



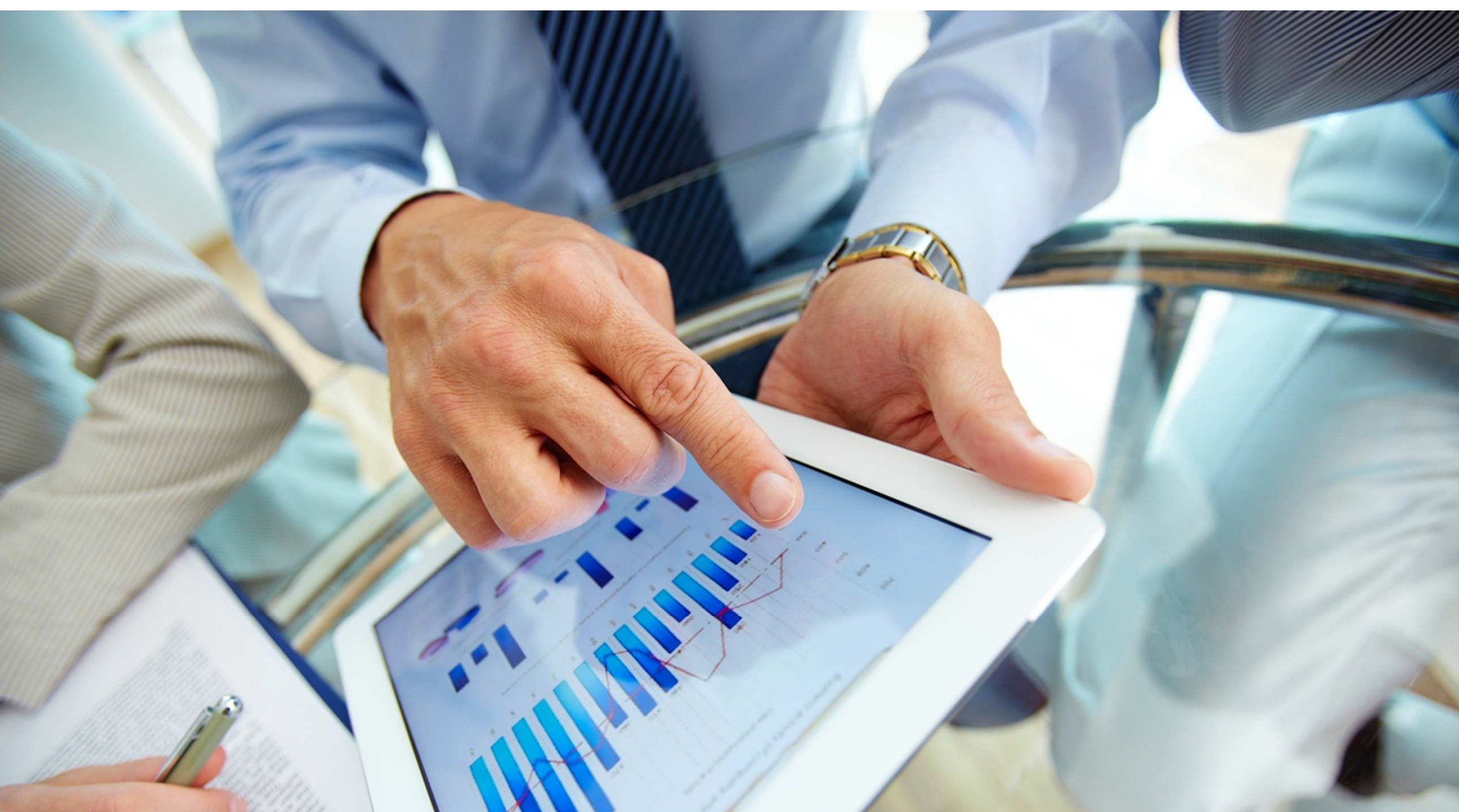
PRESENTATION OF RESULTS

Q3 2014

**GUARANTEE OF STABILITY**

 **ACTION**<sup>®</sup>

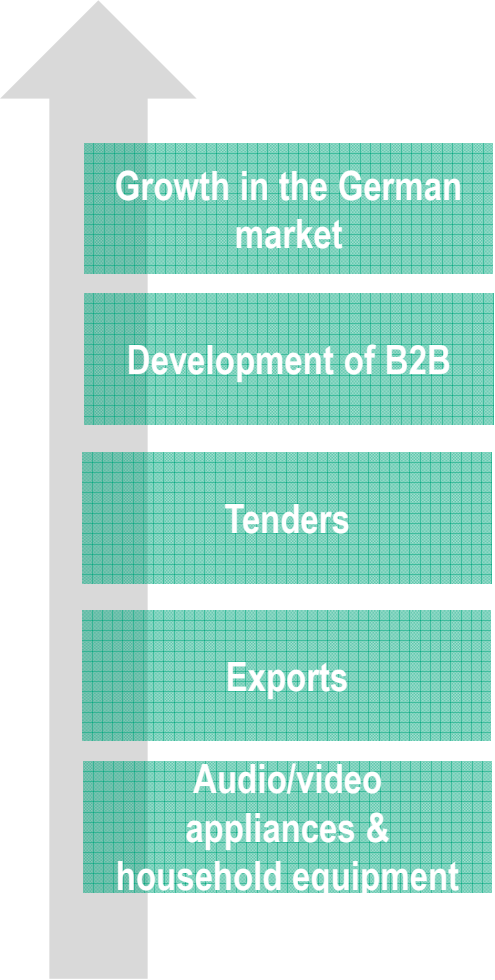




## Major events in Q3 2014

# Major events in Q3 2014

## GROWTH FACTORS

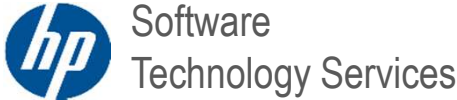


## MAJOR EVENTS

- Successful bond issue



- New distribution contracts



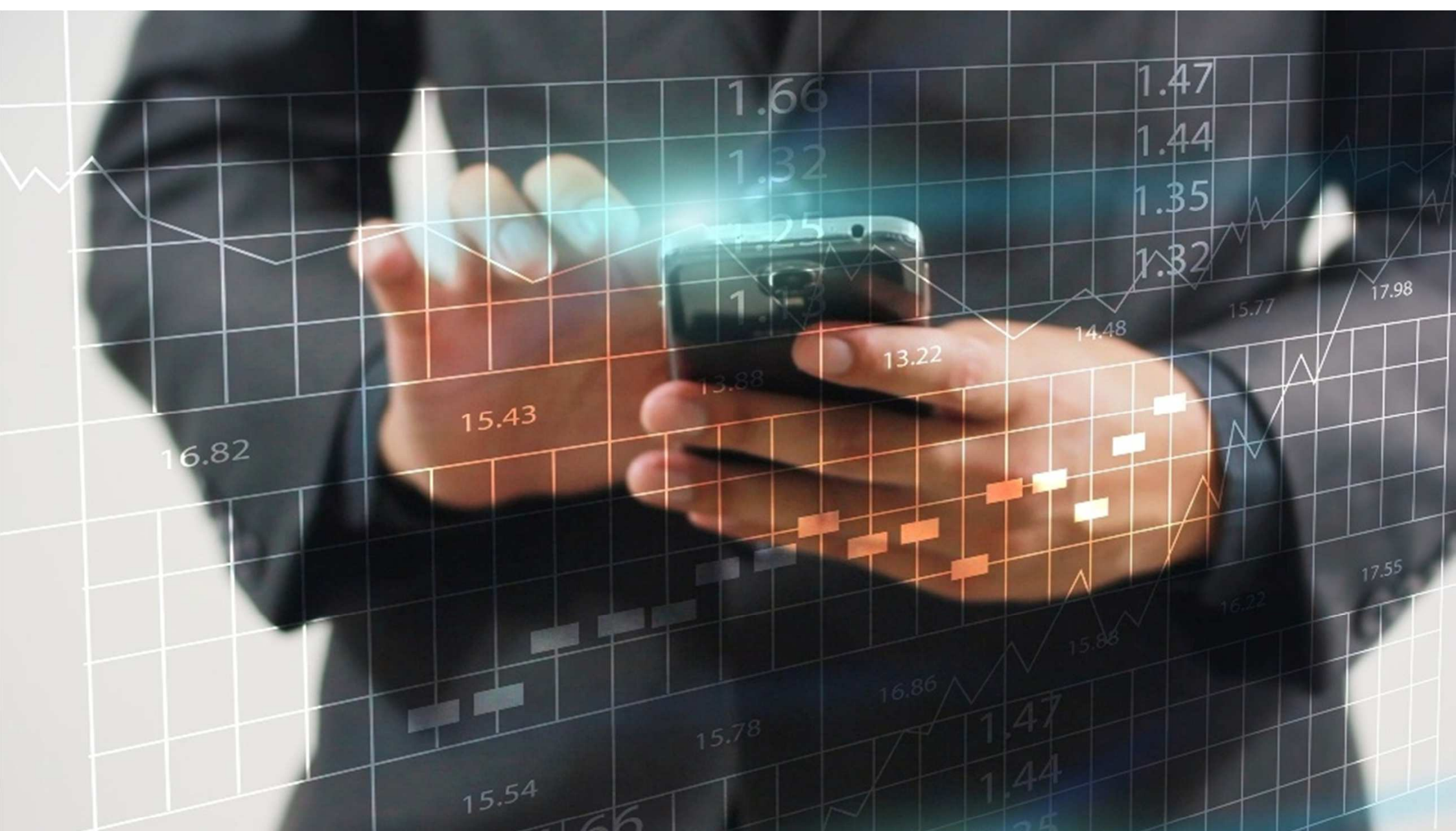
- Tenders



- Further contracts in the German market



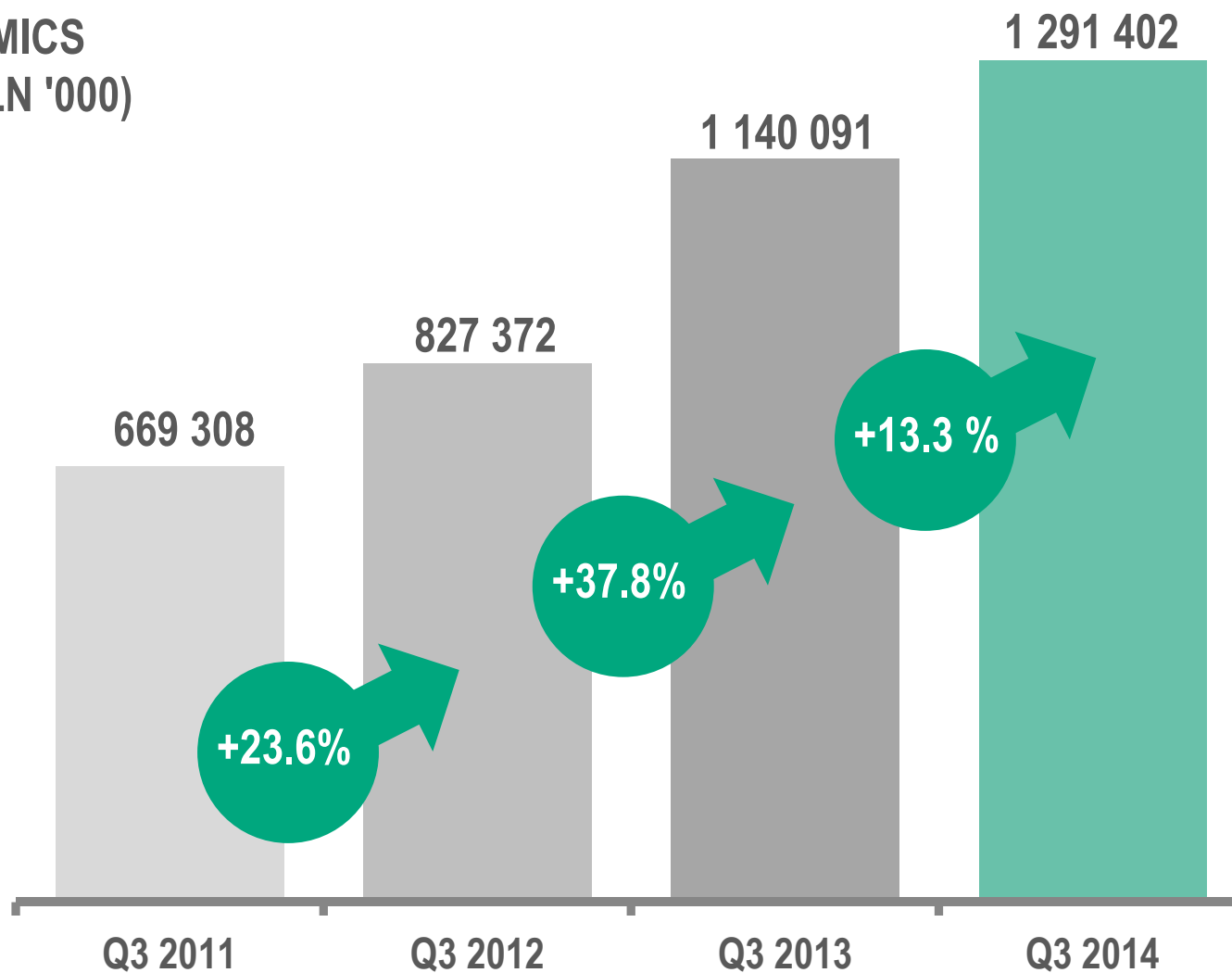




## Financial results for Q3 2014

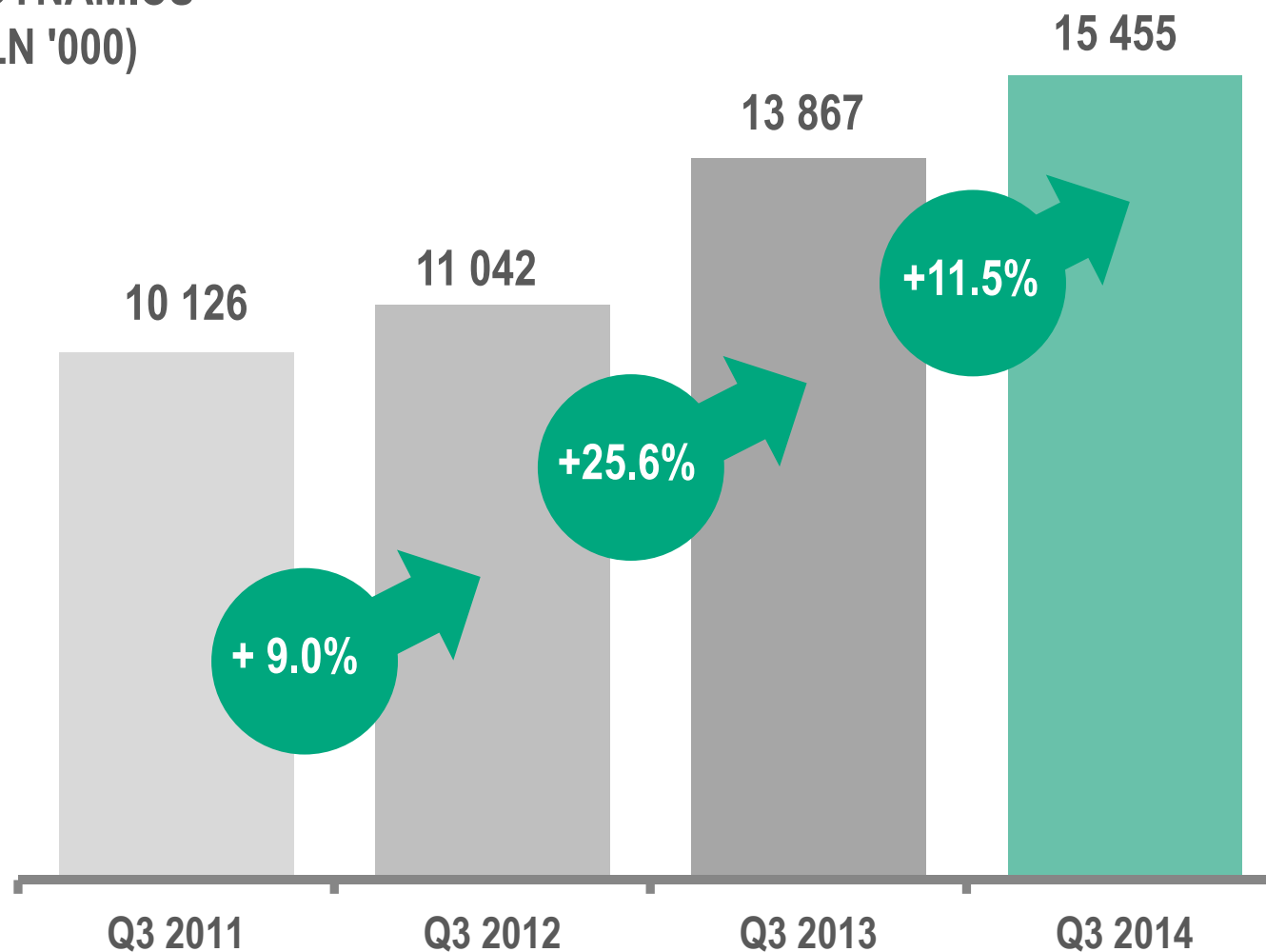
# GK ACTION Revenues

SALES DYNAMICS  
in Q3 2014 (PLN '000)



# GK ACTION Revenues

NET PROFIT DYNAMICS  
in Q3 2014 (PLN '000)



# Selected financial data of GK ACTION

	Q3 2013	Q3 2014	Change (%)	3 quarters of 2013	3 quarters of 2014	Change (%)
<b>Sales revenues</b>	1,140,091	12,91,402	13.3%	3,261,213	3,812,368	16.9%
<b>Gross profit on sales</b>	68,678	75,870	10.5%	197,883	228,907	15.7%
<b>Gross margin on sales</b>	6.0%	5.9%	-0.1 pp	6.1%	6.0%	-0.1 pp
<b>Sales and marketing costs</b>	-43,652	-47,758	9.4%	-121,265	-140,623	16.0%
<b>In relation to revenues</b>	-3.8%	-3.7%	0.1 pp	-3.7%	-3.7%	-
<b>General and administrative expenses</b>	-5,995	-7,763	29.5%	-18,874	-23,169	22.8%
<b>In relation to revenues</b>	-0.5%	-0.6%	-0.1 pp	-0.6%	-0.6%	-
<b>Other revenues and expenses</b>	-297	489	-264.6%	80	814	917.5%
<b>Net income on operating activities</b>	18,734	20,838	11.2%	57,824	65,929	14.0%
<b>Net finance costs</b>	-1,092	-1,787	63.6%	-4,083	-4,942	21.0%
<b>Net profit</b>	13,867	15,455	11.5%	42,237	48,626	15.1%
<b>Profit margin</b>	1.2%	1.2%	-	1.3%	1.3%	-

# Cash flows

	Q3 2013	Q3 2014
<b>Net cash flows from operating activities</b>	-39,820	29,493
<b>Net cash flows from investment activities</b>	-4,871	-19,437
<b>Net cash flows from financial activities</b>	58,268	63,820



# Cash conversion cycle

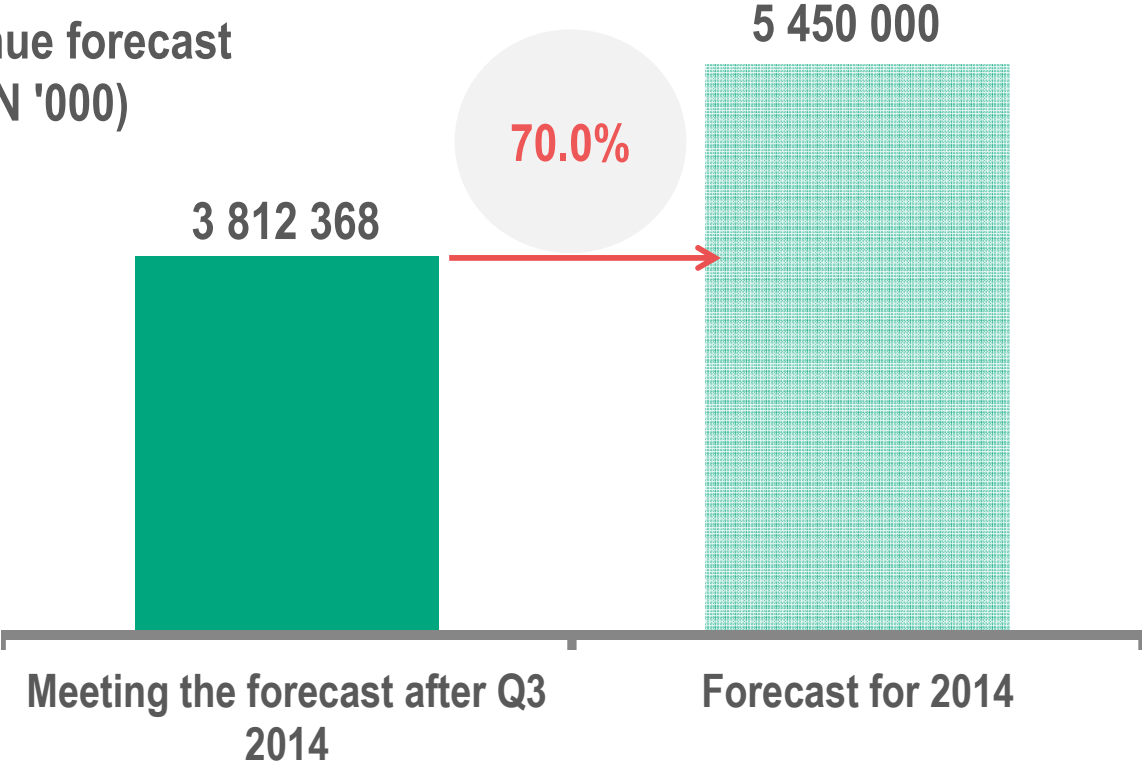
	30.09.2013	30.09.2014
Inventory turnover	32.5	31.1
Flow of receivables	40.7	37.8
Repayment of liabilities	55.8	50.8
<b>Cash conversion</b>	<b>17.4</b>	<b>18.1</b>

# Stock level management

	Inventory	Inventory turnover
Q3 2013	420,426	31.1
Q3 2014	387,143	32.5
Change	33,283	-1.4
Q2 2014	425,534	34.2

# Meeting the GK ACTION forecast

Meeting the revenue forecast after Q3 2014 (PLN '000)



Meeting forecasts by GK ACTION in previous years	
2012	2013
71.5%	70.1%



# GK ACTION companies and projects in Q3 2014



# Sales development of audio/video appliances & household equipment

## PARTNERSHIP PROGRAM: EXPERTS IN AUDIO/VIDEO APPLIANCES & HOUSEHOLD EQUIPMENT

- Another edition of the internal audio/video appliances & household equipment fair



- LFL sales growth by **7.3%**
- Intensive local marketing activities and sales promotion activities with the participation of producers



# Sferis specialist store chain

## GROWTH FACTORS IN SPITE OF DECREASING MARKET

- Developing a purchasing platform for Business Partners: [www.b2b.sferis.pl](http://www.b2b.sferis.pl)
- New website: [www.sferis.pl](http://www.sferis.pl)
- New payment methods: lease, instalments **PayPal™**
- Intensive marketing and sales promotion activities

**Kolor niech żyje!**

SAMSUNG 16 GB Samsung GALAXY Tab S + karta pamięci microSD 16GB SAMSUNG

od **1599,-** **SPRAWDŹ >** **SFERIS**

SAMSUNG

12:45

AKULID

SAMSUNG

**PRZEDŁUŻAMY WAKACJE CENOWE!**

Jesienią Samsung GALAXY S5 Mini i inne produkty w specjalnej ofercie!

Samsung GALAXY S5 mini  
Cena 1499 zł **SPRAWDŹ >**

**SFERIS**

**800** collection points

**159** partner stores

**20** own stores

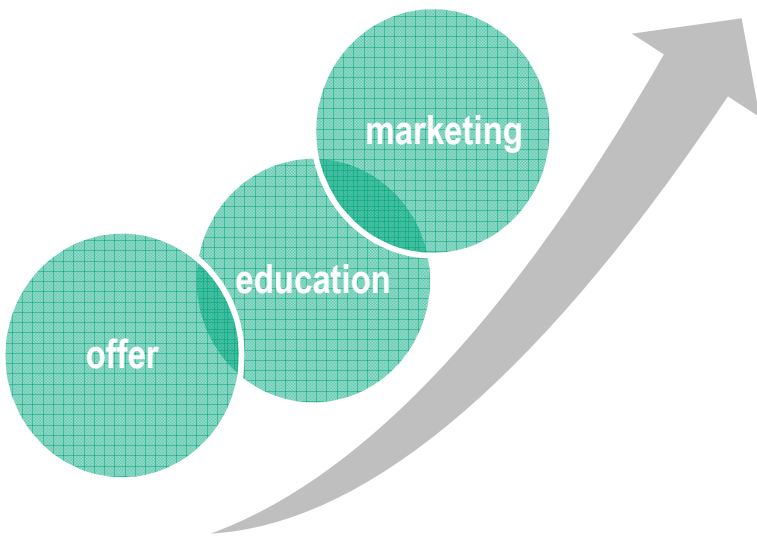
**33** island displays

**5.7%** SALES GROWTH

# Development of the dealer channel

## COMPLEMENTARY ACTIVITIES PROMOTING SALES

Support for partners in the business model evolution from reseller to modern integrator



 **ACTION**

### BROAD RANGE OF B2B SOLUTIONS



- Servers
- Clouds
- Digital Signage
- Storage
- LFD

### EDUCATION



- Workshops
- Road Shows
- Training
- We show how to generate services

### MARKETING SUPPORT



- Partnership programs
- Advertising materials

# ACTION Enterprise

## DEVELOPMENT OF ACTION ENTERPRISE

- New distribution contracts:



Full package of  
HP Enterprise  
solutions



- Full engineer certification in the scope of HP Enterprise and Eurolan
- Over **70%** turnover increase (Q3 2013 vs. Q3 2014)
- Nearly **770** unique customers



No. **1** for **FUJITSU**

No. **2** for **hp**



# Tenders and corporate sales

## TENDERS



The biggest super-computer in the history of Poland, i.e. Prometheus for the University of Science and Technology (AGH)



Wrocław Centre for Networking and Supercomputing



IT Centre for the Tri-City Academic Computer Network



Military University of Technology



Brzeźnio district



Court of Appeal in Kraków



Miasto Stołeczne Warszawa



Izba Celna w Łodzi



The total value of tenders awarded in Q3 2014

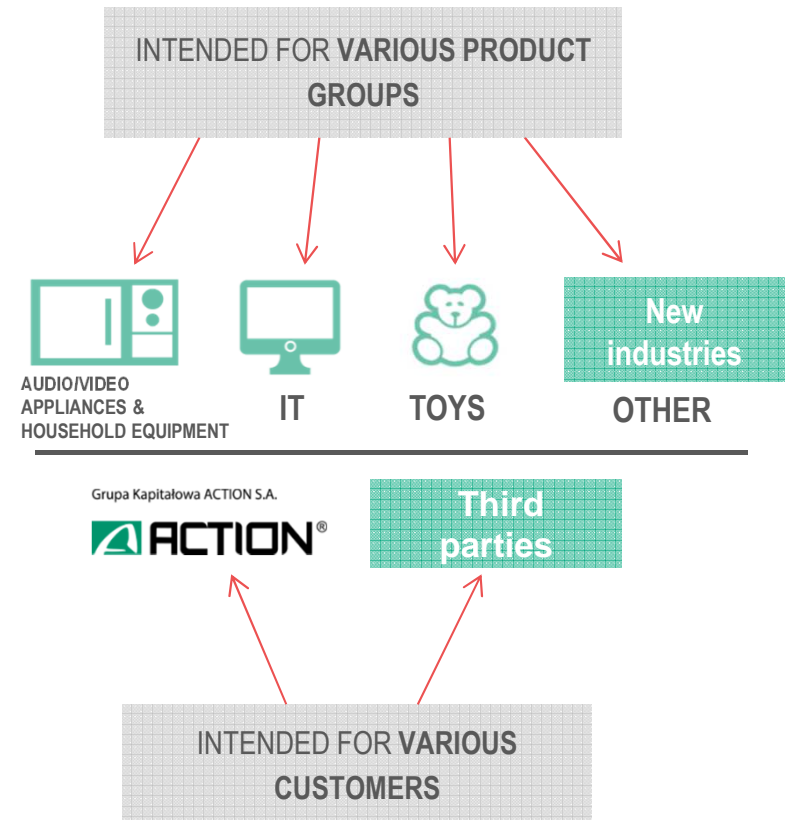
PLN **143 million**

# Expansion of the logistics centre

FIRST REPLENISHMENT DUE IN DECEMBER 2014



## UNIVERSAL TECHNOLOGICAL SOLUTIONS



- Warehouse capacity to reach **100 000** packets per day in Q1 2015





# International expansion

# Growth in the German market

## ACTION EUROPE

- Steadily increasing numbers of customers:
  - 4 unique customers
  - in 2,200 customers served per month

- Turnover:
  - € 25 million - turnover in Q3 2014

- Important distribution contracts concluded by the end of Q3 2014:





# Exports

## GRADUAL GROWTH OF EXPORTS



- ACTION S.A.  
The best Polish company  
in the category:  
Export/Import



- Over **60** product groups



- Deliveries to **44** countries around the world:  
Europe, US, Panama, Nigeria, Turkey, Cyprus, Armenia,  
Israel, Russia, United Arab Emirates, Hong Kong, and Singapore
- More than **500** large customers around the world

# ACTION Games Lab

## DEVELOPMENT OF MOBILE GAMES



ACTION GAMES LAB

- First mobile game  
Action Games - **Nelly's Puzzle Jam**
- Recreational logical game with an adventure storyline:
  - 5** worlds full of magic and ghosts
  - 11** unique modes
  - 100** different difficulty levels
- Available in **5** language versions: Polish, English, German, French, and Spanish
- **PLN 180,000** - development budget of Nelly's Puzzle Jam







**Active Jet**®

**ACTINA**®

 **Actis**

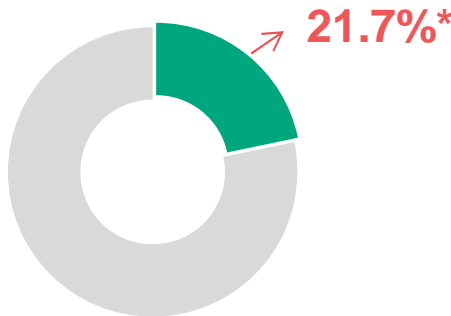
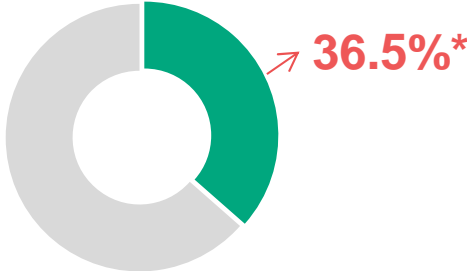
 **PENTAGRAM**  
POWERED BY ACTINA

Private labels

# Private labels - ActiveJet, Actina

## SHARE INCREASE IN SPITE OF DECREASING MARKET

- Increase in the quantitative share of the market of inks and toners:



\* IDC research results for H1 2014

## INTERNATIONAL EXPANSION



Intensive international expansion:

*Germany, Romania, Hungary, Croatia, Slovenia, the Czech Republic, Slovakia, Greece, Lithuania, Estonia, Spain, Belgium, Latvia, Russia, Ireland Bulgaria, the Netherlands, and Cyprus.*





## Directions in growth

# Gradual growth of activities

## GROWTH IN POLAND



## GROWTH IN EUROPE





# Thank you



Reliable partner:



GIEŁDA PAPIERÓW  
WARTOŚCIOWYCH  
w Warszawie



**REMONDIS**  
ELECTRORECYCLING

