

## **PRELIMINARY ESTIMATES OF SELECTED FINANCIAL AND OPERATING DATA OF THE ULMA CONSTRUCCION POLSKA S.A. GROUP FOR THE FIRST HALF OF 2019**

### **Current Report No. 16/2019**

The Management Board of ULMA Construcción Polska S.A. (the Company) publishes estimates of selected financial and operating data of the Ulma Construcción Polska S.A. Group (the Group) for the second quarter and the first half of 2019 [data for the same period of 2018 in brackets].

Preliminary estimates of selected financial and operating data of the Ulma Construcción Polska S.A. Group for the first half of 2019

- Total consolidated revenue: PLN 107.933 thousand [PLN 107.217 thousand],
- Consolidated revenue in the "construction services" segment: PLN 86.400 thousand [PLN 95.723 thousand],
- Consolidated revenue in the ""sale of building materials" segment: PLN 21.533 thousand [PLN 11.494 thousand],
- EBITDA: PLN 46.052 thousand [PLN 41.300 thousand],
- Net profit: PLN 19.624 thousand [PLN 21.072 thousand],
- Net cash position (cash less loans plus borrowings granted): PLN 44.275 thousand [PLN 52.145 thousand]

Preliminary financial and operating results of the Group for IIQ 2019:

- Total consolidated revenue: PLN 56.366 thousand [PLN 57.470 thousand],
- Consolidated revenue in the "construction services" segment: PLN 45.009 thousand [PLN 50.545 thousand],
- Consolidated revenue in the ""sale of building materials" segment: PLN 11.357 thousand [PLN 6.925 thousand],
- EBITDA: PLN 25.927 thousand [PLN 22.083 thousand],
- Total net profit: PLN 11.828 thousand [PLN 11.112 thousand].

At the same time, the Management Board of the Group informs that the market environment of the Group in the analysed period of the first half of 2019 was characterised by delays in the implementation of construction contracts, in particular in the segment of "construction of bridges and flyovers". In view of a long duration of the designing stage as well as the delayed tender procedures for new construction tasks, in the case of many engineering contracts it is expected that the construction stage will start in further periods. As compared to the same period of 2018, this phenomenon was a significant deviation which affected the level of sales in the basic segment of the Group's activity, i.e. the "site services", and led to the aforementioned decrease in comparison to the corresponding period of the previous year.

In the first half of 2019, the Group recorded a growing market demand in the segment of "sale of construction materials". This allowed us to make up for the decline in the sales of the "site services" segment and fully cover the EBITDA gap related to this segment in relation to the levels recorded in the corresponding period of the previous year.

The Group Management Board notifies that the above mentioned preliminary results are consistent with the general objectives adopted by the Group for 2019 according to which this year the impact of the sale seasonality in the basic operating segment, i.e. the "site services" may be particularly strong following the slowdown in the engineering segment referred to above. At the same time, the

Management Board of the Capital Group expects that in the second half of 2019 the demand in this part of the construction part may increase. This would make it possible to reverse the trend of the first half of 2019 and contribute to make up for the negative deviations as compared to the corresponding periods of the previous year.

The Company underlines that the above preliminary financial results are estimated figures and may change. The final values will be presented in the consolidated report for the first half of 2019, the publication of which is planned for 17 September 2019.

**Legal basis:** Article 17(1) of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

**Date:** 15 July 2019

**Signatures:** Andrzej Sterczyński – Management Board Member

Krzysztof Orzełowski – Management Board Member