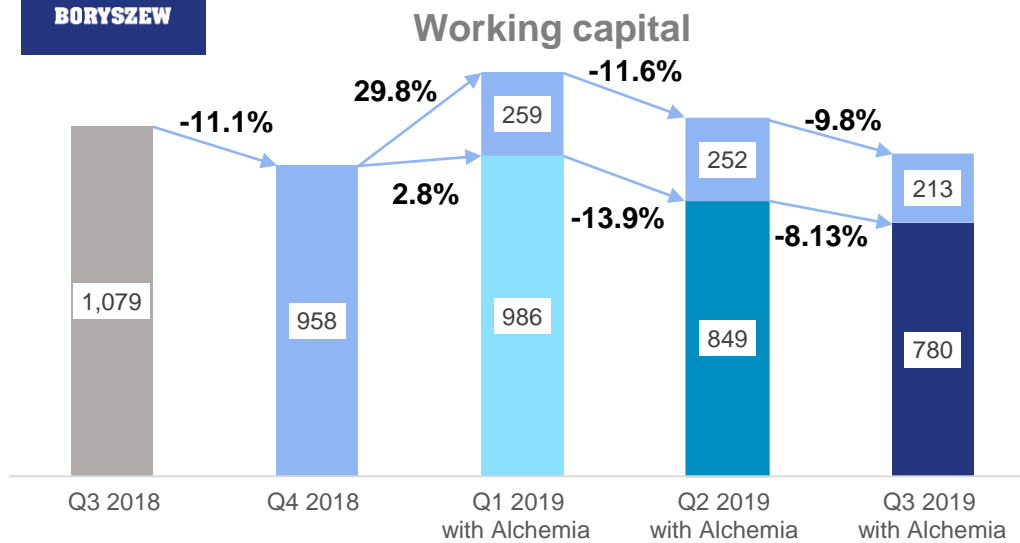
INNOVATIVE PROJECTS

	WIRE ROD	Innovative production technology of wire rod from high-strength aluminium alloys of 2xxx, 5xxx, 7xxx series
	LOW-LOSS CABLE	Reduction of transmission losses in HV (110kV) power distribution lines through the development of innovative material and design solutions and technologies for the production of low-loss overhead lines
	ALUMINIUM TAPES	Development of highly advanced production technology of multilayer HSAA-P30 aluminium tapes for the new generation of automotive heat exchangers
	ALMG-VHS	Implementation of innovative production technology of sheets and strips made from AlMg-VHS alloy intended for pressing car body parts and structural elements
	ALUMINIUM ALLOY	Development and implementation of a production technology of an innovative aluminium alloy for the production of high-pressure caps in the packaging industry
	Smart Growth Operational Programme INNOSTAL	Unique forged and rolled special-purpose steel ring with advanced, designed cross-section and adjustable operating properties
	BRASS CAST&DRAW® Tech	Innovative production technology of products from copper alloys with a new standard of geometric quality intended for material removal processing on high-speed automatic cutting machines
	ZN-AL ALLOY WIRES	Development and implementation of a production technology of a full range of Zn-Al alloy wires intended for corrosion protection by spray metallization method



BORYSZEW

Working capital and debt



- Positive effects of active management of working capital;
- Working capital decline in Boryszew by PLN 300m (Q3 2019 vs Q3 2018);
- Decrease in inventories by 8% (Q3 2019 vs Q3 2018).



BORYSZEW

1. Boryszew Group – Q1-Q3 2019 Summary

2. Market environment

3. Q1-Q3 2019 financials

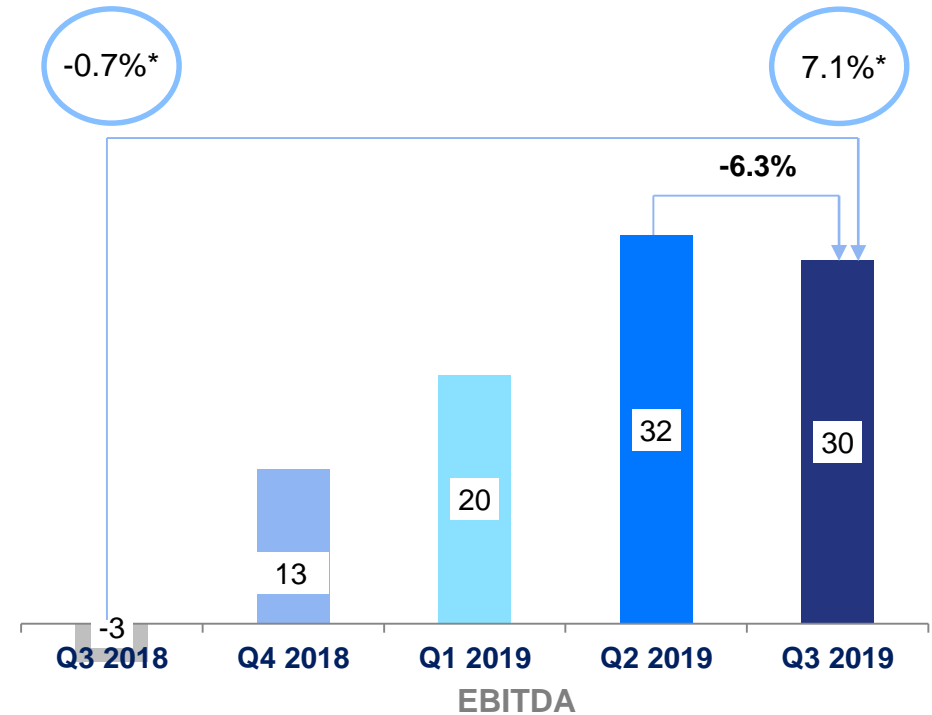
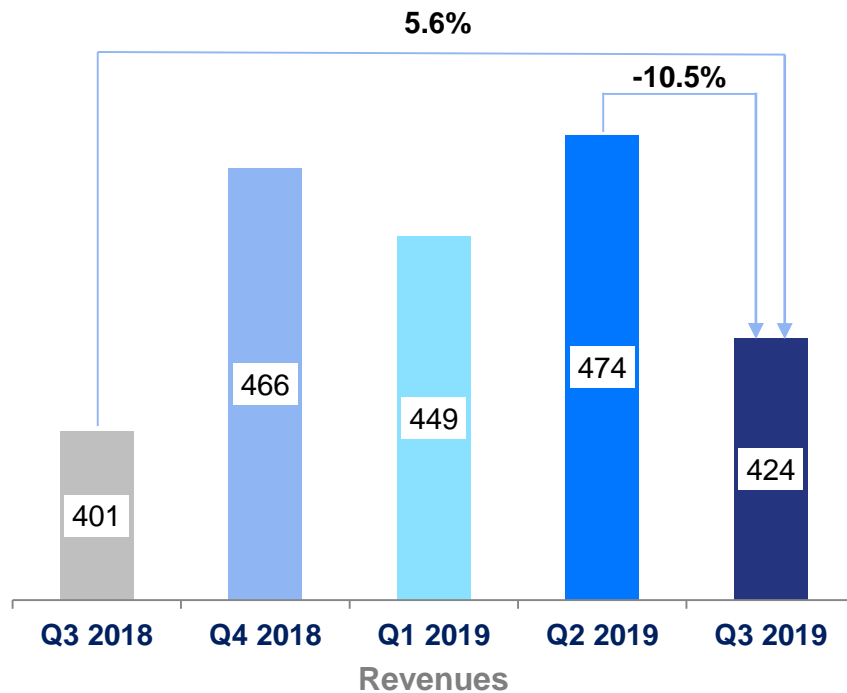
4. Operating segments

5. Plans for the next quarters



BORYSZEW

AUTOMOTIVE SEGMENT RESULTS (PLN million)



- The result of the Automotive Segment was mainly influenced by:
 - + improved profitability in the Maflow Group;
 - + streamlining of production processes;
 - + tool sales in BAP;
 - Persistently low sales of parts.



BORYSZEW

NOMINATIONS FOR NEW PROJECTS

In Q1-Q3 2019, new nominations for contracts with the value of over **EUR 90.9 million** were required with **EOP 2030***

Value of new contracts
in Q1-Q3 2019 in EUR million

BAP Group

27.4

Maflow Group

63.5

Share of nominations
concerning electric vehicles in
the total value of nominations
throughout the project life cycle

BAP Group

10%

Maflow Group

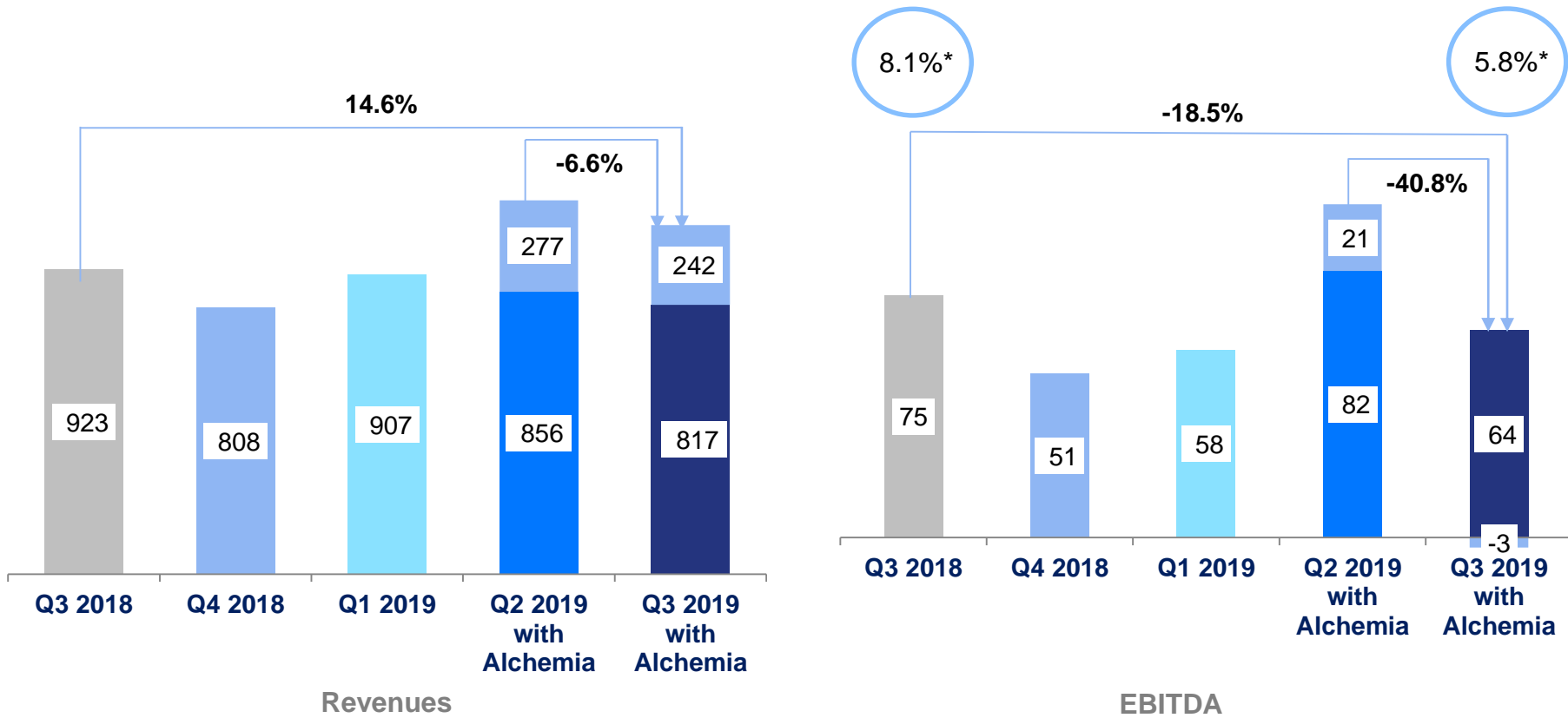
47%

*EOP - End of Production



BORYSZEW

METALS SEGMENT RESULTS (PLN million)



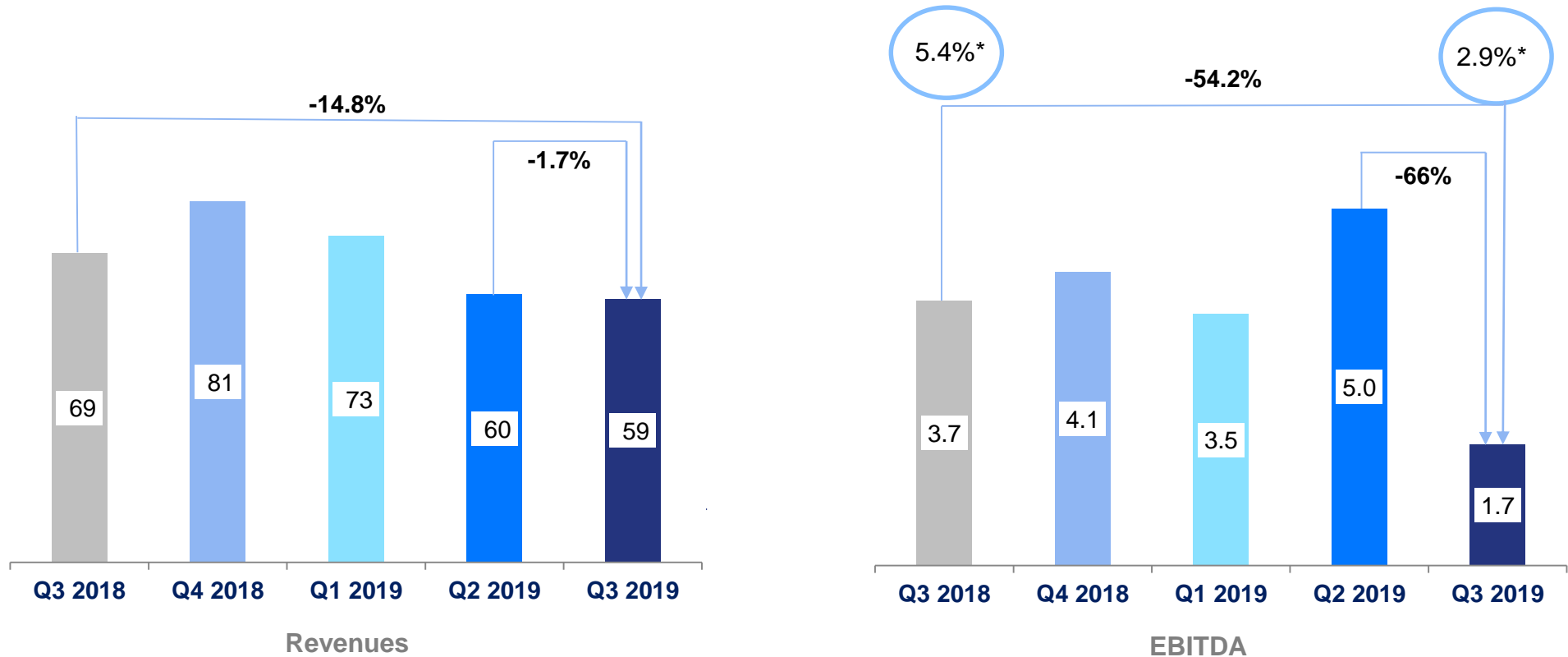
- The Segment's EBITDA was affected by factors such as:
 - + higher EBITDA in NPA Skawina (PLN 1.3m), Huta Oława (PLN 1m) and Hutmen (PLN 0.8m);
 - lower EBITDA in Baterpol (PLN 7m), FŁT (PLN 4.1m), Walcowna Metali Dziedzice (PLN 2.7m), Aluminium Konin (PLN 2m).

* EBITDA margin



BORYSZEW

CHEMICALS SEGMENT RESULTS (PLN million)



- The Chemicals Segment's EBITDA was affected by:
 - the effect of a drop in sales of coolant and ergolid fluids in Boryszew ERG;
 - increase in the price of flakes and decrease in trade margins in Elana PET.

* EBITDA margin



BORYSZEW

1. Boryszew Group – Q1-Q3 2019 Summary

2. Market environment

3. Q1-Q3 2019 financials

4. Operating segments

5. Plans for the next quarters



BORYSZEW

FORECAST FOR THE NEXT QUARTERS

- Launch of a new production line in NPA Skawina “The Demonstrator Project”;
- Launch of a new rolling mill in Huta Bankowa;
- Challenges related to the prolonged economic downturn in the automotive industry;
- Plant automation in the Automotive Segment;
- Challenges related to the significant rise in the minimum wage;
- Rising energy prices;
- New structure of Boryszew Group.



Thank you!



BORYSZEW

