

... every single detail

## **Discussions with Investors *Leveraging Opportunity***

**September 2007**



## Agenda

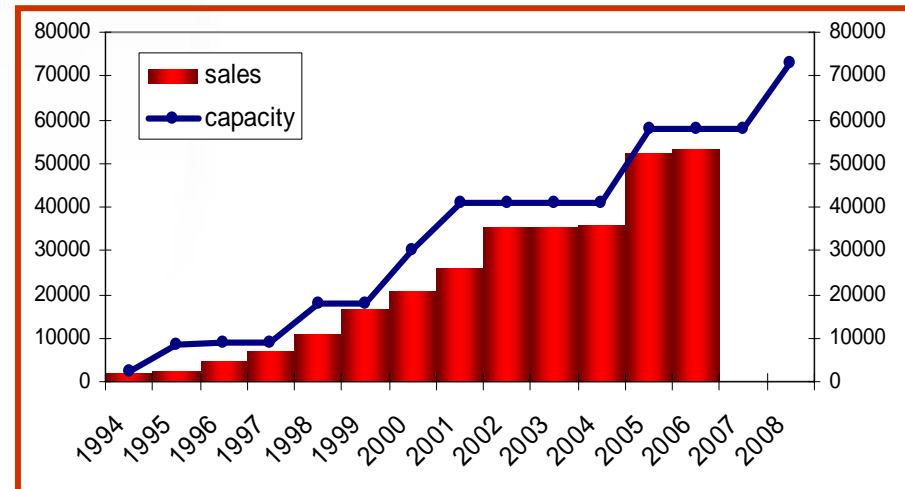
1. Overview
2. The Market & Products
3. Meeting the Need
4. PEGAS' Strategy for Success

## Overview

- 17 Years in the Business (1990)
- 380 Employees
- 8 Production Lines
- 70 000 tons Production (2008e)
- Product: Synthetic Nonwoven Textiles – Spunbond PP/PE
- Application: Hygiene and Industrial Products

## Annual Sales and Capacity

Source: Company Data



## PEGAS Products

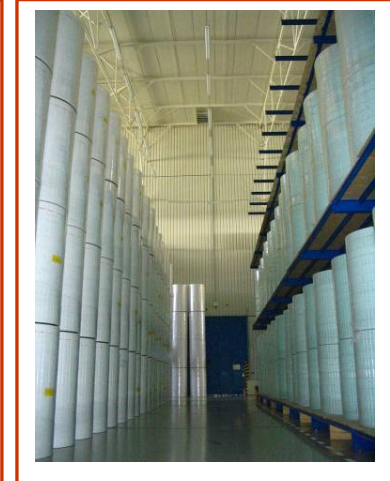
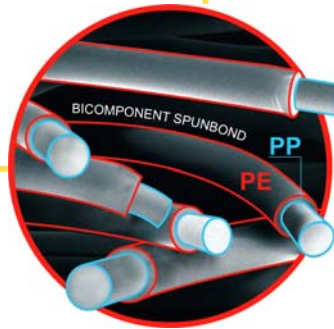
### Nonwoven Synthetic Textiles:

- Hygiene (87% of production)
- Baby Diapers
- Feminine Hygiene
- Adult Incontinence
- Anti bacterial textiles for Medical
- Resistant textiles for Industry
- Furniture
- Agriculture
- Filtration
- Wipes



## Meeting the Need

- Close cooperation with customers to identify and develop new products
- Continuous Development
- Highest Quality
- Regular Increase in Production Efficiency
- Competitive Pricing
- On time delivery in significant capacity
- Flexibility

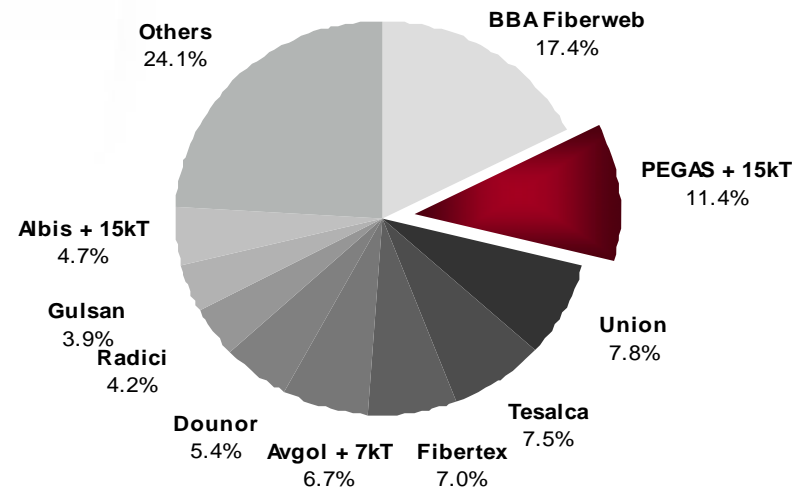


## The Market

- Nonwoven Synthetic Textiles
- Market Consists of Commodity and Specialty Products
- Pegas Focuses on Hygiene and Specialty
- Highly Competitive Industry
- 10 Players in Europe
- 11% Share in Spunmelt NW
- 19% Share in Hygiene Spunmelt Nonwovens

Source: Company data, EDANA, John Starr

### 2008e European Capacity Share



## The Pegas Strategy

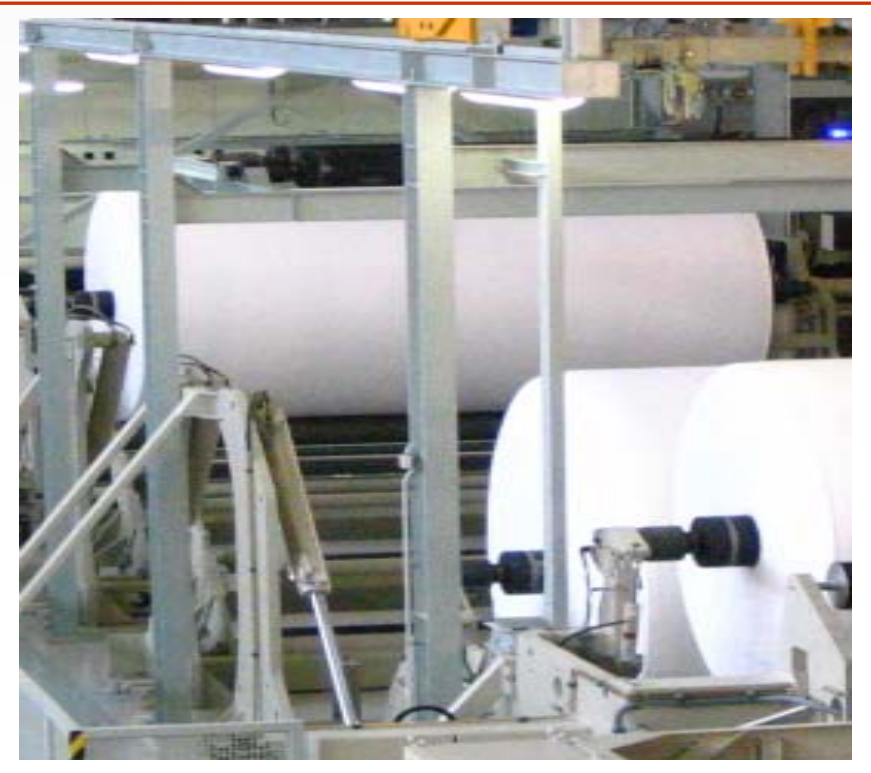
- Innovation in Technology
- Investing in People
- Optimal Location
- Financial Expertise
- Experienced Management
- Utilizing our Strengths
- Leveraging Opportunities

Growing Market Share  
Revenue & Production Growth  
Profitability



## Innovation in Technology

- Research and Development
- Regular Investment in Cutting Edge Technology
- Increasing Capacity
- Increasing Production Efficiencies
- High Quality Products
- 8<sup>th</sup> line - Additional 15kT in 2008
- 9<sup>th</sup> line – Project in progress





## Investing in People

- Keeping Experienced Employees
- Motivating our Employees
- Internal and External Training
- Maintaining Reputation for Serving and Communicating with Customer
- Strong Management Team



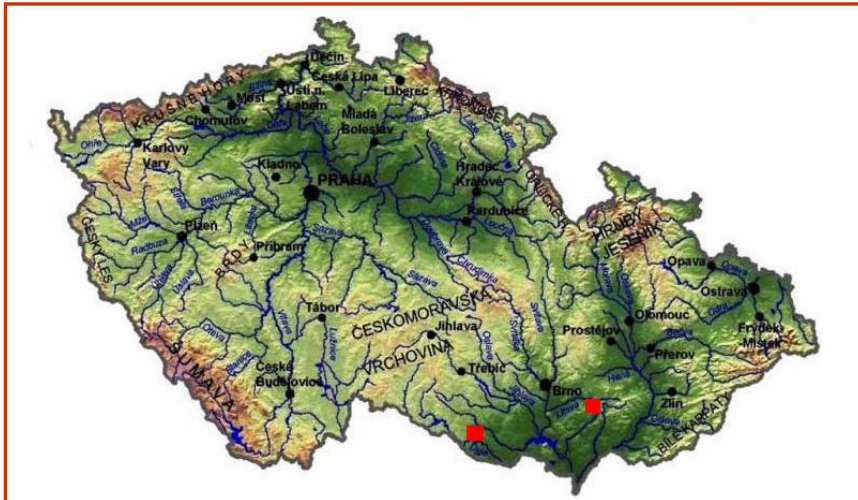
## Experienced Management

- Stable – avg. 11 years with Pegas
- Young & Ambitious – Avg. Age 39
- Forward Looking
- Proven Industry Track Record
- Fellow Company Shareholders



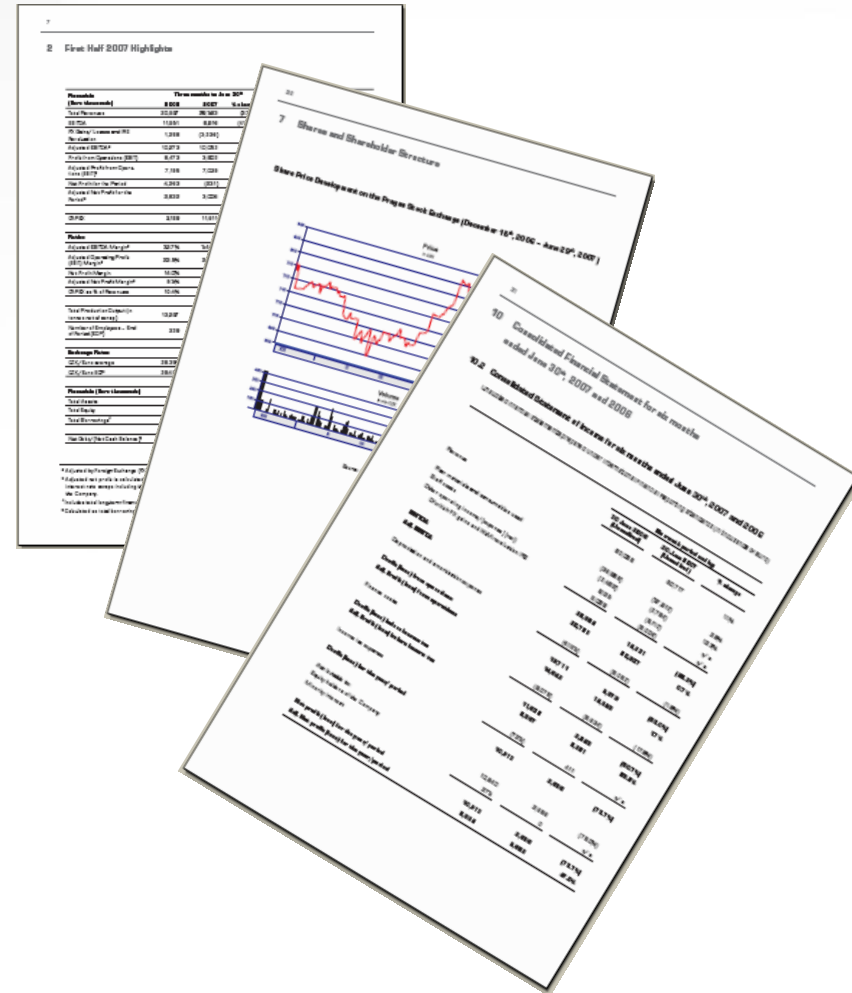
## Optimal Location

- Central Geographic Location
- Low Cost Production Area
- Room for Expansion
- Infrastructure
- Government Incentives



## Financial Expertise

- Tight Business Cost Controls
- Margin Management
- Financial Resource Management
- Access to Capital
- Raw Material Cost Transfer



## Utilizing Pegas' Strengths

- Technical & Technological Know-how
- Market Knowledge
- Leading Product Range
- Singular Financial Performance
- Long-term Relationships



## Leveraging Opportunities

- Wide Range of Markets
- New Markets
- New Technologies
- New Talent
- Potential Acquisitions
- Installation of New Capacity

## New 8<sup>th</sup> Line Project

- Most Advanced Reicofil® Line
- Investment of EUR 40 mil
- Increase in Capacity of 28%
- Ultra-light Hygiene / Medical
- Hygiene Market Share to 19%



## Investing in Pegas

- Solid returns in a non cyclical industry
- Strong Cash Generation for
  - Dividends
  - Expansion
  - Acquisitions
  - Debt Reduction
- Technological Leadership
- Experienced, Respected and Knowledgeable Management
- Powerful Competitive Advantages
- Growing Market



# Reporting Schedule & Investor Relations Contact

## Reporting Schedule

**9M 2007 Results: Nov 29<sup>th</sup>, 2007**

## Investor Relations Contact:

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# Thank you for your attention

