

Wrocław, 16 November 2015

Selena: financial performance after three quarters of 2015

Selena Group – global producer and distributor of construction chemicals headquartered in Poland – after the third quarter of 2015 posted consolidated sales of PLN 759m. The net profit was PLN 20m, while the operating profit came in at PLN 43m.

Like in the previous quarters, Selena's performance was mainly influenced by currency fluctuations and the political situation in some regions. The Group reported an increase in sales in the **United States, Spain and Kazakhstan**. The Eastern markets – **Russia and Ukraine** – continue to be difficult.

As expected, the company has been steadily improving **its gross margin, which after the three quarters of the year was 31.5%, up 1.5 p.p.** year-on-year. This is attributable to the consistent development of the product portfolio, notably the increasing contribution of innovative products to total sales, the Group's procurement policy whereby it can achieve favourable commodity purchase prices as well as optimisation of product recipes.

*"We are aware that due to our long-term presence in emerging markets we are highly exposed to market ups and downs and to fluctuations of local currencies. The continuing crisis in Eastern Europe and reduction of the purchasing power and investment demand in the construction sector in developing countries have caused our sales to decline. However, the lower sales were largely compensated for by improved margins. Our margins have increased on the back of our consistent efforts in the area of Research & Development and the sourcing of commodities – said **Jarosław Michniuk**, the CEO of Selena FM SA, the parent company in Selena Group.*

In the upcoming quarters the company expects to keep its gross margin high. At the same time, Selena looks to increase its activity and sales in the developed markets, expecting a relative stabilisation in the Eastern markets.

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KOMUNIKAT PRASOWY

Selena Group is a global manufacturer and distributor of construction chemicals headquartered in Poland. Selena offers a broad range of products addressed both to professionals and individual users. The main brands are TYTAN, ARTELIT and QUILOSA. Selena is one of the world's three largest manufacturers of polyurethane foam used for installation of windows and doors. The Group's product range includes foams, sealants, adhesives, hydroinsulation products, insulation systems, fastenings and complementary products.

The Group comprises 30 companies in 17 countries across the world. The Group's manufacturing plants are located in Poland, Brazil, South Korea, China, Romania, Turkey, Spain and Kazakhstan. The global experience achieved in various markets helps the Group grow fast. It is that experience that allows Selena be innovative and create solutions that are adjusted to users' needs, in line with the Group's motto: "Together we deliver better building performance".

Selena Group received multiple awards in the most prestigious rankings. The company was recognised by the President of Poland Bronisław Komorowski in the category "Sustainable Success" of the Polish President's Economic Awards competition and received the accolade of "Teraz Polska" in the category "Foreign Investment". The highest quality of Selena Group's products and their innovative character are appreciated by the company's partners and customers alike, which is confirmed by the numerous awards and recognitions conferred on Selena.

In April 2008, the shares of Selena FM SA, the Group's holding entity, became admitted to trading on Warsaw Stock Exchange.

[See more details at www.selena.com](http://www.selena.com)

