

## **Miko results for 2010**

**Turnover + 6.0 % \* Net profit – 3.1 %**

**Ebit – 8.2 % \* Dividend = EUR 0.96**

Turnhout, 30 March 2011 – Miko, the Euronext Brussels listed coffee service and plastic packaging specialist, achieved a turnover increase of 6.0 % in 2010. EBIT, operating cash flow and net profit respectively decreased by 8.2 %, 4.1 % and 3.1 %. Following an exceptional year in 2009, when raw material prices for both coffee and plastic were very low and the results increased significantly (operating result + 65 %, operating cash flow + 26 % and net profit + 80 %), the results for 2010 are in line with expectations given the current higher raw material prices.

### **TURNOVER**

The consolidated turnover for 2010 amounted to EUR 117.8 million, which represents an increase of 6.0 % compared to 2009. The “coffee service” and “plastics packaging” business units respectively account for 49.9 % and 50.1 % of the group’s turnover, around 76 % of which was realised abroad.

The turnover for the coffee service division improved by 6.1 %. This improvement was largely realised by the subsidiaries in Belgium, the Netherlands, France and Germany. The situation in the UK was more difficult. The UK economy is still slow and experienced a decrease in GDP of 0.5 % in the final quarter of 2010. This has an effect on spending within the hotel and catering sector, particularly within the luxury segment which the coffee service division is mainly oriented towards. Also the integration of the three subsidiary companies in the North of England (Manchester, Leeds and Newcastle) went slower than expected.

The plastics division achieved an increase in turnover of 5.9 %. The health care business, which was started up in 2009, came into full force in 2010 with a strong increase in production numbers. This involves the production of plastic boxes in which individual washing “tabs” or “capsules” are packed, offering an alternative to traditional bottles with dosing caps. The sales of trays for ready-made meals also rose, particularly within the Scandinavian market. This led to the decision to invest in a new thermoforming line. The plastics division also gained access to the pâté market through its contract with a Belgian meat processor.

There was growth, in spite of the Grispa subsidiary in Houthalen losing a number of contracts and also despite the poor spring weather which affected the sales of ice cream packaging. The production of ice cream packaging is, after all, an important part of the plastic division’s activities. In view of further efficiency improvements, Grispa was merged with Miko Pac.

### **RESULTS (excluding minority interests)**

The group’s EBIT, operating cash flow and net profit respectively decreased by 8.2 %, 4.1 % and 3.1 % to EUR 10.3 million, EUR 18.1 million and EUR 7.7 million respectively.

Within the IFRS segmentation, the operating result and the operating cash flow for the coffee service division respectively improved by 8.1 % and 8.0 %. This increase in results is not only linked to an increase in turnover, but also to increasingly more selective investments which lead to a higher return on investment. EUR 4.6 million worth of investments were made, mainly for the purchase of coffee machines.

The EBIT and the operating cash flow for the plastics packaging division respectively decreased by 17.4 % and 11.6 %. This downward trend in the results is linked to a very strong increase in oil prices, which is the most important raw material for plastic. These price increases can not be passed on straight away. EUR 8.3 million was invested in the plastics packaging division, mainly for buildings (new logistics centre) and machines.

### **IMPORTANT EVENTS**

The plastics packaging division unveiled its new name in April, changing from “MPC-DG Plastics” to “Miko Pac” with “Thinking outside the box” as its slogan. The new name aims to give the plastics packaging division a more prominent position. After all, the plastics division realises more than half of the Miko group’s turnover. The slogan – Thinking outside the box – not only signifies that Miko Pac aims to provide both quality and service, but that it also aims to be creative and innovative, thinking together with customers.

At the end of June, Miko announced the takeover of Espresso Adesso, which is based in Glasgow, Scotland. Espresso Adesso is a coffee service operator which is mainly oriented towards hotel and catering businesses and which achieves a turnover of EUR 1.5 million with a staff of six people. The takeover fits within the growth strategy that Miko is following in the UK by developing a national presence with a network of regional depots. A strategy of local service operations has been adopted in order to be as close to customers as possible.

As part of Fairtrade week, Miko launched a major campaign for its sustainable and growing brand, "Puro", in partnership with the city of Kortrijk. Around 7,500 cups were filled with coffee in a variety of shades (with more or less milk added). The cups were then taken by Kortrijk school students to specific places on the market square where a large-scale coffee masterpiece was created measuring 5 m by 12 m.

Miko Pac attaches much importance to its ecological footprint. Following the announcement in 2009 of the construction of a new distribution centre for 12,000 pallet spaces, the first stone was laid in 2010. This was followed by the "laying of the first solar panel" on the roof which now accommodates 9,000 m<sup>2</sup> of solar panels. The first successful experiments were also carried out with biodegradable plastics as well as with the complex process of producing "extra thin" products.

## PROSPECTS

As far as the future is concerned, the coffee service division will continue to focus on the "Puro" sustainable coffee brand and growth product with increased marketing efforts and with an expanded range. Within the plastics packaging division, more attention will be paid to innovation, with the testing of new designs and new raw materials.

Also 2011 will be a very challenging year for both divisions. Both for coffee as well as for plastics the raw material markets do remain very speculative and uncertain.

## DIVIDEND

The board of directors proposes paying out a gross dividend of EUR 0.96 per share. This amounts to a net figure of EUR 0.72 per share.

## CONSOLIDATED RESULTS MIKO-GROUP (IN KEUR)

Consolidated results Miko-group	31.12.2010 KEUR	31.12.2009 KEUR	Variation 2010/2009
Turnover	117,817	111,160	5.99 %
DA	7,727	7,580	1.93 %
EBITDA	18,056	18,833	4.12 %
EBIT	10,329	11,252	- 8.20 %
Financial result	- 733	- 951	
EBT	9,596	10,301	- 60.85 %
Income taxes	- 1,794	- 2,325	- 22.86 %
Net profit of the group	7,802	7,976	- 2.18 %
Share of the group in the result	7,683	7,929	- 3.11 %
Net current profit	7,683	7,929	- 3.11 %
Current cash flow	17,204	17,835	- 3.54 %

Number of shares (basis, in pieces)	1,241,850	1,241,650	
Ordinary profit per share (in EUR)	6.19	6.39	- 3.11 %
Net current profit per share (in EUR)	6.19	6.40	- 3.11 %
Current cash flow per share (in EUR)	13.86	14.37	- 3.54 %
Gross dividend (in EUR)	0.96	0.96	0.00 %

(\*) The concepts EBITDA and EBIT are used in the sense indicated in our 2009 annual report.

The auditors, PricewaterhouseCoopers Bedrijfsrevisoren bcvba, represented by Mr Filip Lozie, have confirmed that their auditing operations, which are substantially completed, have not revealed any corrections that would have to be included in the accounting information recorded in this statement.

The financial institution, which offers the financial services of the Miko Group, is KBC Bank.  
From 1 June 2011 this institution will pay out *(after approval by the General Meeting)* the net dividend of EUR 0.72 per share on submission of voucher no. 13. This is a status quo compared to 2009.

See the full press release on [www.miko.eu](http://www.miko.eu)

## ABOUT MIKO

**Miko has been active in coffee service for over 200 years and in plastic packaging for some 35 years now, and was floated on Euronext Brussels in 1998. Miko follows a “two-pillar strategy” in which its core activities – coffee service and plastic packaging – are practically independent entities each with its own management, so that each activity can follow its own growth path. The group employs 641 people and achieved a turnover of EUR 117.8 million in 2010. The plastic packaging division accounted for 50.1 % of this total. The remaining 49.9 % was provided by the coffee service division. It is an international group which owns companies in Belgium, France, Britain, the Netherlands, Germany, Poland, the Czech Republic, Slovakia and Australia.**

**END**

### **Note for editors:**

*For further information, please contact Frans Van Tilborg, tel. +32 (0)14 46.27.70.  
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*Dit persbericht is ook beschikbaar in het Nederlands.  
Ce communiqué de presse est également disponible en français.*

*Miko website: [www.miko.eu](http://www.miko.eu)*