



# CONSOLIDATED FINANCIAL RESULTS FOR Q3 2018

WARSAW, 27 NOVEMBER 2018

FINANCIAL RESULTS  
IN Q1-Q3 2018



2,492  
thousand



WE SOLD THOUSAND  
ITEMS OF FURNITURE

PLN 809,8m



TURNOVER PLN M

10.5%



EBITDA MARGIN

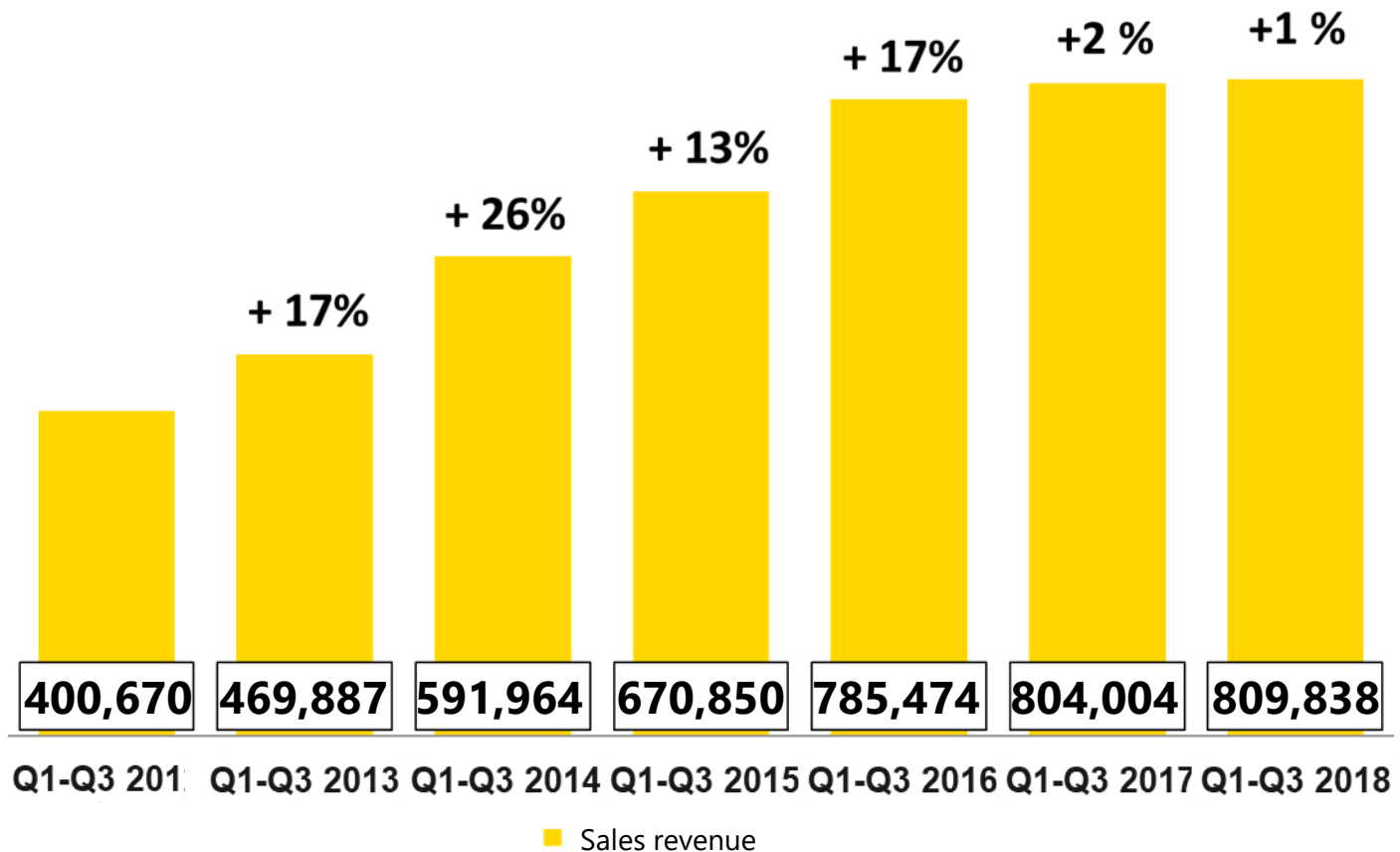
2.8%



NET PROFITABILITY

# SALES REVENUE IN Q1-Q3 2018

'000 PLN

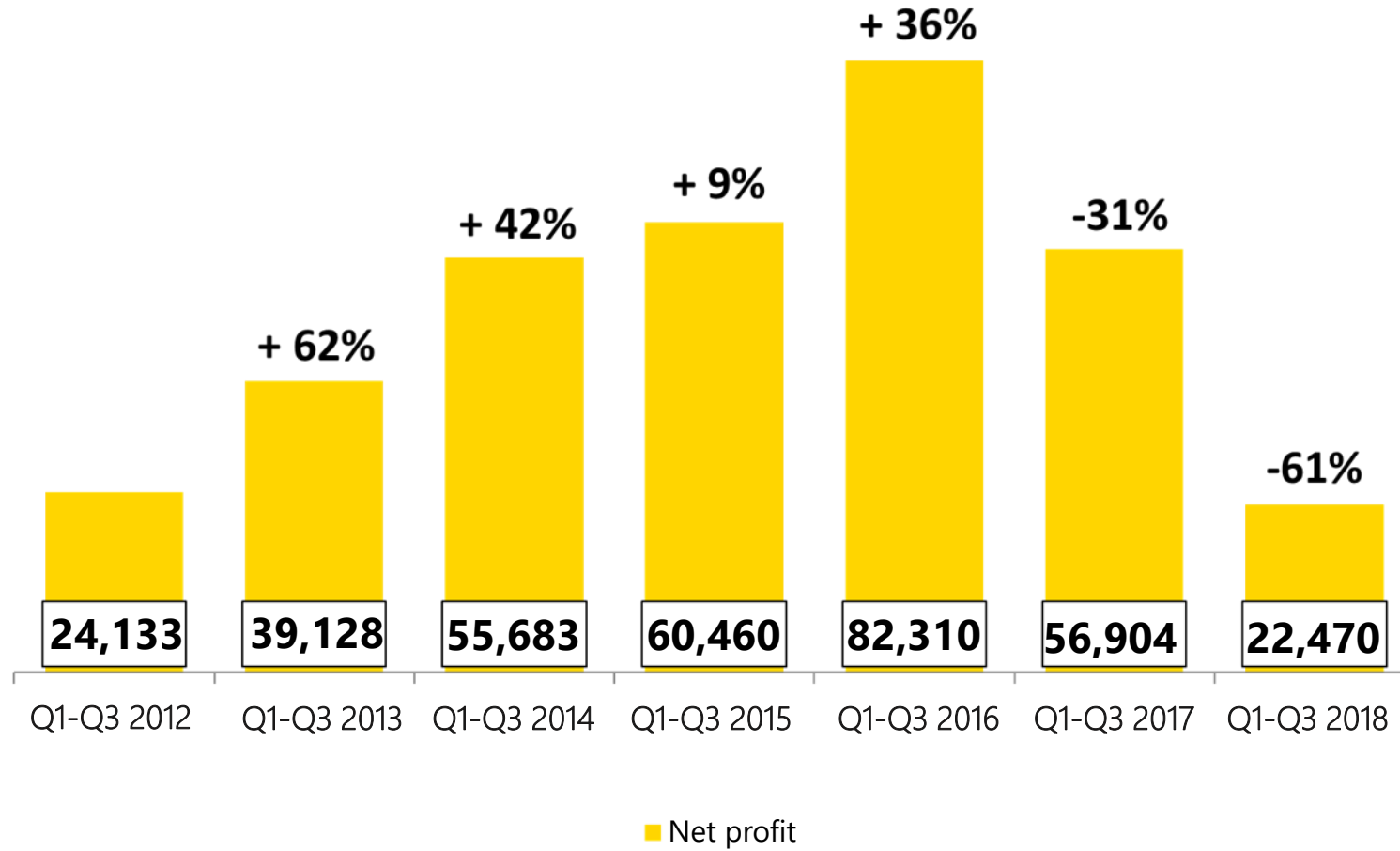


\*including sales of raw board by TANNE  
13,783

# NET PROFIT IN Q1-Q3 2018



'000 PLN



# FINANCIAL DATA: Q3 2018



PLN '000	Q3 2016	Q3 2017	Q3 2017 vs Q3 2016	Q3 2018	Q3 2018 vs Q3 2017
<b>Sales revenue</b>	<b>244,991</b>	<b>267,750</b>	<b>9.3%</b>	<b>256,296</b>	<b>-4.3%</b>
Gross margin on sales	92,982	93,081	0.1%	87,338	-6.2%
<i>Gross margin</i>	<i>38.0%</i>	<i>34.8%</i>	<i>-3.2%</i>	<i>34.1%</i>	<i>-0.7%</i>
Selling expenses	47,392	57,996	22.4%	57,552	-0.8%
<i>As % of sales</i>	<i>19.3%</i>	<i>21.7%</i>	<i>2.3%</i>	<i>22.5%</i>	<i>0.8%</i>
<b>Sales margin</b>	<b>45,590</b>	<b>35,085</b>	<b>-23.0%</b>	<b>29,786</b>	<b>-15.1%</b>
<i>Sales margin</i>	<i>18.6%</i>	<i>13.1%</i>	<i>-5.5%</i>	<i>11.6%</i>	<i>-1.5%</i>
<b>G&amp;A expenses</b>	<b>11,938</b>	<b>11,186</b>	<b>-6.3%</b>	<b>14,403</b>	<b>28.8%</b>
<i>As % of sales</i>	<i>4.9%</i>	<i>4.2%</i>	<i>-0.7%</i>	<i>5.6%</i>	<i>1.4%</i>
Other operating income (loss)	-1,004	-926	7.8%	-984	-6.3%
<b>Operating profit</b>	<b>32,648</b>	<b>22,973</b>	<b>-29.6%</b>	<b>14,399</b>	<b>-37.3%</b>
<i>Operating margin</i>	<i>13.3%</i>	<i>8.6%</i>	<i>-4.7%</i>	<i>5.6%</i>	<i>-3.0%</i>
EBITDA	38,272	30,071	-21.4%	27,408	-8.9%
<i>EBITDA margin</i>	<i>15.6%</i>	<i>11.2%</i>	<i>-4.4%</i>	<i>10.7%</i>	<i>-0.5%</i>
Net finance income (costs)	2,007	-5,816	389.8%	2,212	138.0%
<i>of which: exchange differences</i>	<i>2,362</i>	<i>-3,634</i>		<i>7,197</i>	
Consolidation using equity method	0	-1,514		-1,123	25.8%
<b>Profit before tax</b>	<b>34,655</b>	<b>15,643</b>	<b>-54.9%</b>	<b>15,488</b>	<b>-1.0%</b>
<i>As % of sales</i>	<i>14.1%</i>	<i>5.8%</i>	<i>-8.3%</i>	<i>6.0%</i>	<i>0.2%</i>
Net profit	28,330	11,250	-60.3%	14,866	32.1%
<i>Net profit margin</i>	<i>11.6%</i>	<i>4.2%</i>	<i>-7.4%</i>	<i>5.8%</i>	<i>1.6%</i>
<b>Earnings per share</b>	<b>1.19</b>	<b>0.47</b>	<b>-60.3%</b>	<b>0.63</b>	<b>32.1%</b>

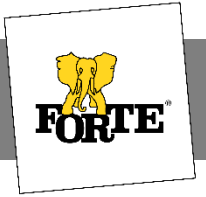


## FINANCIAL DATA: Q1-Q3 2018

PLN '000	Q1-Q3 2016	Q1-Q3 2017	Q1-Q3 2017 vs Q1-Q3 2016	Q1-Q3 2018	Q1-Q3 2018 vs Q1-Q3 2017
<b>Sales revenue</b>	<b>785,474</b>	<b>804,004</b>	<b>2.4%</b>	<b>809,838</b>	<b>0.7%</b>
Gross margin on sales	302,178	295,037	-2.4%	272,767	-7.5%
<i>Gross margin</i>	38.5%	36.7%	-1.8%	33.7%	-3.0%
Selling expenses	160,361	173,217	8.0%	174,203	0.6%
<i>As % of sales</i>	20.4%	21.5%	1.1%	21.5%	0.0%
<b>Sales margin</b>	<b>141,817</b>	<b>121,820</b>	<b>-14.1%</b>	<b>98,564</b>	<b>-19.1%</b>
<i>Sales margin</i>	18.1%	15.2%	-2.9%	12.2%	-3.0%
<b>G&amp;A expenses</b>	<b>35,177</b>	<b>37,464</b>	<b>6.5%</b>	<b>43,164</b>	<b>15.2%</b>
<i>As % of sales</i>	4.5%	4.7%	0.2%	5.3%	0.7%
Other operating income (loss)	-3,070	-3,726	-21.4%	-1,855	50.2%
<b>Operating profit</b>	<b>103,570</b>	<b>80,630</b>	<b>-22.1%</b>	<b>53,545</b>	<b>-33.6%</b>
<i>Operating margin</i>	13.2%	10.0%	-3.2%	6.6%	-3.4%
<b>EBITDA</b>	<b>120,403</b>	<b>100,225</b>	<b>-16.8%</b>	<b>85,340</b>	<b>-14.9%</b>
<i>EBITDA margin</i>	15.3%	12.5%	-2.9%	10.5%	-1.9%
Net finance income (costs)	-168	-3,481	-1,972.0%	-17,244	-395.4%
<i>of which: exchange differences</i>	295	1,895		-6,574	
Consolidation using equity method		-4,904		-5,259	-7.2%
<b>Profit before tax</b>	<b>103,402</b>	<b>72,245</b>	<b>-30.1%</b>	<b>31,042</b>	<b>-57.0%</b>
<i>As % of sales</i>	13.2%	9.0%	-4.2%	3.8%	-5.2%
<b>Net profit</b>	<b>82,310</b>	<b>56,904</b>	<b>-30.9%</b>	<b>22,470</b>	<b>-60.5%</b>
<i>Net profit margin</i>	10.5%	7.1%	-3.4%	2.8%	-4.3%
<b>Earnings per share</b>	<b>3.44</b>	<b>2.38</b>	<b>-30.8%</b>	<b>0.94</b>	<b>-60.5%</b>



## FORTE – INVESTMENTS IN FIXED ASSETS IN 2018



**PLN 26,5 MLN**



**EXPENDITURE ON  
EXPANDING  
FORTE'S PRODUCTION  
CAPACITY**

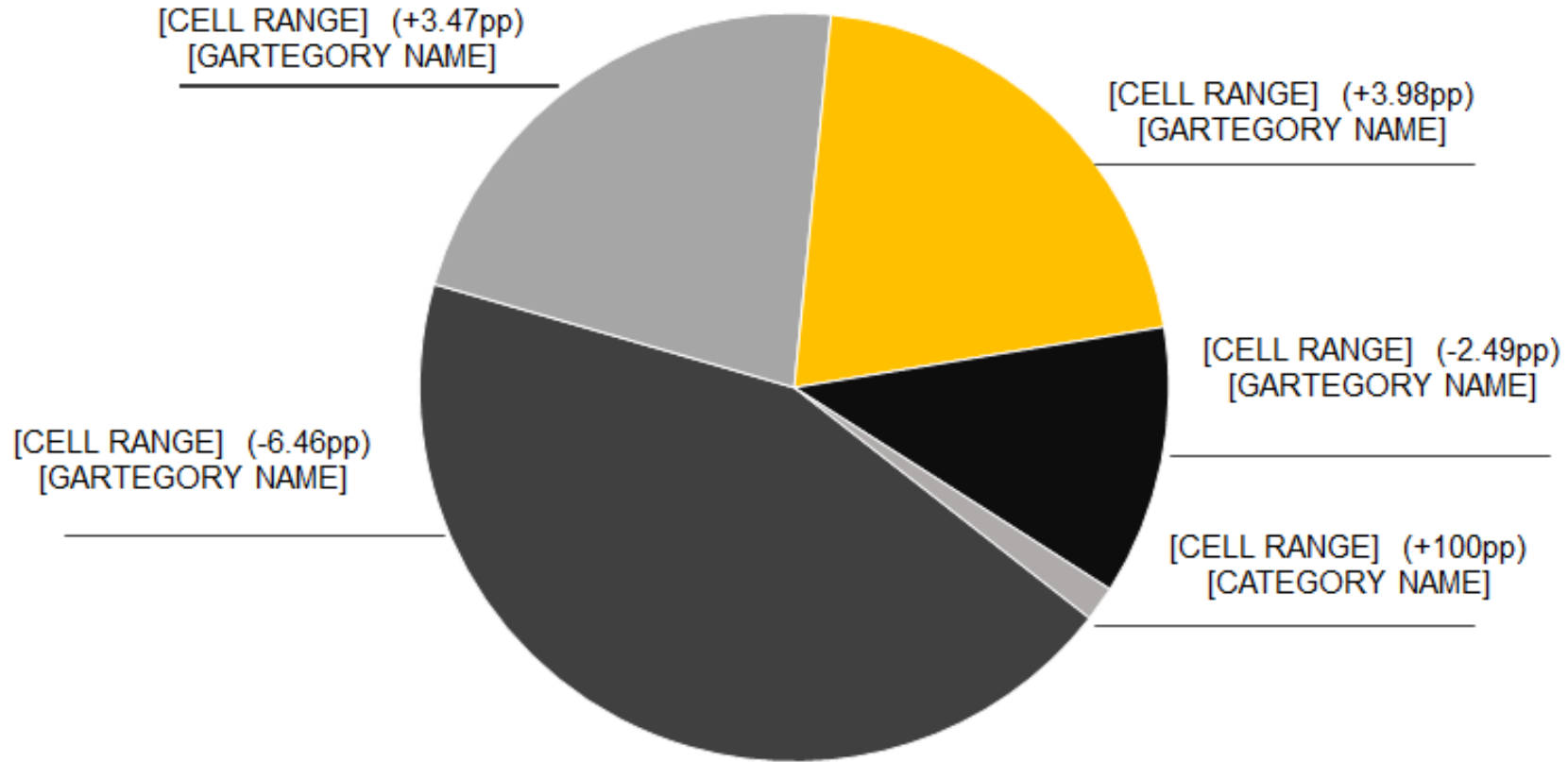


**PLN 84,2 MLN**



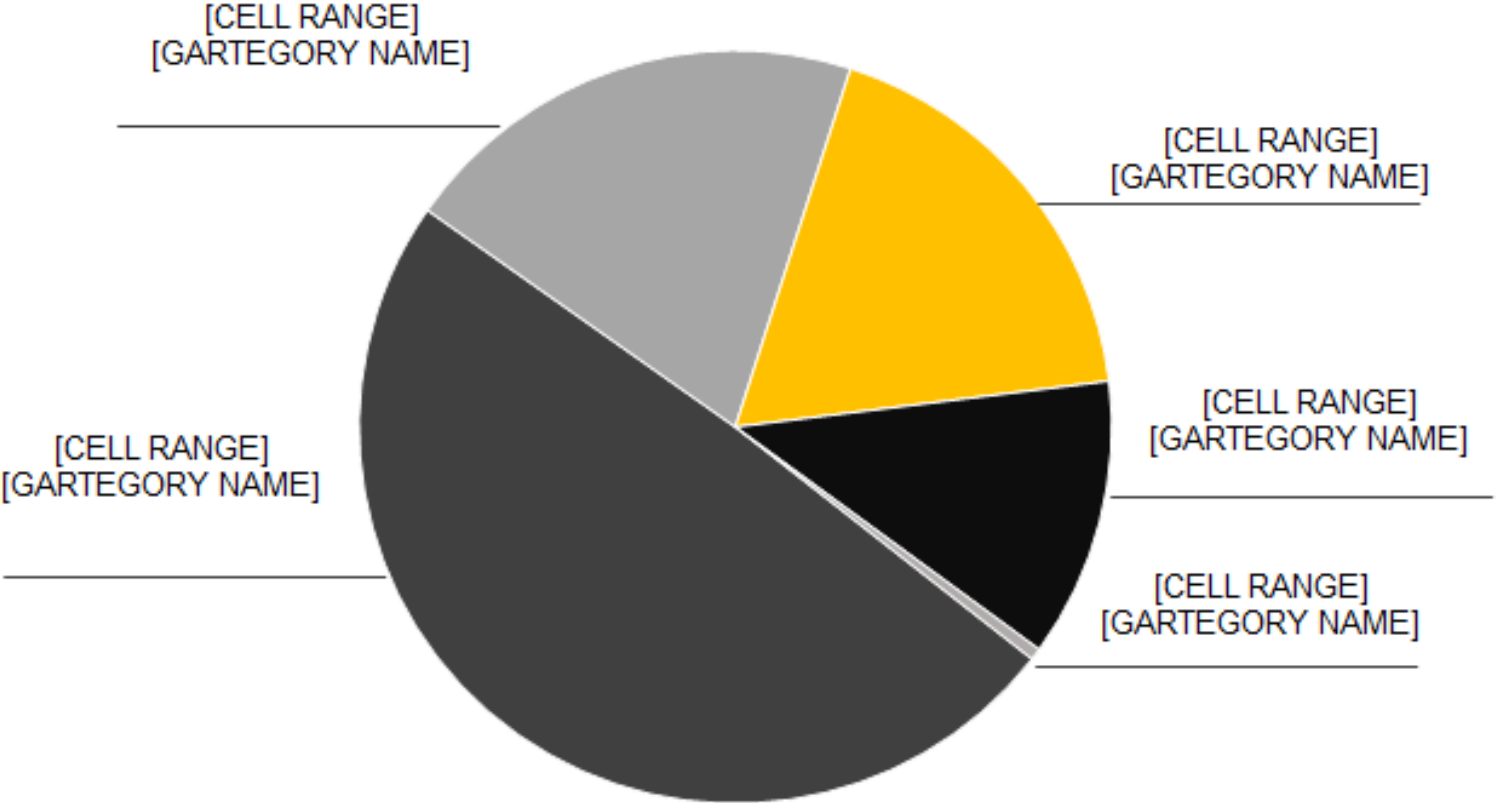
**TANNE INVESTMENT  
PROJECT IN THE SUWAŁKI  
SPECIAL ECONOMIC ZONE**

# GEOGRAPHICAL STRUCTURE OF FORTE'S SALES IN Q3 2018





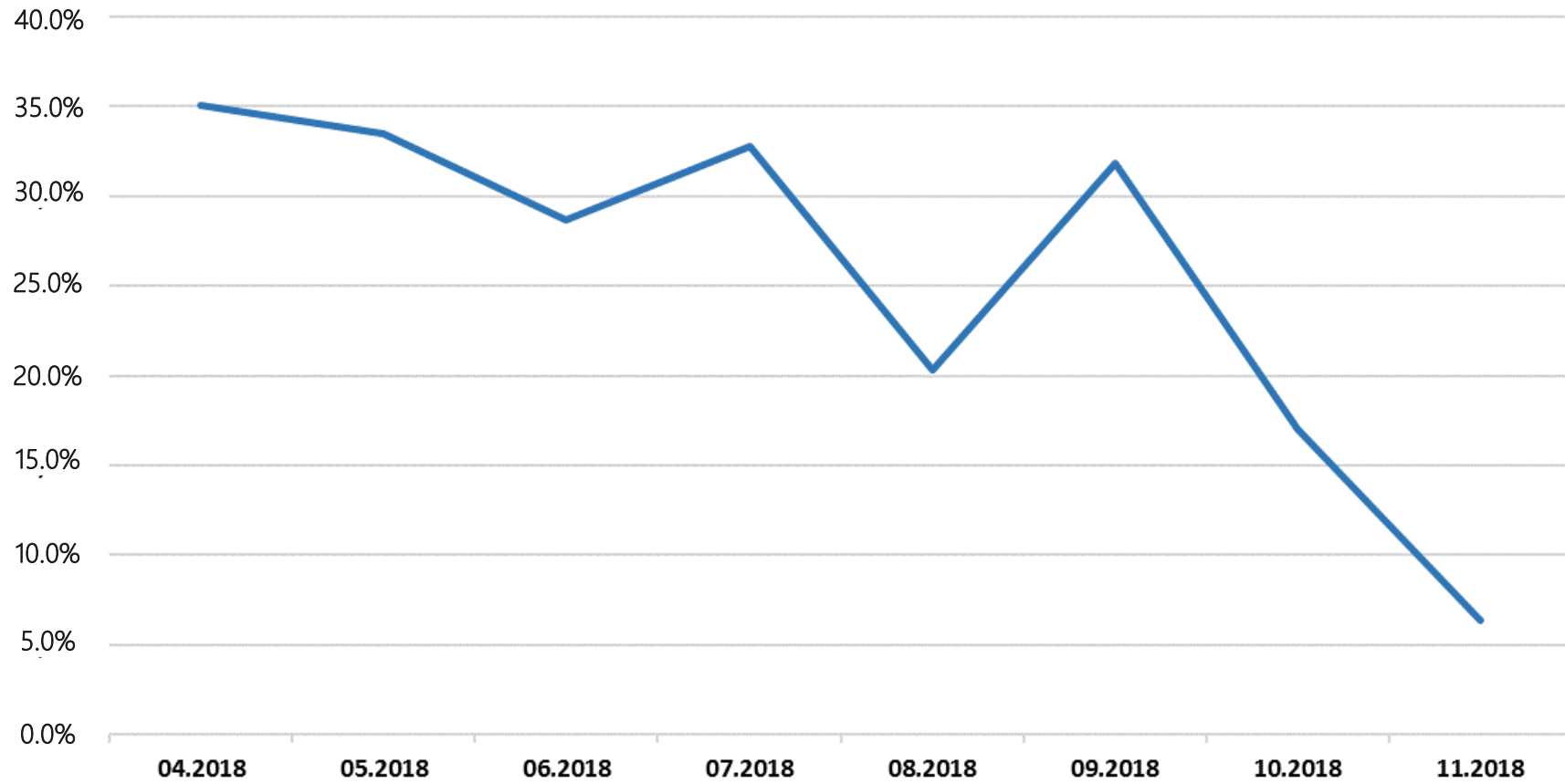
# GEOGRAPHICAL STRUCTURE OF FORTE'S SALES IN Q1-Q3 2018



# DURATION OF UNSCHEDULED DOWNTIME AT TANNE



DURATION OF UNSCHEDULED DOWNTIME AT TANNE (IN %)





THANK YOU FOR  
YOUR ATTENTION