Miko results as of 30 June 2011

Turnover up 15.5 % - Net profit up 7.9 % - EBIT up 4.1 %

Turnhout, 29 August 2011 – Miko, the Euronext Brussels listed specialist in coffee service and plastic packaging, posted in the first half of 2011 a 15.5 % rise in turnover. There were also increases in its operating profit and operating cash flow of 4.1 % and 3.1 % respectively, while net profit rose by 7.9 %.

TURNOVER

The consolidated turnover was EUR 70.2 million in the first six months of 2011, marking a 15.5 % rise on the same period in 2010. In terms of group turnover, the coffee service and plastic packaging business units accounted for 46.6 % and 53.4 % respectively of this turnover, with roughly 74 % of it being generated abroad.

The coffee service business's turnover showed a 13.1 % increase. This growth was mainly achieved by the group's subsidiaries in Belgium, the Netherlands and Germany. In the UK, in spite of the tough economic climate currently there, Miko managed to land a major client, The National Trust, which gave a boost to the overall turnover. The situation was somewhat more difficult in France, particularly due to the contract for a group of hospitals coming to an end.

The plastic packaging business saw its turnover rise by 18.7 %. This significant rise was achieved by the increase in raw material prices, which was partially passed on to customers. The sales of the specific products manufactured by the site in Houthalen, Belgium were disappointing. Some new contracts with major clients, both in Turnhout, Belgium and in Bydgoszcz, Poland, did however ensure solid turnover growth.

RESULTS (excluding minority interests)

The group's operating profit, operating cash flow and net profit rose by 4.1 %, 3.1 % and 7.9 % to EUR 5.7 million, EUR 9.3 million and EUR 4.2 million respectively.

Under the IFRS criteria, the operating result and operating cash flow for the coffee service division fell by 9.5 % and 4.0 % respectively. This drop in results is a consequence of a loss of gross margin resulting from higher raw material prices. These prices rose during the first half of the year by more than a third, compared to the same period last year. This rise could not be passed on to the market in full. The decision was also made to increase marketing budgets to safeguard future growth. Investments of EUR 2.6 million were made, targeted primarily at purchasing coffee machines.

The operating profit and operating cash flow for the plastic packaging division rose by 16.0 % and 9.8 % respectively. This was achieved in spite of the very sharp rise in oil prices, which is the key raw material used in the production of plastic. EUR 2.9 million was invested in the plastic packaging division. This mainly involved investments in buildings (completion of the new logistics centre) and machinery.

KEY EVENTS

After a long, intensive trial period, Miko Coffee UK signed an agreement to supply Puro fairtrade coffee to around 150 National Trust sites. This is a non-governmental organisation which is responsible for managing more than 350 historical buildings, gardens and monuments, as well as for protecting a large number of national parks and archaeological sites in the UK. The National Trust welcomes more than 14 million visitors every year.

In April, Miko Pac's Polish plastic packaging subsidiary achieved third place in its region in the prestigious Forbes magazine's "Diamond" ranking, with 81st place in the overall ranking for the whole country. This was in the category of companies with a turnover of between PLN 50 million and 250 million (approx. EUR 12.5 – 62.5 million). The list was compiled by Forbes Poland in collaboration with the business information provider Dun & Bradstreet. Companies were assessed on the basis of the increase in their market value during the previous three years.

PROSPECTS

“Taking into account that there is still a great deal of volatility and speculation on the raw materials market and that margins are being tightly squeezed, we are extremely pleased with the first half of the year. And we can look forward to the future with confidence as well. Since this year’s summer is more like autumn, we expect, however, a slowdown in growth in the plastic packaging division, which specialises in the production of ice cream tubs. In the coffee service division we will continue to invest in marketing in order to protect our turnover. In terms of pricing policy, we are not going to abandon our market-follower strategy. The focus remains on safeguarding our market share. In the plastic packaging division, in the meantime, a great deal of attention is being focused on innovation, with new designs and raw materials being tried out. We will therefore continue to follow consistently our long-term vision,” said Frans van Tilborg, the Miko Group’s general manager and CEO.

MIKO GROUP CONSOLIDATED HALF-YEARLY RESULTS (IN THOUSAND EUR)

Consolidated half-yearly results of the Miko group	**30.06.2011** KEUR	**30.06.2010** KEUR	**Variation** 2011/2010
Turnover	70,158	60,746	15.49 %
DA	3,638	3,581	1.58 %
EBITDA	9,305	9,023	3.12 %
EBIT	5,667	5,442	4.13 %
Financial result	- 201	- 278	
EBT	5,466	5,164	5.84 %
Income taxes	- 1,248	- 1,254	- 0.41%
Net profit of the group	4,217	3,911	7.84 %
Share of the group in the result	4,169	3,864	7.91%
Net current profit	4,169	3,864	7.91%
Current cash flow	9,055	8,698	4.11%
Number of shares (basis, in pieces)	1,242,000	1,241,300	
Ordinary profit per share (in EUR)	3.36	3.11	7.85 %
Net current profit per share (in EUR)	3.36	3.11	7.85 %
Current cash flow per share (in EUR)	7.29	7.01	4.05 %
Gross-dividend (in EUR)	NA	NA	

(*) The concepts EBITDA and EBIT are used in the sense indicated in our 2010 annual report.

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

2. Responsibility statement

We hereby certify that, to the best of our knowledge, the consolidated financial statements as of June 30, 2011, prepared in accordance with IAS 34 "Interim financial reporting", as adopted by the European Union, and with the legal requirements applicable in Belgium, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole, and that the management report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole.

On behalf of the Board of Directors

Jan Michielsen Managing Director	Frans van Tilborg Managing Director

3. KEY FINANCIAL DATA

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CONSOLIDATED INCOME STATEMENT (KEUR)

	Disclosure	30-06-2011 (KEUR)			30-06-2010 (KEUR)		
Turnover				**70.158**			**60.746**
Other income	8.1		1.323			1.311	
Raw material	8.2	36.789			29.489		
Cost of personnel	8.3	15.141			14.558		
Depreciation and amortization	9.1	3.533			3.517		
Other costs	8.1	10.351			9.052		
Total costs			(65.813)			(56.616)	
Profit from ordinary activities before taxes and financial results				**5.667**			**5.442**
Net financial result	8.4		(201)			(278)	
Profit before tax				**5.466**			**5.164**
Income tax			(1.248)			(1.254)	
Net profit of the group				**4.217**			**3.911**
Minority interest				48			47
Attributable to the Miko shareholders				**4.169**			**3.864**
Ordinary profit per share, attributable to the Miko shareholders	9.13			3,36			3,11
Diluted profit per share, attributable to the Miko shareholders	9.13			3,36			3,11

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (KEUR)

	30-06-2011 (KEUR)		30-06-2011 (KEUR)	
Profit of the period		4.217		3.911
Currency conversion differences	(206)		243	
Other comprehensive income	86		(1)	
Total comprehensive income		**4.087**		**4.153**
Attributable to Miko shareholders	4.037		4.104	
Minority interest	50		49	

CONSOLIDATED BALANCE SHEET (KEUR)

	Disclosure	30-06-2011 (KEUR)		2010 (KEUR)	
ACTIF					
Non current assets Material fixed assets	9.1	33.184		31.284	
Immaterial fixed assets	9.2	5.502		5.856	
Deferred tax asset	9.10	475		721	
Trade receivables and other receivables on more than 1 year	9.3	533		440	
Total of non current assets			**39.694**		**38.301**
Current assets					
Inventories	9.4	21.141		17.842	
Trade and other receivables on less than 1 year	9.5	32.569		22.414	
Cash and cash equivalents	9.6	7.314		8.598	
Total current assets			**61.024**		**48.854**
Total of assets			**100.718**		**87.155**
LIABILITIES					
Equity					
Share capital	4	5.065		5.065	
Reserves and retained earnings	4	51.704		48.633	
Conversion differences	4	- 76		135	
Equity of the Miko shareholders			56.693		53.833
Minority interest	4	436		413	
Total equity			**57.129**		**54.247**
Non current liabilities					
Borrowings / loans	9.7	10.458		5.794	
Pension obligations	9.9	816		802	
Deferred tax liabilities	9.11	2.657		2.468	
Trade liabilities and other liabilities on more than 1 year	9.8	982		1.005	
Provisions	9.9	10		24	
Total of non current liabilities			**14.923**		**10.092**
Current liabilities					
Borrowings financial institutes	9.7	5.076		2.988	
Other borrowings / loans	9.7	2.600		2.700	
Taxes, remunaration, social security	9.8	5.134		3.650	
Trade liabilities and other liabilities on less than 1 year	9.8	15.857		13.479	

Total current liabilities			**28.667**		**22.816**
Total liabilities			**100.718**		**87.155**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(KEUR)	**Share capital**	**Reserves (*) and retained earnings**	**Translation differences**	**Minority interest**	**Total**
Balance on 01/01/2010	**5.065**	**41.939**	**(289)**	**331**	**47.045**
Profit (loss) for the financial year		7.683		119	7.802
Net income (cost), directly in equity		(1)	424	(2)	421
Subtotal	0	7.682	422	119	8.223
Value of the share option plans		199			199
Purchase of own shares		6			6
Dividend related to 2009		(1.192)		(35)	(1.226)
Increase/(decrease) minority interest through participation differences					
Balance on 01/01/2011	**5.065**	**48.633**	**135**	**413**	**54.247**
Profit (loss) for the financial year		4.169		48	4.217
Net income (cost), directly in equity			(211)	5	(206)
Subtotal		4.169	(211)	53	4.011
Value of the share option plans		86			86
Purchase of own shares		8			8
Dividend related to 2010		(1.192)		(30)	(1.223)
Increase/(decrease) minority interest through participation differences					
Balance on 30/06/2011	**5.065**	**51.704**	**(76)**	**436**	**57.129**

CONSOLIDATED STATEMENT OF CASH FLOWS

	Disclosure	30-06-2011 (KEUR)		2010 (KEUR)	
Operational activities					
Net profit for the group	1	4.169		7.683	
Non cash costs					
Depreciation and amortization	1	3.533		7.516	
Other		119		(161)	
Deferred taxes	9.10 – 9.11	435		260	
Pension obligations	9.9	14		65	
Provisions	9.9	(14)		14	
Conversion differences		75		51	
(Increase)/decrease trade receivables and other receivables on more than 1 year	9.3	(93)		(122)	
(Increase)/decrease inventories	8.2	(3.299)		(3.192)	
(Increase)/decrease trade receivables and other receivables on less than 1 year	9.5	(10.155)		(2.949)	
Increase/(decrease) taxes and social security	9.8	1.484		161	
Increase/(decrease) trade liabilities and other liabilities on more than 1 year	9.8	(23)		15	
Increase/(decrease) trade liabilities and other liabilities on less than 1 year	9.8	2.378		3.619	
Cash flow from operating activities			**(1.376)**		**12.960**
Investment activities					
Purchase of immaterial fixed assets	9.2	(16)		(1.918)	
Purchase of material fixed assets	9.1	(5.473)		(11.216)	
Sale of fixed assets		5		458	
Others	9.1 – 9.2			29	
Interest (paid)/received	8.4				
Cash flow from investment activities			**(5.484)**		**(12.646)**
Financial activities					
Purchase of own shares	4	8		5	
Value of the share option plans		86		199	
Dividends paid		(1.192)		(1.192)	
Minority interest		22		85	
Others				(1)	
Proceeds from borrowings / loans	9.8	7.551			
Repayments of borrowings / loans	9.8	(898)		(1.624)	
Interest (paid)/received	8.4				
Cash flow from financial activities			**5.576**		**(2.528)**
Total cash flow	**9.6**		**(1.284)**		**(2.214)**

Cash and cash equivalents at beginning of the year		**8.598**		**10.812**	
Cash flows from operating activities		- 1.376		12.960	
Cash flows from investing activities		- 5.484		- 12.646	
Cash flow from financing activities		5.576		- 2.528	
Cash and cash equivalents at end of the year		**7.314**		**8.598**	

SEGMENT INFORMATION

At: 30/06/2011	Coffee (KEUR)	Plastics (KEUR)	General (3) (KEUR)	Total (KEUR)
Total turnover	33.322	38.156		71.478
Sales to other sector	(605)	(715)		(1.320)
External sales	32.717	37.441		70.158
Elimination of profit between sectors			(5)	(5)
Consolidation			(86)	(86)
Non allocated costs and revenues			(138)	(138)
Ebitda (1)	3.557	5.894	(146)	9.305
Ebit (2)	2.075	3.821	(229)	5.667
Financial result			(201)	(201)
Income taxes			(1.248)	(1.248)
Profit before minority interest				4.217
Minority interest				48
Net profit				**4.169**

(1) Operational result + depreciation + provisions
(2) Operational result
(3) Non allocated elements and consolidation entries