



CONSOLIDATED FINANCIAL RESULTS FOR Q4 2018

WARSAW, 5 APRIL 2019



3,375.5
THOUSAND



WE SOLD THOUSAND
ITEMS OF FURNITURE

PLN 1,107.3m



TURNOVER PLN M

10.6%



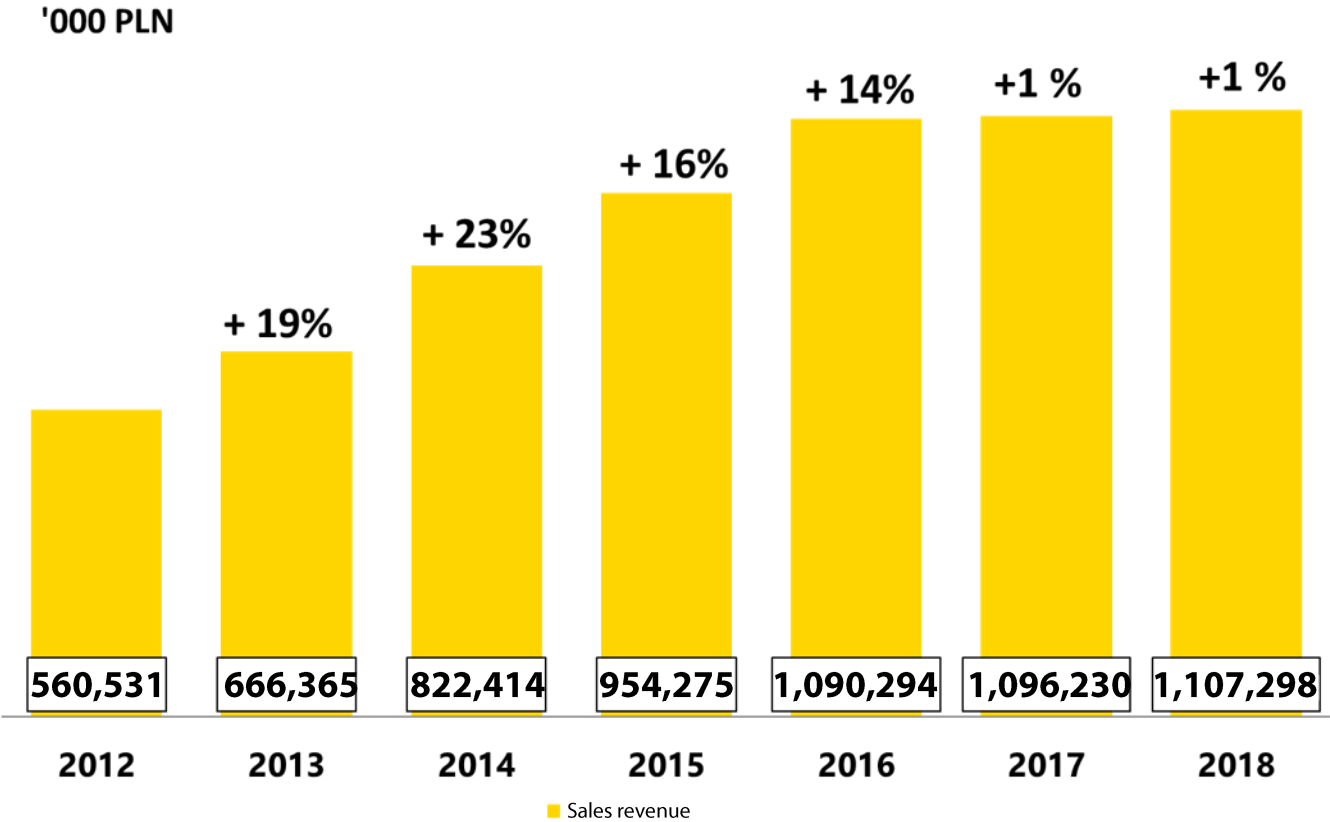
EBITDA MARGIN

3.1%



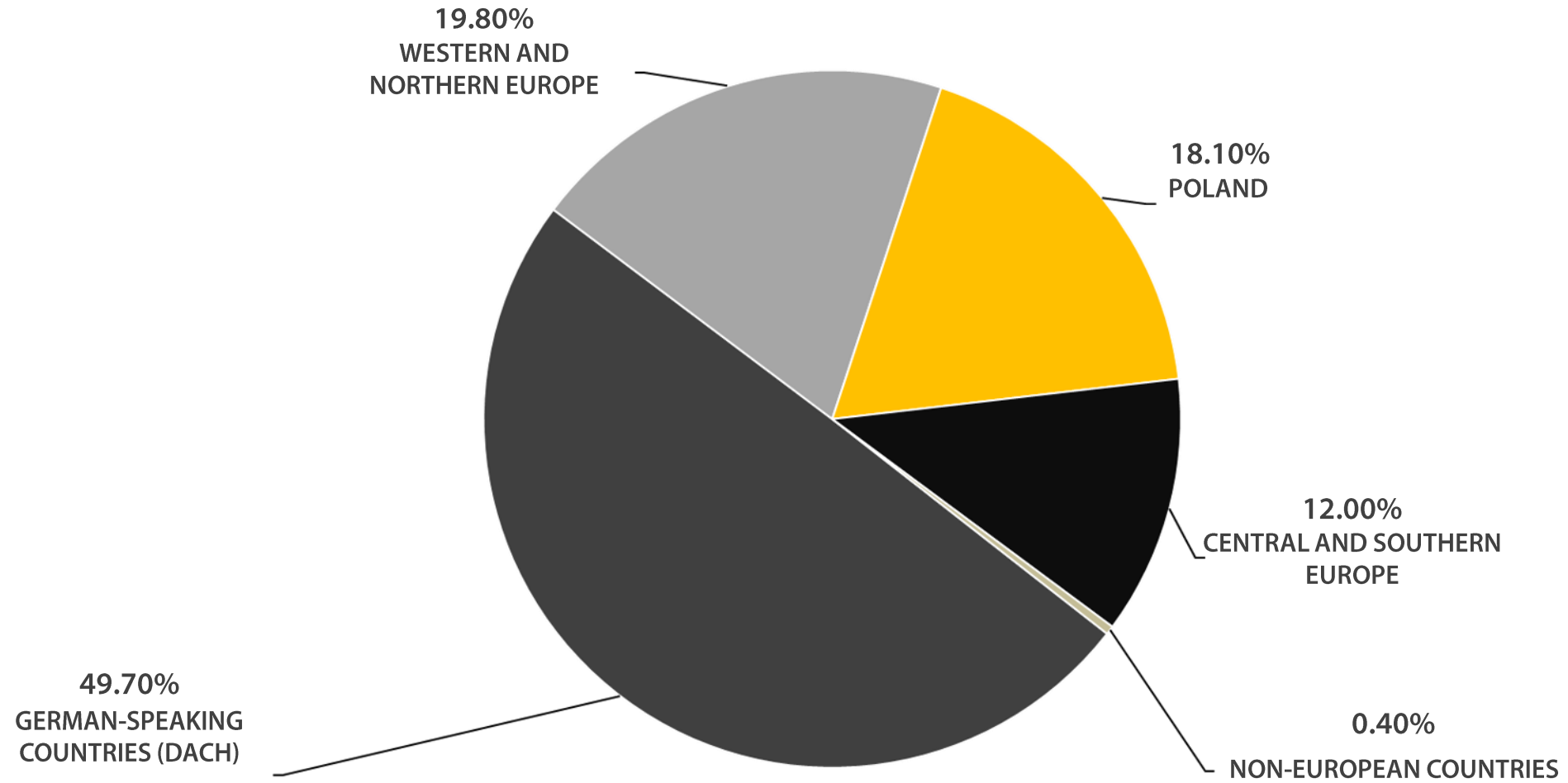
NET PROFITABILITY

SALES REVENUE IN Q1–Q4 2018

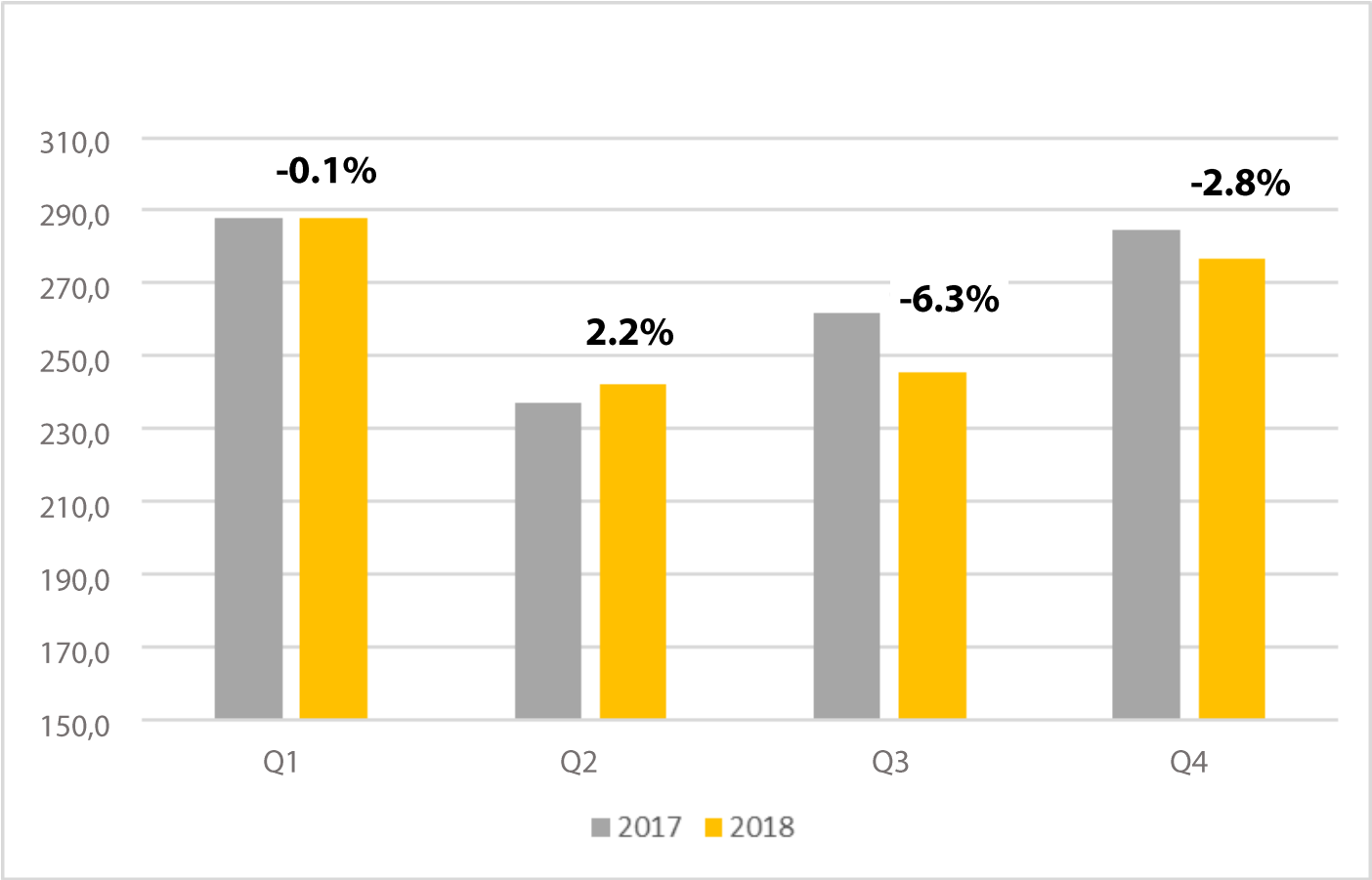


*including sales of raw board by TANNE in 2018 29,424

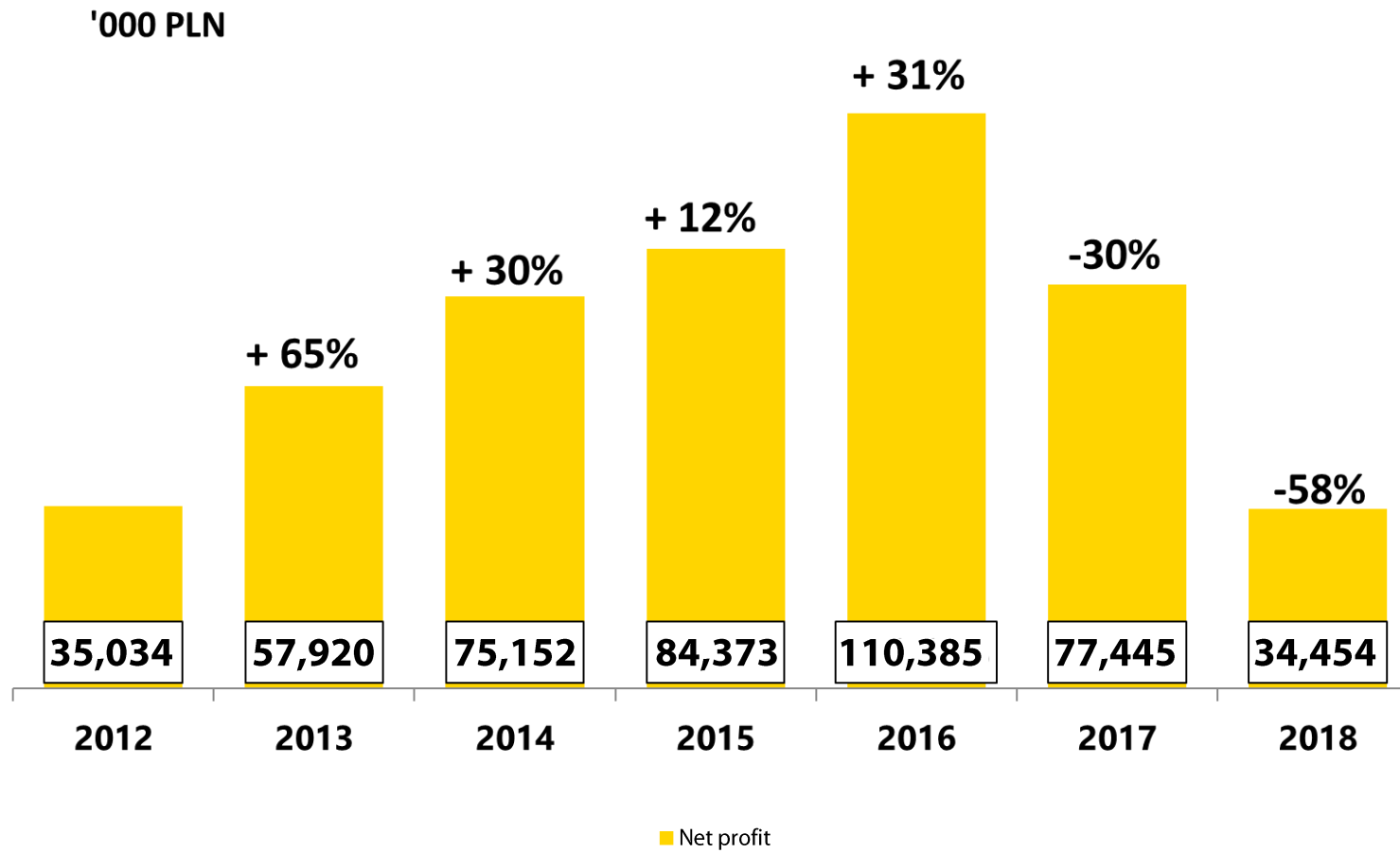
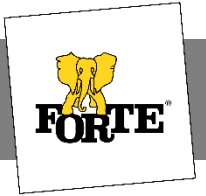
GEOGRAPHICAL STRUCTURE OF FORTE'S SALES IN Q1–Q4 2018



SALES OF FURNITURE IN PLNm



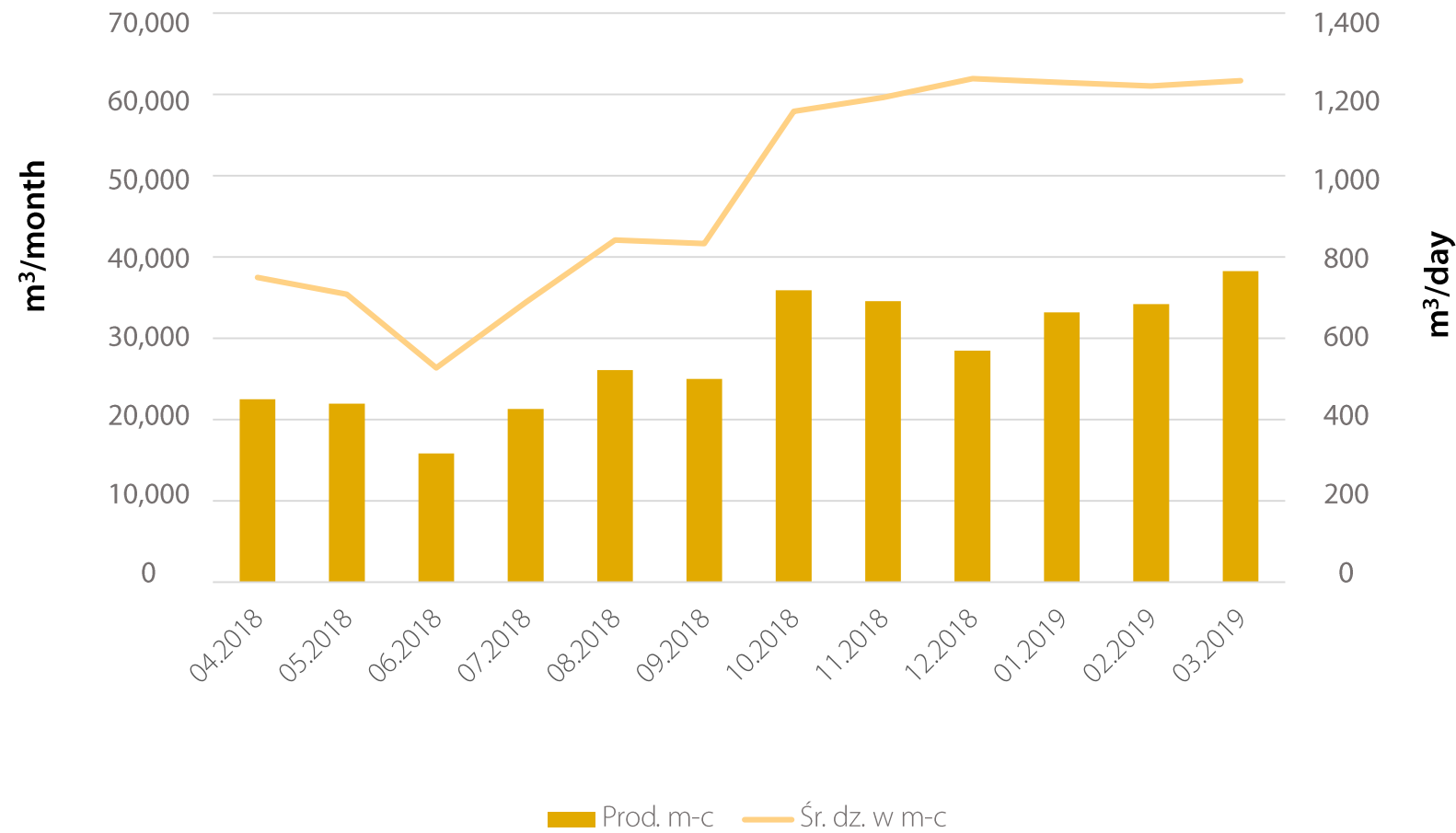
NET PROFIT IN Q1-Q4 2018



RAW-CHIPBOARD PRODUCTION PLANT, "TANNE"



RAW CHIPBOARD OUTPUT BY MONTH



FINANCIAL RATIOS: Q4 2018



PLN '000	Q4 2016	Q4 2017	Q4 2017 vs Q4 2016	Q4 2018	Q4 2018 vs Q4 2017
Sales revenue	304,820	292,226	-4.1%	297,460	1.8%
Gross margin on sales	124,678	101,798	-18.4%	97,739	-4.0%
<i>Gross margin</i>	<i>40.9%</i>	<i>34.8%</i>	<i>-6.1%</i>	<i>32.9%</i>	<i>-2.0%</i>
Selling expenses	65,323	65,712	0.6%	64,365	-2.0%
<i>As % of sales</i>	<i>21.4%</i>	<i>22.5%</i>	<i>1.1%</i>	<i>21.6%</i>	<i>-0.8%</i>
Sales margin	59,355	36,086	-39.2%	33,374	-7.5%
<i>Sales margin</i>	<i>19.5%</i>	<i>12.3%</i>	<i>-7.1%</i>	<i>11.2%</i>	<i>-1.1%</i>
G&A expenses	16,085	14,597	-9.3%	16,178	10.8%
<i>As % of sales</i>	<i>5.3%</i>	<i>5.0%</i>	<i>-0.3%</i>	<i>5.4%</i>	<i>0.4%</i>
Other operating income (loss)	-2,470	-3,428	-38.8%	1,762	151.4%
Operating profit	40,800	18,061	-55.7%	18,958	5.0%
<i>Operating margin</i>	<i>13.4%</i>	<i>6.2%</i>	<i>-7.2%</i>	<i>6.4%</i>	<i>0.2%</i>
EBITDA	46,666	25,412	-45.5%	32,153	26.5%
<i>EBITDA margin</i>	<i>15.3%</i>	<i>8.7%</i>	<i>-6.6%</i>	<i>10.8%</i>	<i>2.1%</i>
Net finance income (costs)	-4,980	4,603	192.4%	-4,160	190.4%
<i>of which: exchange differences</i>	<i>-295</i>	<i>-1895</i>	<i>-542.4%</i>	<i>-2169</i>	<i>-14.5%</i>
Consolidation using equity method	0	-452		-310	31.4%
Profit before tax	35,820	22,212	-38.0%	14,488	-34.8%
<i>As % of sales</i>	<i>11.8%</i>	<i>7.6%</i>	<i>-4.2%</i>	<i>4.9%</i>	<i>-2.7%</i>
Net profit	28,075	20,541	-26.8%	11,984	-41.7%
<i>Net profit margin</i>	<i>9.2%</i>	<i>7.0%</i>	<i>-2.2%</i>	<i>4.0%</i>	<i>-3.0%</i>
Earnings per share	1.18	0.86	-26.8%	0.50.	-41.7%

FINANCIAL DATA: Q1–Q4 2018



PLN '000	Q1–Q4 2016	Q1–Q4 2017	Q1–Q4 2017 vs Q1–Q4 2016	Q1–Q4 2018	Q1–Q4 2018 vs Q1–Q4 2017
Sales revenue	1,090,294	1,096,230	0.5%	1,107,298	1.0%
Gross margin on sales	426,856	396,835	-7.0%	370,506	-6.6%
<i>Gross margin</i>	<i>39.2%</i>	<i>36.2%</i>	<i>-3.0%</i>	<i>33.5%</i>	<i>-2.7%</i>
Selling expenses	225,684	238,929	5.9%	238,568	-0.2%
<i>As % of sales</i>	<i>20.7%</i>	<i>21.8%</i>	<i>1.1%</i>	<i>21.5%</i>	<i>-0.3%</i>
Sales margin	201,172	157,906	-21.5%	131,938	-16.4%
<i>Sales margin</i>	<i>18.5%</i>	<i>14.4%</i>	<i>-4.0%</i>	<i>11.9%</i>	<i>-2.5%</i>
G&A expenses	51,262	52,061	1.6%	59,342	14.0%
<i>As % of sales</i>	<i>4.7%</i>	<i>4.7%</i>	<i>0.0%</i>	<i>5.4%</i>	<i>0.6%</i>
Other operating income (loss)	-5,540	-7,154	-29.1%	-93	98.7%
Operating profit	144,370	98,691	-31.6%	72,503	-26.5%
<i>Operating margin</i>	<i>13.2%</i>	<i>9.0%</i>	<i>-4.2%</i>	<i>6.5%</i>	<i>-2.5%</i>
EBITDA	167,069	125,637	-24.8%	117,492	-6.5%
<i>EBITDA margin</i>	<i>15.3%</i>	<i>11.5%</i>	<i>-3.9%</i>	<i>10.6%</i>	<i>-0.9%</i>
Net finance income (costs)	-5,148	1,122	121.8%	-21,404	2007.7%
<i>of which: exchange differences</i>				-8,743	
Consolidation using equity method		-5,356		-5,569	-4.0%
Profit before tax	139,222	94,457	-32.2%	45,530	-51.8%
<i>As % of sales</i>	<i>12.8%</i>	<i>8.6%</i>	<i>-4.2%</i>	<i>4.1%</i>	<i>-4.5%</i>
Net profit	110,385	77,445	-29.8%	34,454	-55.5%
<i>Net profit margin</i>	<i>10.1%</i>	<i>7.1%</i>	<i>-3.1%</i>	<i>3.1%</i>	<i>-4.0%</i>
Earnings per share	4.62	3.23	-30.1%	1.44	-55.4%



	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Net financial debt /EBITDA	4.02	5.44	5.62	5.53	5.27
Return on equity (ROE)	12%	1%	1%	4%	6%

FORTE – INVESTMENTS IN FIXED ASSETS IN 2018



PLN 39,1 MLN



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



PLN 154,3 MLN



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

INVESTMENT PROJECT – ON-SITE KINDERGARTEN IN SUWAŁKI





THANK YOU FOR
YOUR ATTENTION