

Ladies and Gentlemen!



Marek PODGRODZKI
Chairperson

In this issue:

- Latest news
- Metalpol in our Community
- Computerisation of the Company
- HR Current Event
- We are all tradesmen

The winter is nearly over, however we all feel quite tired of it and we're looking forward to seeing the spring coming for good. But let's put worries behind, as we can be sure that fairly soon we will be coming across flower buds and fresh leaves reaching out for the nice, warm sunbeams. Henceforth, just a small step away from being embraced by the colours of the spring optimism! The winter hasn't frozen the will of the Board of Directors which is consistently marching towards modernisation of the Factory, neither has it slowed down the efforts of the departments dealing with the progress and improvements made to the Company. Within the period of the last week, the Department of Machining and Fittings has been going through modernisation and reorganisation process. There have also been some considerable changes made to the Melting Department, as well as to the DISMANTIC Foundry Moulding Plant. For further information, see the article "What's new about investments".

The modernisation means not just new machines and devices, but it is also the computerisation process taking place in all main fields of our Factory. For further details, see the article by Włodzimierz WALASZEK, the Economic-Finance Director, titled: **"Where are we headed within IT field"**.

Except for the production and trade activities, METALPOL is also fully aware of its role in life of the community and its social surroundings. Hence our decision targeted towards popularisation of the Company amongst the youngest members of our community. Therefore, we've decided to support financially those most talented ones who are in need for financial incentives in order to continue their education. For further details, see the article by Monika KĄKOL, titled: **"METALPOL for Community"**.

The very significant and absolutely worth reading and reflecting upon is the article by our Trade Director Grzegorz SKRZYPEK **"We are all tradesmen"**. The title genuinely refers to the very truth about some fact of life concerning the Factory. That it is due to great performance of our workers dealing with their daily duties that we can offer and sell our products and therefore receive proper price and maintain revenues enabling to reward METALPOL Workers with decent salaries.

We should always bear in mind that it is the Client who employs us all and eventually pays our salaries.

Therefore, I am calling upon all of you to summon and help our Trade Department and its Director in the following activities: to technologists, so that you maintain your creative attitude and remain punctual in start-ups; to production workers, so that you guarantee excellent quality and image of our products; to administration workers, so that you ensure the production planning and supply of products arriving at the clients always on time; and to all of us, so that our efforts help maintain the image of the Company motivating our Clients to further progress in mutual cooperation, as well as to get a message across to all new entities in order to gain their interest and will to become our new partners.

Let us all understand we are tradesmen, as such attitude will strengthen the cooperation among all departments around the sales centre within our Company, so that we could successfully develop the distribution of our excellent products.



Easter is just around the corner, so on behalf of the Board of Directors, Board of Trustees and myself I would like to wish you and your families and friends all the best, may the Easter egg remind you of love and bring health and happiness, hoping the weather will be as good as possible for this time of year.



METALPOL for the Community – scholarships for the young & art contest for children.

The history of our factory dates back into XIX century. Those, who worked in METALPOL were our great-grandfathers, grandpas and parents. Without the shadow of a doubt the Factory is well known to each of us, both among young and older generations. We would be more than happy to make the youngest of us get to know our tradition and current situation, so that in the future they would feel like joining the constantly developing METALPOL team.

Accordingly, we have organised a contest for the teenagers and children, in which they might have the opportunity to present their artistic talent through works of art focused on the following subject: the Foundry. Another goal of the contest would be the popularisation of the Company. Even though the deadline for the works delivery hasn't expired yet, the contest has already gained massive interest and popularity proving a definitely positive approach among our children and teenagers towards the Factory.

We have also decided upon promoting the most capable Węgierska Górka pupils and students, whose dreams are to continue their education, but who may not afford to take up higher studies.

Consequently, METALPOL Board of Directors have decided upon setting up the annual tradition of granting at least two scholarships for those, who would like to take up studies at:

- Akademii Górniczo-Hutniczej w Krakowie lub też w innej równoważnej uczelni technicznej na kierunku związanym z odlewnictwem, obróbką metalu, konstrukcją maszyn itp. - jedno stypendium;
- Any type of university: one scholarship granted.

The conditions to be fulfilled in order to be granted a scholarship for the graduates from Węgierska Górka are as follows: predominantly excellent school grades and results, but also such evidence of being involved in local activities, as Scientific Olympics, social initiatives, sports achievements, literature, arts, etc. All the detailed information on terms and conditions of the "Rules of the Scholarship Grants" will soon be displayed on the www.metalpol.com web site.

The scholarships will cover for the time of studies, providing the particular terms and conditions are regularly fulfilled.

METALPOL will also guarantee the scholarship holders studying at technical universities the traineeships necessary within particular fields of studies. We will also offer permanent job contracts to the following holders, either within the Company, or at its subsidiaries.

You can apply for the scholarship until 30th April 2013, and the official award ceremony to the first scholarship holders will take place during the celebration of 175th anniversary of the Foundry, on 2nd August 2013.

We are entirely certain the scholarship holders will make great future METALPOL Engineers, Managers and Directors!

Monika KĄKOL
HR Specialist

On the investment front

It's been three months since the last publishing of the Info Metalpol Magazine. One may have an impression that the current moment, being the beginning of the year and the winter period is the time of stagnation, moment of looking out for the spring and waiting for "better times". In fact, quite the opposite - our investment ambitions consider several serious targets.

As it was said earlier in the December edition of the magazine, there were plans to launch right at the beginning of the year the most advanced and the only one so far in Poland - high pressure fittings and cast profiles testing station.

As you can see in the photo, Mr Antoni Bułka, the Department Manager is enthusiastically presenting to our clients the advantages, features, specification and testing characteristics which can be examined by means of using the station devices. Currently, we are able to perform high pressure tests of the many parts for their endurance against water and gas, all according to strict Polish and European norms and standards. Our domestic and foreign clients, as well as auditors who confirm the quality of our profiles and gate valves are all under considerable impression of the control level encountered on the premises of the Factory

Similar modernisation works has been carried out for the assembly of gate valves and hydrants stations. The stations have been improved in terms of work organisation thanks to the assistance of Control and Machining Department workers.



We've had a genuine satisfaction in the fact, that after many years of stagnation in investments the fields of machining, assembly and high pressure testing of fittings and profiles, the machines and devices we have at our disposal are in many ways equal, if not outperform the competition, being definitely up to the latest European standards. Currently, we are fully capable of manufacturing fittings fulfilling the strictest criteria and consumers requirements.

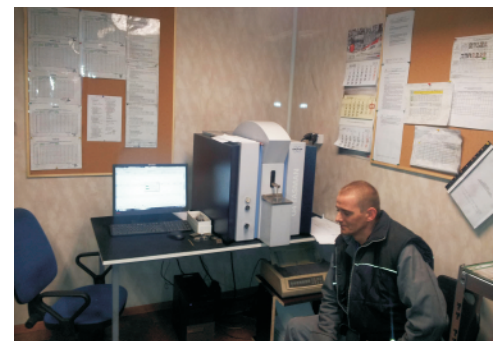
The other significant and worth mentioning common achievement is a thorough change to the method of storage of foundry tooling at the DISAMATIC line. In order to achieve that goal the complete modernisation of the space directly adjacent to DISA mould casting room has been conducted, the all new concrete floor has been laid, as well as new lighting and heating system has been installed. The utility room has been fitted with the set of high storage shelves altogether with the battery-electric truck to operate the shelves. The following Model Warehouse marks a step in development in order to improve work organisation, conditions and improved image of the Company.



As announced before, in February we launched the functioning of the new utility rooms located on the premises of the melting department, beside the electric iron making furnaces.

The three following utility rooms have been completed:

- the room for preparing and grinding samples, used for examination of the chemical content of melted iron
- the room used by Melting Foremen dealing with controlling and testing procedures by means of using our cutting edge spectrometer
- chill room, used by Melting Department workers for relaxation



Henceforth, the Melting Department workers are taking full responsibility for the specification and the quality of the melted iron, adjusting the parameters for particular products before sending them for further processing on DISA and BMD melting lines. The lines are also locations, where all the quality documentation describing that particular process is filled up.

The chill room is the area enabling workers to relax, yet keeping them in constant touch with all the working machines and the ongoing processes, as well as communicating them with all the supervisory staff.

Each utility room has been equipped with air conditioning, which considerably improves the overall comfort of work.

Our plans for the nearest future include the completion of the second stage of the factory fencing, construction of noise panels around the cool storage, as well as starting up a cutting edge iron castings machining device.

Jan Jurasz
Technological-Production Director



Before the assembly of the new high pressure testing station, we had laid a new floor on the whole area of the assembly room, as well as on the fittings, hydrants and cast profiles room. Additionally, our Maintenance Workers created and performed an entirely modernised station for testing high pressure under- and over-ground hydrants.

Where are we now, and where are we headed ...in IT!

The computerisation of our Company means not only the effort of implementing the integrated INFOR Syteline system. So far, this is the biggest and most expensive computerisation enterprise, encompassing such domains as purchase, sales, accounting, finance, costs planning, production assessment and planning, human resources and salaries, as well as customer relations and all new projects management. The complete computerisation of the Company still needs to include few certain fields which must be carried out by means of using the knowledge and expertise of our workers. One should bear in mind that the best results can be only achieved by combining expert knowledge of computers and thorough understanding of the Company's internal functioning and insight into ongoing processes.

Great majority of employees, department W-2 workers in particular, have already gotten to know with the variety of information regularly displayed on the DISAMATIC monitor. The monitor displays current information concerning proceeding processes and accompanying results. The information is provided altogether with the results received through measurements taken during 2 previous shifts. Therefore, the operation of the machine in real time enables observation both the current work efficiency of the line, but also providing comparative read outs in reference with two previous shifts.

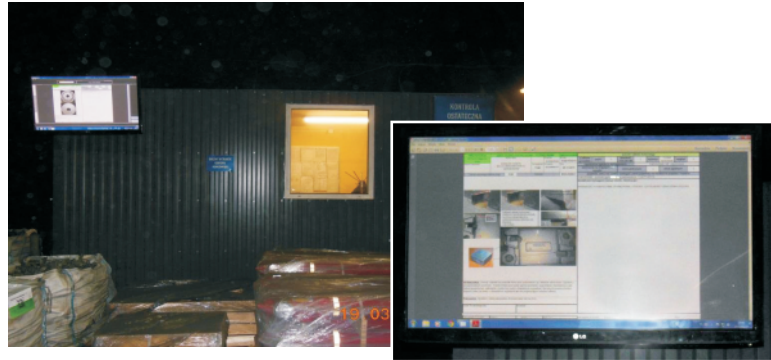
In the nearest future, the very same IT system is also going to be installed on the BMD line.

Several meters away from BMD line, we placed and started up another information support system, i.e. final control system. Currently, Mr Piotr Czapczyk (who we hope will soon be accompanied by one more person) performs the reception of ready iron castings, while using considerable help from read out displayed on a big, easily visible monitor screen. Moreover, this working station is the second one in our Company which utilises remotely controlled bar code scanner. Such device is shortly going to be widely used at most working stations for individual pieceworks system. Obviously, one may ask what advantages can be gained by using the following solution.

To answer the question one must realise the way in how the system in question improves the processes in progress, i.e.:

- firstly, the final control operator identifies the product using the bar code scanner
- secondly, the operator receives the final control card precisely describing the directions towards the final control of castings
- next, the operator can remotely receive read outs of all criteria for the manufactured castings, and from such position he may release the product to be shifted to Finished Product Storage thanks to which he does not have to "run and check it himself" to the room equipped with the computer system
- all the information on the product reception or release for the warehouse are carried out on a regular basis, in order to be sent to sales stuff, as well as to other department, i.e. production services, NKJ and Sewage Treatment Plant maintenance team.

The above improvements considerably help to perfect the final control process, speeding it up and giving the visiting clients vivid visual confirmation of the control quality achieved in the Company.



Apparently less spectacular, yet much more technologically sophisticated IT systems have been implemented on W-2 department in order to operate and present accounts of the daily works. In March, the system of balancing and calculating salaries of Core Shop W2 workers has been launched. As a result, the manually calculated job cards in use for the dozen or so years have been completely eliminated, eradicating the risk of errors made in this respect.

In the months to come, the following reporting and salaries calculating system will be implemented on the remaining departments, i.e. DISA/SPM, OCC, BMD, Melting Shop and Sewage Treatment Plant. Each worker will hold their personal, digital Job Card, all stored on Company's server, thus keeping track of all their work history.

The final component of the following system will include the computerisation of the W4 Department. The Digital Job Cards will link the piecework pay system used in particular departments with the integrated HR salary system TRAX.

It's worth mention that the Final Control system and the more elaborated salary system both account for just a part of the computerisation enterprise taken up by the Company. Both systems are utilising some parts of the technological base (as for today, still in paper form), currently in progress to eventually create the visualisation of technological processes taking place on most working stations.

However, that story is to be continued.

Włodzimirz WALASZEK
Economic-Finance Director

HR Current Events

Within the process of the everlasting and dynamic changes, our Company still remains in need for the professional supervisory specialist and legal advice of a person with many years of experience. After Barrister Andrzej Jagła retirement, the following responsibilities have been delegated to our new Legal Advisor. His main duties include looking after all main aspects of the functioning of the Company, all by means of giving expert advice.

Maciej OKRZESIK Legal Adviser

Mr Maciej has graduated from the Law Department at the Silesian University in Katowice. Afterwards, he served his pupillage and afterwards successfully passed his final exams. Mr Maciej's current experience are focused mainly around running his Law Office in Żywiec, offering comprehensive services to companies and private persons.

Working at the law office provides satisfaction and knowledge necessary for daily advice within all aspects of legal issues, resulting in positive effects on work quality and job performance efficiency. Mr Maciej is entirely certain his expertise and professional skills, as well as his involvement in all his tasks will positively contribute to further development of our Company. His professional experience gained through many years of his professional routine will translate into providing diligent and fully reliable legal advice services.

In his private life, Mr Maciej is a happy family man. In his free time, he studies history and literature, but he is also fond of sport activities.

Monika KAŁOL
HR Specialist

We are all tradesmen...

Keeping sales on a satisfactory level, as well as the development of its volume hugely depends on workers.

To achieve the above targets, all the actions towards success must consider the mission of the company, as well as full participation of every single department and all the workers, notwithstanding their position, be it a maintenance, administration, production or technology.

Each worker should keep in mind that thinking how to sell and fulfil the customers' needs depend also on their individual input. Such domains as the image of the company, PR, production, punctuality of supply, quality, appearance of products and packaging must be seriously taken into consideration...

In order to get all employees involved into the progress and development of the Company, Sales Department is constantly looking out for chances and opportunities of gaining new clients. At the same time, the Department looks after proper relationships with current clients, both those who have been with us for short and also our long time partners.

At the end of the last year, the executives of our Factory set up a joint-venture company in Great Britain in order to enter new markets, focused mainly on the British and the neighbouring markets. The newly created company has been given a name METALPOL UK LTD and is mainly active in fittings business. The company is also trying to gain clients present in the construction machines, railway and agriculture field.

At the beginning of the year, several business meetings, both in the headquarter as well as at our clients' location took place. We are constantly visiting and discussing with potential and current clients. We are also implementing projects in cooperation with well known companies representing famous brands in Europe and the global market. We are also regaining clients in the field of fittings located in North Africa, so unfortunately lost during the last global economic crisis. Such actions create opportunity to enhance market share and diversify the products offer.

The presence in certain industrial fields, as well as the possibility to strengthen cooperation with particular clients quite often require having particular certificates, attestation documents and quality admissions. At present, we are undergoing WRAS certification procedure. The following certificate should open doors for our fitting products on the British market. We have also passed certification procedures ZIK, valid on the Croatian market, as well as ICM certification allowing for our fitting products to be sold, distributed and implemented in water supply systems in Italy. Besides, our products have been given a green light in gas supply systems on the Italian market

Shortly before these words have been written, we underwent an audit procedure for production capacity, ordered by one of our clients, i.e. CATERPILLAR.

We have positively passed the test, however to be able to fully extend the cooperation with CATERPILLAR and launch supply on the American and Chinese (!!!) market, the quality audit procedure is going to take place in April. I'm positively sure that due to the full commitment of all the workers the audit will prove our credibility as a provider fulfilling all requirements, both in terms of quality and punctuality according to CATERPILLAR demands, which is the unquestionable world leader in construction machinery field.

In search for new clients, also trade fairs must be seriously taken into consideration.

Therefore, our Company will be present at two such events: international fair trades Messe 2013, encompassing all industrial technological fields, as well as at the International Wasser Fair Trade in Berlin focused on the fittings business.

In May, we are taking part in annual WOD-KAN fair trades in Bydgoszcz.

Grzegorz SKRZYPEK
Trade Director



**WASSER BERLIN
INTERNATIONAL**

Trade Fair and Congress
for Water and Wastewater

April 23 - 26, 2013



Marek PODGRODZKI - Metalpol WG Chairperson
and **David THORNTON** - METALPOL UK Chairperson
after having signed the cooperation contract.