

**Warsaw, 2005-02-08**

### **Public offering of ZETKAMA FAP S.A. shares**

The company Zetkama Fabryka Armatury Przemysłowej S.A. from Kłodzko issued today a prospectus of shares public offering. Funds gained from the shares issue will be first of all designed for investments related to increase of production capacity of the fittings plant. The company plans to assign for investments till year 2008 totally 30-40 million PLN, part of which will be possessed from shares issue.

### **Data related to shares public offering:**

Within the Public Offering of shares of the company Zetkama Fabryka Armatury Przemysłowej S.A. there are offered:

- 850.000 shares of Series C (new issue) and
- 1.666.320 Sale Shares (shares being sold by the Central Europe Valves LLC – fund from the Riverside Group).

In the Institutional Investors Tranche there are offered 850.000 Shares of Series C and 1.000.000 of Sale Shares, and in the Individual Investors Tranche there are 666.320 Shares offered.

The CDM Pekao S.A. is the subject offering. The shares in the individual tranche will be offered by 97 customer service offices of the CDM Pekao S.A.

### **The schedule of the offering**

<b>Item</b>	<b>Title</b>	<b>Date</b>
1.	Issue of the prospectus	8.02.2005
2.	Announcement of the price range	16.02.2005
3.	Preparing of the demand book in the institutional tranche	17-23.02.2005
4.	Subscription of shares in the individual tranche	17-23.02.2005
5.	Announcement of the issue price	24.02.2005
6.	Subscription in the institutional tranche	24-25.02.2005
7.	Planned debut in the Stock Exchange	1 <sup>st</sup> half of March 2005

## **Purposes of the issue**

The main purpose of series C shares issue are investments connected with increase of production capacity of the fittings plant and realization of tasks related to environment protection.

The purpose will be achieved by purchase of machines and appliances and expansion of production and warehouse space in Ścinawka Średnia. The company plans to assign for the mentioned purpose 19,4 million PLN.

“Thanks to the funds gained we want to realize an investment plan which, by increasing our production capacity, now used in nearly 100%, will allow for widening the range of offered fittings and increasing share of products with high added value. The expenditures are planned in range of 30-40 million PLN, part of which will come from shares issue, another part from our own funds and bank credits”. - says Leszek Jurasz, President of the Board of Zetkama FAP S.A.

## **General information about Company Zetkama FAP S.A.**

Zetkama Fabryka Armatury Przemysłowej S.A. is a manufacturer of high quality industrial fittings and iron castings, used mainly in fittings branch. Products manufactured by Zetkama are known all over the world. The company possess the leading position in Poland and countries of Central-Eastern Europe. 75% of company income comes from export sales. Initial results for year 2004 show income of 72,7 million PLN, the operational profit increased by amortization (EBITDA) amounts to 8,5 million PLN and net profit amounts to 2 million PLN. The company plans to gain income in 2005 at the level of 78 million PLN and net profit of 4,1 million PLN. In 1999 the majority of shareholding in the Company was taken through purchase of the existing shares and increase of shares capital by the financial investor Central Europe Valves LLC owned by one of the leading American private equity funds Riverside.

More information about the Company may be found in the website [www.zetkama.pl](http://www.zetkama.pl)

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