

Bistrita
15th of July 2010

The production capacities of all the companies part of Teraplast Group are located to Saratel

- ✓ *Politub, part of Teraplast Group, completed the relocation of the production capacities from Bistrita to Saratel. The company began in 2008 the construction of the new factory from the industrial park;*
- ✓ *Politub's production capacities from Saratel have a total surface of approximately 4.000 square meters, and the warehousing facilities have a total surface of over 13.500 square meters;*
- ✓ *The investments made by Politub to Saratel have a total value of approximately EUR 3,2 million;*
- ✓ *The relocation to Saratel and the new investments in technology generated a 20% increase of the production capacities;*

Teraplast Group, which includes the companies Teraplast, Politub and Plastsistem, operates all its production activities to Saratel, after all the companies in the Group finalized the relocation from Bistrita. The investments made in Saratel, by Teraplast Group have exceeded EUR 36 million.

After Plastsistem in 2007 and Teraplast in 2010, it was now Politub's turn to complete the relocation of the production and warehousing capacities from Bistrita to Saratel. The total investments made by Politub to Saratel have a value of approximately EUR 3,2 million, of which EUR 1,73 million were used for the plant and warehouse construction, and the rest of EUR 1,47 million were used to purchase new production equipments.

Traian Boancă, CEO of Politub: "We still have to invest approximately EUR 300.000 until the project is completed. This will consist of the construction of the administrative building and the furnishing of the exterior space. Most probably we shall make these investments when we sell the old location from Bistrita."

The old location from Bistrita has an area of 12.000 square meters, of which 2.000 square meters are production facilities and offices and 7.000 square meters of concrete platform. Politub intends to sell the whole surface, within the limitation of the actual market prices.

The new polyethylene pipes plant from Saratel has a total surface of 4.000 square meters, the relocation to this new facility allowing a 20% growing of the production capacities. Besides the production areas, Politub also has at Saratel a warehouse with a total surface of 13.500 square meters, and also an additional land of 10.000 square meters which will be used for future developments of production capacities.

The Industrial Park from Saratel has an area of approximately 200.000 square meters, of which 143.500 square meters belong to Teraplast, approximately 29.000 square meters are owned by Plastsistem, and the rest of 27.500 square meters belong to Politub, company member of Teraplast Group.

The first company of Teraplast Group, which began its activity in the industrial park of Saratel was Plastsistem, in the second half of 2007. Until the opening of the factory from Saratel, Plastsistem activity was to trade Teraplast's products. In 2007, Teraplast become the main shareholder of Plastsistem, with 70,42% of the shares, as the company was reorganized to produce sandwich panels. The investment made by Plastsistem to Saratel have a total value of approximately EUR 6,8 million.

In the first half of 2010 it was Teraplast's and Politub's turn to complete the relocation of all the production capacities from Bistrita to Saratel. The investments made by Teraplast have a total value of EUR 26 million. The investments include the infrastructure works, the new production plants construction, the technological equipment of the factories, either by moving the production lines from Bistrita, or by new production line purchasing, and also the construction of the logistics and warehousing spaces.

Until 2010, Teraplast Group was functioning into different locations, situated in the city of Bistrita. This fact generated not only operational difficulties related to the current activities of supply, distribution and administration, but also strategic problems, regarding the future developments of the Group according to the important markets evolution. The relocation to Saratel will solve the operational difficulties and furthermore it will allow the future development of the production capacities.

Teraplast Group relocation:

- Plastsistem – 2007
- Teraplast - 2010
- Politub – 2010

Details about Teraplast Group:

The Group Teraplast, including the companies Teraplast, Politub and Plastsitem, intends to become the biggest supplier of solutions and integrated systems in the fields of installations, constructions and decorating in Romania and an important player at a regional level.

The Teraplast company is the biggest entity of the Group, and the products portfolio of the company covers the all range of installations (less the heating and the ventilation ones), which allows Teraplast to sell complete systems of solutions. Teraplast's products are structured on nine systems, as followed: water supply system, exterior sewage system, interior sewage system, interior decoration and furnishing system, window PVC profiles system, PVC granules, terracotta tiles system, electric system and TeraGlass system (PVC and aluminum windows and doors). TeraGlass factory is the only production unit which will not be moved to Saratel, because it is already localized in the industrial zone of Bistrita and its positioning permits the future development of the business.

The company Politub produces PE tubes and pipes, of medium and high density for the transport and distribution networks of water, gas, but also for telecommunication, sewage or irrigations. Teraplast owns 50% of Politub, the other shareholder being the French company Socotub.

The company Plastsistem is responsible with the production of metallic structures and sandwich panels with polyurethane foam, Teraplast's ownership in Plastsistem being 72,15%. The company runs its activity in the Industrial Park from Saratel, since 2007.

Starting from July 2nd 2008 the company Teraplast is listed at The Bucharest Stock Exchange under the symbol TRP, and from April 2009 the company has been included in the composition of the index BET-XT. The company's main shareholders at the reference date December 31th 2009, are Dorel Goia (34,27%), Emanoil Viciu (15,12%) and SIF Banat-Crisana (11,39%).

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