

## **Miko results for 2011**

**Turnover + 10.5 % \* Ebit – 26.0 % \* Ebitda – 15.8 % \* Dividend = EUR 0.96**

**Turnhout, 30 March 2012 – Miko, the Euronext Brussels listed specialist in coffee service and plastic packaging, posted a 10.5 % rise in turnover in 2011. Its operating profit, operating cash flow and net profit fell by 26.0 %, 15.8 % and 28.0 % respectively. These results confirm the huge pressure on margins already announced in November, which has been caused by high raw material prices.**

### **TURNOVER**

In 2011 the consolidated turnover amounted to EUR 130.2 million, marking a rise of 10.5 % compared to 2010. In terms of group turnover, the coffee service and plastic packaging business units accounted for 50.4 % and 49.6 % respectively of this turnover, with roughly 75.4 % of it being generated abroad.

The coffee service business's turnover showed an increase of 11.7 %. This growth was mainly achieved by the group's subsidiaries in Germany and the UK. In the UK, in spite of the continuing tough economic climate, Miko managed to land a major client in the National Trust, which gave a boost to the overall turnover. The situation was more difficult in France, particularly due to the contract with a group of hospitals coming to an end.

The plastic packaging business saw its turnover grow by 9.3 %. This rise was achieved by the increase in raw material prices, which was partially passed on to customers. However, there were also a number of new projects launched. For example, a well-known TV chef in Flanders chose one of Miko Pac's own designs for the packaging of his new ice cream products. The healthcare sector did particularly well with a hefty rise in sales figures. On the other hand, the ice cream sector suffered during the poor Summer. In this sector, Miko also had to factor in a major customer in Germany going bankrupt.

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

The group's operating profit, operating cash flow and net profit fell by 26.0 %, 15.8 % and 28.0 % to EUR 7.6 million, EUR 15.2 million and EUR 5.5 million respectively.

Under the IFRS criteria, the operating result and operating cash flow for the coffee service division fell by 50.0 % and 23.5 % respectively. Frans Van Tilborg, CEO of the Miko-Group, has the following comments: "In 2011 speculation caused an exponential rise in coffee prices on the global markets. At certain moments some better Arabica origins even doubled in price as compared to 2010. The market decided to only partly pass on the price rises. For the time being, our priority is to preserve market share, so that we too couldn't fully pass on the price increases. This resulted in a major drop in our margin. Another factor contributing to this is that as a result of the economic slump in some countries, there was a switch from expensive premium coffees to coffees of an inferior quality level, obviously producing a lower margin..." Investments of EUR 5.1 million were made in the coffee service division, targeted primarily at purchasing coffee machines.

The operating profit and operating cash flow for the plastic packaging business fell by 7.8 % and 9.8 % respectively. Frans Van Tilborg continues: "Oil is the most important raw material and speculation drove the prices sky-high in this sector too. It is not difficult to guess the impact of this: price increases can only be passed on partly and with a delay, resulting in a drop in margins. We also had a difficult time in September when we decided to shut down our production department in Houthalen. Turnover had been very low since the start of the crisis. Fourteen employees were affected by the closure. However, a good social agreement was reached with the trade unions within three days. However, this kind of agreement still costs money..." In 2011, EUR 6.7 million was invested in the plastic packaging division, primarily in buildings (completion of a 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. This was in the category of companies with a turnover of between EUR 12.5 million and 62.5 million. They were assessed on the basis of the increase in their market value during the previous three years.

In September, Excellent Plzen, located in the Czech Republic, was acquired. It has a turnover of EUR 200,000. It will boost Miko Kava in the Czech Republic, which in 2010 had a turnover of EUR 466,000.

Again in September, Miko received literally a "blooming" marvellous honour when an orchid that was discovered by a well-known botanist in the Puro reserve was officially registered as *Teagueia puroana*. Puro allocates 2 % of its turnover to purchasing areas of rain forest in Ecuador.

Miko recently received the "Havelaar" award in recognition of Miko's long-term commitment to spreading the Corporate Sustainability philosophy throughout the organisation and to incorporating it in its business values.

## PROSPECTS

"We are not going to dare to set out our prospects for 2012. The raw material markets remain highly volatile and speculative. Also when it comes to the general economic crisis, the outlook is very unclear. In 2011 we invested EUR 11.8 million. We have allocated EUR 14.2 million for 2012," declares Frans Van Tilborg.

## DIVIDEND

The Board of Directors is proposing – as they did last year – to pay a gross dividend of EUR 0.96 per share. This gives a net figure of EUR 0.72 per share.

## CONSOLIDATED RESULTS MIKO-GROUP (IN KEUR)

Consolidated results Miko-Group	31.12.2011 KEUR	31.12.2010 KEUR	Variation 2011/2010
Turnover	130.214	117.817	10,52%
DA	7.554	7.727	-2,23%
EBITDA	15.203	18.056	-15,80%
EBIT	7.649	10.329	-25,95%
Financial result	-508	-733	30,80%
EBT	7.141	9.596	-25,58%
Income taxes	-1.560	-1.794	-13,05%
Net profit of the group	5.581	7.802	-28,46%
Share of the group in the result	5.535	7.683	-27,96%
Net current profit	5.535	7.683	-27,96%
Current cash flow	14.649	17.204	-14,85%
Number of shares (basis, in pieces)	1.241.925	1.241.850	
Ordinary profit per share (in EUR)	4,46	6,19	-27,96%
Net current profit per share (in EUR)	4,46	6,19	-27,96%
Current cash flow per share (in EUR)	11,80	13,85	-14,85%
Gross dividend (in EUR)	0,96	0,96	

(\*) The concepts EBITDA and EBIT are used in the sense indicated in our 2010 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 2012 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. 14. This is a status quo compared to 2010.

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 665 people and achieved a turnover of EUR 130.2 million in 2011. The coffee service division accounted for 50.4 % of this total. The remaining 49.6 % was provided by the plastic packaging 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:**

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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)