

Current report 7/2011

Dated : 28.02.2011

Subject: Updated financial forecast for 2010.a

The Management Board of ZETKAMA announces the updates of the financial forecast for 2010 published on 03.02.2010 in the current report No. 5:

1. Separate forecasts for the year 2010 the Company ZETKAMA SA

In the sales forecast is increased to 95.9 mln zł. Increase sales due to higher than planned demand for valves and castings offered by the Company. Increasing demand for these products is the result of a gradual upturn in the economy and activity of marketing and sales of the Company.

EBITDA forecast is increased to a level of 9.9 million zł. Forecast net profit is increased to 3.7 mln zł.

Achieving an EBITDA and net income higher than initially expected is possible through increased volumes in sales, which generate additional gross profit from sales and cover the higher than planned costs of raw materials.

The original estimate of the Parent ZETKAMA SA as follows:

Sales revenue - 81,35 mln PLN,

Net profit - 3,47 mln PLN

EBITDA - 8,97 mln PLN

The revised estimate of the parent company ZETKAMA SA is as follows:

Sales revenue - 95.9 mln zł,

Net profit - 3.7 mln zł,

EBITDA - 9.9 million zł.

2. Forecasts for the year 2010 the Capital Group ZETKAMA SA

In the sales forecast is increased to 196.7 mln zł. the Sales increase the Group is made possible by higher than planned demand for valves and fittings provided by the parent company ZETKAMA SA Increasing demand for these products is the result of a gradual upturn in the economy and activation of marketing and sales of the Company.

Forecast EBITDA stood at 17.2 million zł.

Forecast net profit will be reduced to 5.4 mln zł. The causes of lower expected net profit is:

- lower than anticipated net profit is expected in the subsidiary of MCS Sp. z o. o. due to increased depreciation related to the higher value of fixed assets arising on final settlement of an organized part of the acquisition by the Company and the dynamics of a lower than expected revenues to increase,
- higher than originally projected interest charges on loans and foreign exchange gains
- higher than expected estimated income tax assets resulting from the termination of the Company's deferred tax ZETKAMA SA (end of the lease of Węgierska Górka) and its subsidiary ŚRUBENA UNIA SA

The original estimate of the Capital Group ZETKAMA S.A. is as follows:

Sales revenue – 180,81 mln PLN

Net profit – 6,59 mln PLN

EBITDA – 17,2 mln PLN

The revised estimate of the Capital Group ZETKAMA S.A. is as follows

Sales revenue – 196,7 mln PLN

Net profit – 5,4 mln. PLN

EBITDA – 17,2 mln PLN

Financial forecast has not undergone any auditor's assessment.

Legal basis:

art. 56 of the Offering Act