

## PRESS NEWS

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### **Energomontaż-Północ increases profitability**

- **Consistent implementation of the strategy has come to fruition in successive growth of the results of Energomontaż-Północ Group.**
- **The revenues from sales increased by 30 percent, year to year- up to PLN 189.2 million, while the net profit increased nearly 2.5 times, reaching the level of PLN 13.4 million.**
- **During the first half-year, the Group gained orders worth about PLN 100 million, while the backlog for the year 2009 amounted to almost PLN 400 million on the end of June this year.**

During the first half of the year 2009, the Capital Group of Energomontaż-Północ reached PLN 189.2 million of the revenues from sales. It means a growth by 30 percent in comparison to the analogous period of the year 2008. *"Dynamic growth in sales is a result of the effective canvassing of large contracts in the oil and power industry during last and this year,"* says Włodzimierz Dyrka, president of the management board of Energomontaż-Północ.

Improvement of sales was accompanied by restrictive cost policy, which as a result allowed to improve profits at all levels of results account. The consolidated gross profit on sales increased by over 47 percent and reached the value of PLN 26.7 million, whereas the operating profit was over two times higher and amounted to PLN 14.3 million in relation to PLN 6.2 million in the first half year of 2008.

The first half of the year 2009 also brought the further growth of the net result, since the net profit attributed to the principal shareholders amounted to PLN 13.4 million and was higher than one year ago as much as PLN 7.6 million.

As a result the margins increased too. The gross margin on sales reached the level of 14.2 percent (in relation to 12.4 percent one year earlier); the operating margin amounted to 7.5 percent in comparison to 4.3 percent in the analogous period of the year 2008, while the net margin amounted to 7.1 percent (in relation to 4 percent one year ago).



*"Good orders portfolio and watch over costs caused that the first half-year was very good for our group,"* summed up Przemysław Milczarek, vice president of the management board of Energomontaż-Północ, responsible for finances. *"Especially we are glad to the reached margins, the level of which corresponds with that what we have assumed in our strategy. Now, the target of the management board will be to maintain them at a satisfying level, although it will not be easy on the more and more competitive market."*

At the entity level, Energomontaż-Północ SA reached PLN 105.2 million of the revenues from sales, that is by 64 percent more than in the first half-year of 2008. It also worked out significant growth of the net profit, which amounted to nearly 2.9 million of PLN in relation to PLN 926 thousand one year earlier. All significant companies from the capital group closed the first half-year of 2009 with the positive financial result.

On the end of the first half-year of 2009, the Energomontaż-Północ Group has the signed contracts for execution since the beginning of 2009 worth nearly PLN 540 million, whereof PLN 395 million was to be executed this year.

Now, activities of Energomontaż-Północ concentrate on gaining orders for the next years. "The big investment projects in the Polish refineries, in which we have been taking part, are coming to the end, so we are going to intensify canvassing of contracts in this segment abroad. In the next year, and at full stretch in 2011, will start investments in the offshore segment, mainly in Scandinavia," president Dyrka says. "We have also been waiting for a planned since a long time development and modernization of the Polish power industry; we would also like to take part in development of capacities of this branch in Europe. We are stronger and stronger on the market of investments connected with environment protection, which will be constructed during the next years in Poland in a way significantly bigger than so far. I mean biomass combustion plants and construction of not large heat and power generating plants, for which biomass is a fuel."

*Energomontaż-Północ S.A. is the dominant company of the Capital Group. The companies included in it carry out construction/erection works, and their specialization is in the services for the power industry, chemical, environmental and petrochemical sectors, as well as in the industry and municipal construction.*

*The Group employs about 2000 persons. In 2008, it achieved over PLN 320 million of the revenues and PLN 23.5 million of the net profit (the results cumulative after the three quarters).*

*The principal shareholder of the company is Polimex-Mostostal S.A., possessing 65.55 percent of share in the capital and in the votes at the General Assembly of the Shareholders (WZA). More information about the company you can find on [www.energomontaz.com.pl](http://www.energomontaz.com.pl)*

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