

The logo for Masterplast Group International features the company name in a bold, dark blue, sans-serif font. The text is centered within a white, shield-like shape that has a dark blue outline. The top and bottom points of the shield are slightly rounded. The background of the entire slide is dark blue.

MASTERPLAST GROUP-INTERNATIONAL

Press conference 2017

Dávid Tibor President
László Piry CEO

7th of December 2017

Agenda

Status evaluation 2017

Strategy update 2020

Trends and objectives

Stock exchange strategy

Questions & answers





Market trends

Turning point of the Hungarian housing market supported by government subsidies

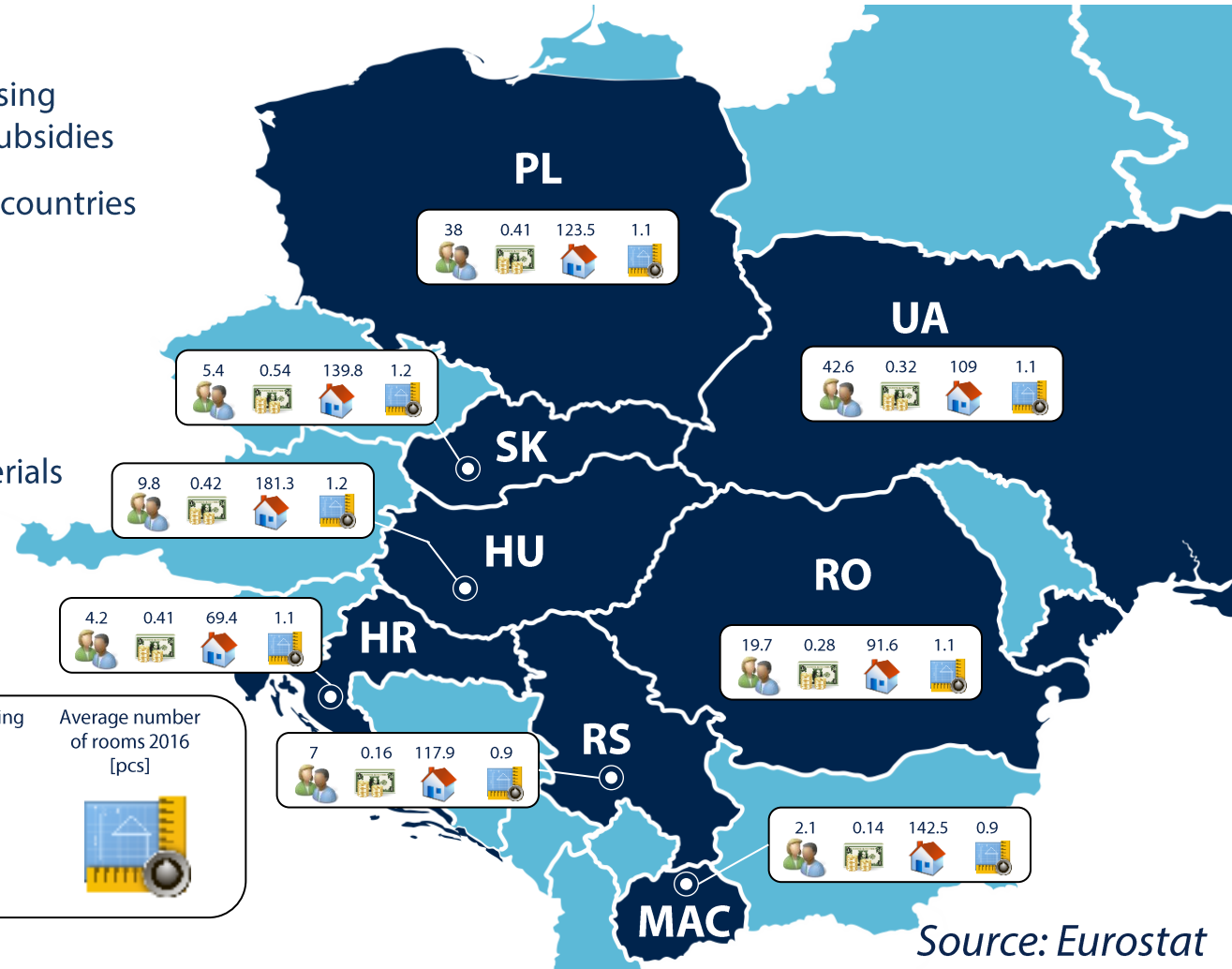
Improving market trends in the CEE countries

Stable export markets

Fierce competition

New production capacities

Impact of price changes in raw materials



Source: Eurostat

Population 01.01.2017. (million people)	GDP per capita [EU28=100]	Number of building permits 2016 [2010=100]	Average number of rooms 2016 [pcs]

Performance Trends

Thousand EUR	EBIT trend	Change	2017. Q3 YTD	2016. Q3 YTD
HU	↑	25%	22 187	17 770
EXPORT	→	-1%	9 316	9 378
RO	↓	6%	10 302	9 727
RS	↓	0%	6 925	6 956
UA	↑	-6%	5 320	5 640
HR	↓	-4%	3 106	3 224
PL	↑	25%	4 105	3 273
SK	↑	20%	3 241	2 708
OTHER	↑	17%	4 021	3 448
Net turnover		10%	68 522	62 122



Production

Quantity and quality development

First phase of fiberglass mesh production investment (1.0) finished in Subotica

- Output in 2017 ~ 45 million m²
- Quality improvement still necessary
- Action for efficiency improvement is taking place

Expansion in Sárszentmihály

- Windings capacity doubled
- Possibility for production of wind sealed self adhesive sided membranes

Innovation in Kál

- Capacity of gypsum plaster board profiles production nearly doubled



Operation

New operating structure

- Renewal the Group management way of working
 - President, vice president – focus on strategy
 - CEO – managing the operation
- Platform structure
- Market oriented legal structure - Masterplast International Ltd.

Efficiency

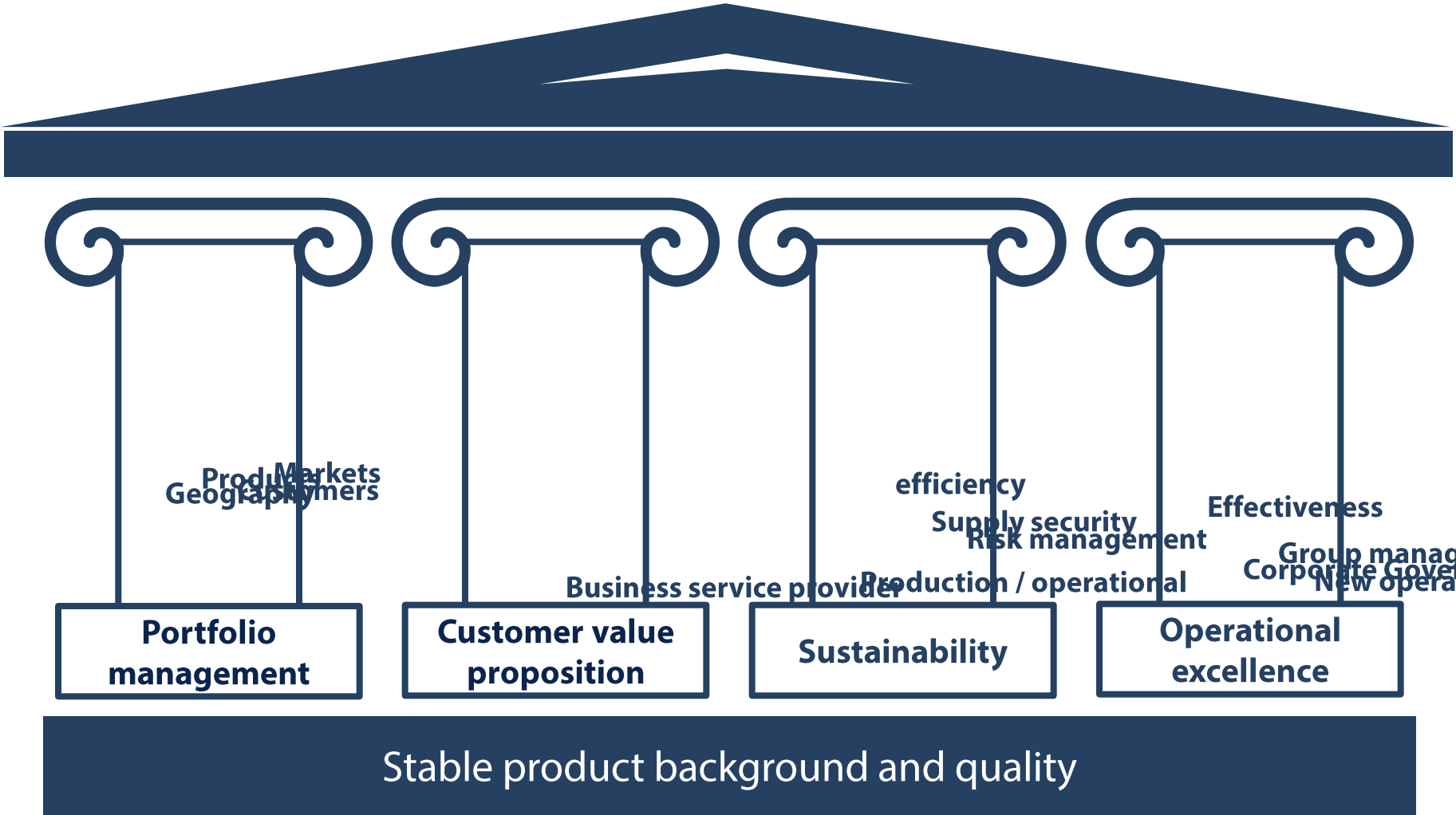
- Production excellence
- Process optimization
- Inventory management
- Managing the labour market challenges



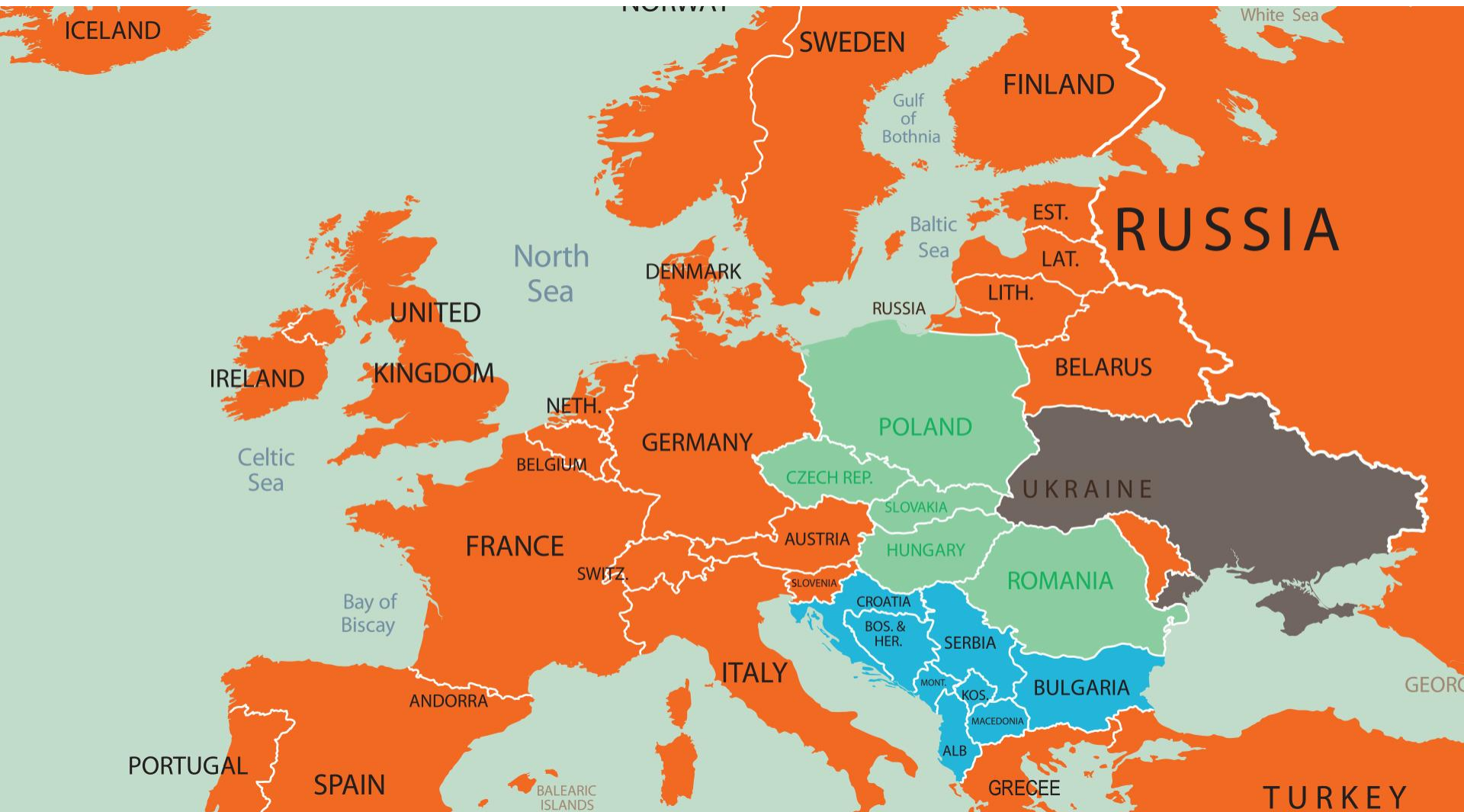
Financial result outlook

	Sales mio EUR	EBITDA mio EUR	EBITDA %	PAT mio EUR	PAT %
2016	80,2	4,6	5,7 %	2,3	2,9 %
2017 plan	~ 85	~ 5,3	~ 6,2 %	~ 2,6	~ 3,1 %
2017 forecast	90,0	5,2	5,8 %	2,4	2,7 %





PORTFOLIO MANAGEMENT GEOGRAPHY 2020



Products

Increased output of self manufactured products

- Fiberglass mesh
- Gypsum plaster-board profiles
- Foam foils

Focus products

- Roofing foils
- Gypsum plaster-board profiles
- Product mix optimization – easy to transport system accessories

New products, innovation

- Further integration in the value chain
- Composite materials



Market - Industrial division

- Non construction related fiberglass mesh applications
- Packaging industry,
- Car industry,

Objective: diversification



Business service provider

Development of the building material distribution model

Continuous improvement in warehousing and logistics

Focus on developing online services

Countries of operational companies

Value creation by a wide portfolio for our customers, tailor made portfolio and business offers

Export markets

Offers optimized for the customer needs leveraged by growing own production



Operation

Supply security

- Diversified supply sources
- Growing own production contribution
- Stable financial background

Operational efficiency improvement

- Improve return on investment

Risk management

- Strengthening corporate governance
- Strengthening the process control functions



Production – Subotica 2.0

Infrastructure

- Location and logistics

Enlargement manufacturing capacities

- Relocating the production machinery by the end of 2018
- Continues capacity increase

Quality improvement

- Increased efficiency
- Widening the product assortment



Production – Kál 2.0

Increased industrial focus

Doubled capacity

Advantages

- More flexible services,
- Higher quality product
- Wider product portfolio
- Possibility for reaching markets where still headroom to meet with market demands



Good to great

Further developed of team work

Improved response speed and efficiency of the operation

Focusing on value creation while growing and adjusting the organization accordingly





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2017 forecast	90,0	5,2	5,8 %	2,4	2,7 %
2018 plan *	~93,2	~6,1	~6,5 %	~2,8	~3 %

* Without IFRS 15

Decisive trends

Regional construction prosperity (HU, SK, PL, RO)

Consolidation of Balkan markets

EU convergence of Serbia

Sharpening the market competitiveness

Fundamental change of the labour market

Industrial concentration

Continuously growing customer quality expectations

2020 target

- Turnover above 110 m EUR
- EBITDA over 7,5%

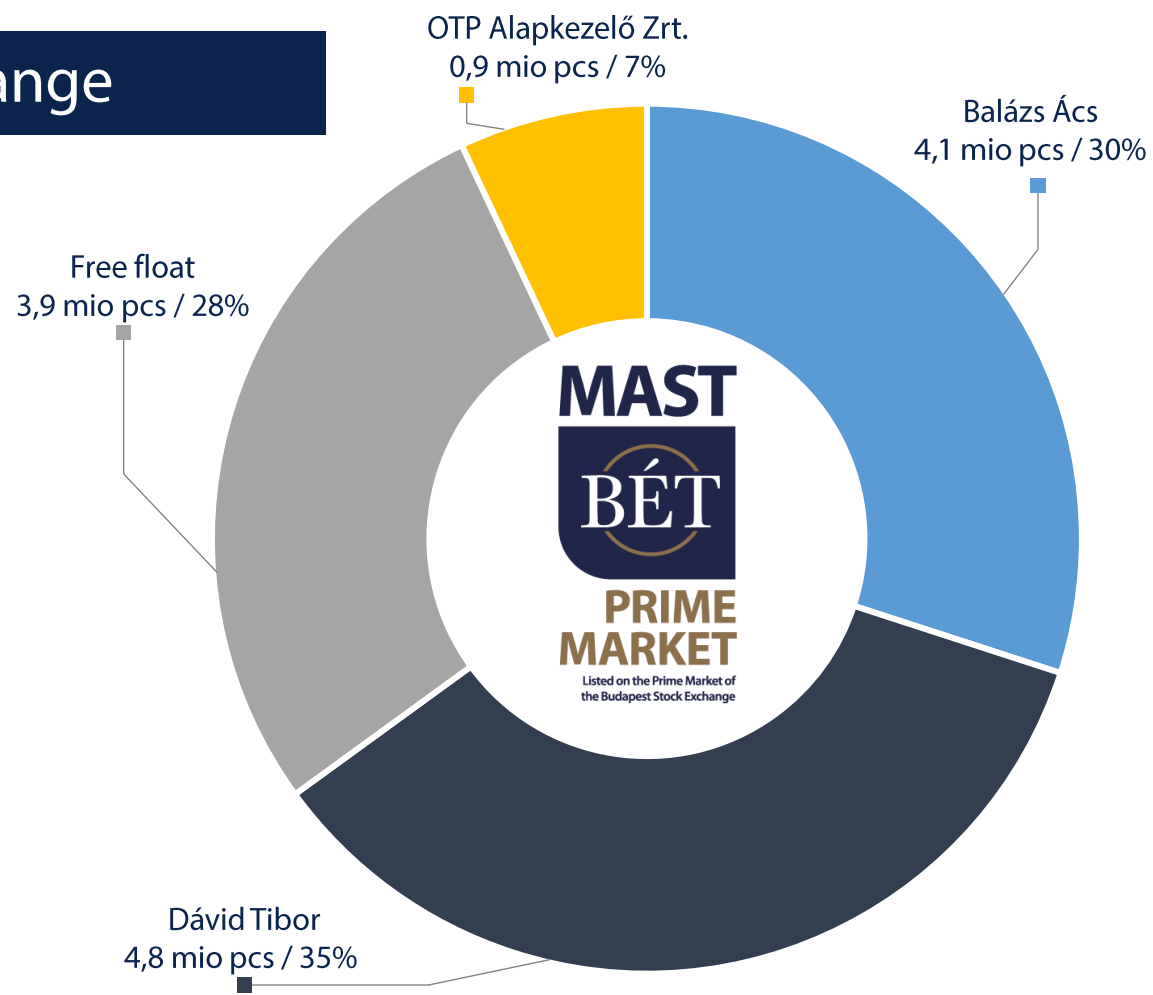




Presence on the stock exchange

Further increase of free float

MASTERPLAST PLC
ownership structure in 2017 Q3



Dynamic Masterplast story

Premium category

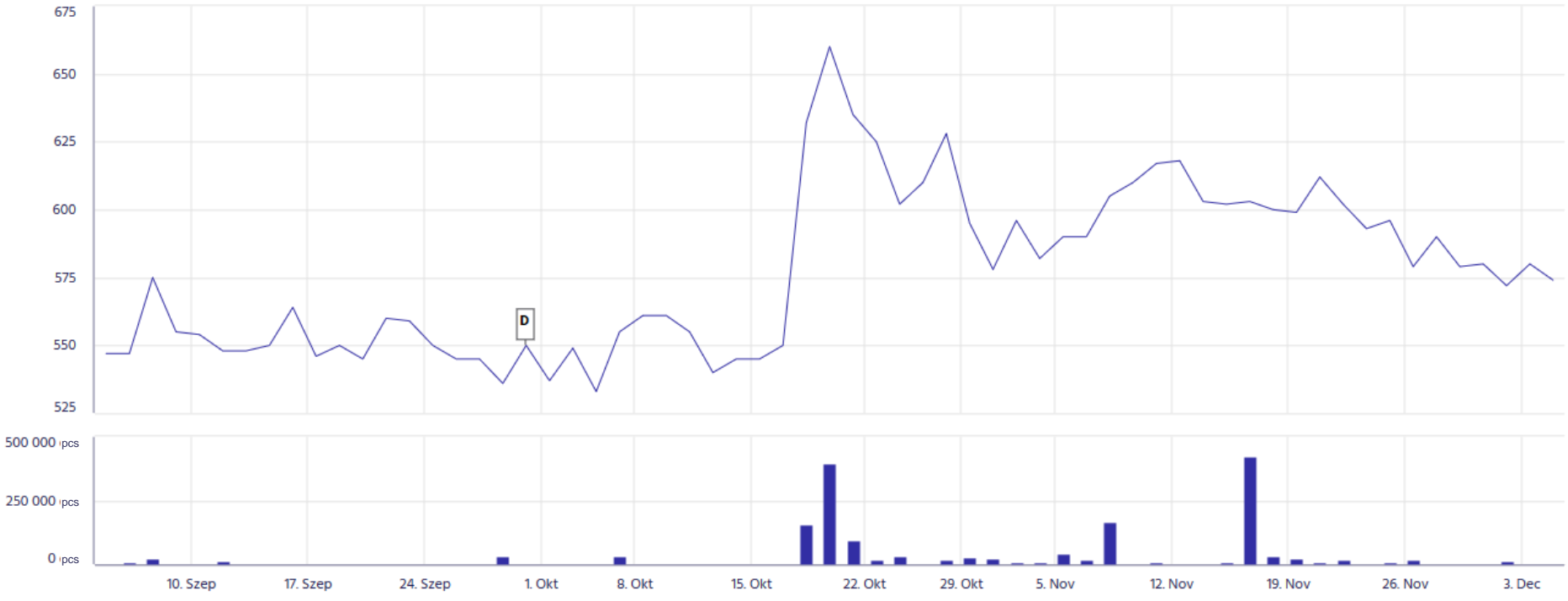
Strengthen communication

Increasing price higher trade volumes

Target is to attract capital



Share price and trade volume



Source: bet.hu



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GROUP-INTERNATIONAL**

Thank you for your attention!