

## 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)

## CONSOLIDATED INCOME STATEMENT (KEUR)

	Disclosure	2011 (KEUR)		2010 (KEUR)	
<b>Turnover</b>			<b>130.215</b>		<b>117.817</b>
Other income	8.1	2.434		2.790	
Raw material	8.2	69.440		57.234	
Cost of personnel	8.3	28.783		27.624	
Depreciation and amortisation	9.1	7.336		7.516	
Other costs	8.1	19.441		17.904	
Total costs			-125.000		-110.278
<b>Profit from ordinary activities before taxes and financial results</b>			<b>7.649</b>		<b>10.329</b>
Net financial result	8.4		-508		- 733
<b>Profit before tax</b>			<b>7.141</b>		<b>9.596</b>
Income tax			1.560		- 1.794
<b>Net profit of the group</b>			<b>5.581</b>		<b>7.802</b>
Minority interest			46		119
<b>Attributable to the Miko-shareholders</b>			<b>5.535</b>		<b>7.683</b>
Ordinary profit per share, Attributable to the Miko-shareholders	9.13		4,46		6,19
Diluted profit per share, Attributable to the Miko-shareholders	9.13		4,46		6,19

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (KEUR)

	2011 (KEUR)		2010 (KEUR)	
<b>Profit of the period</b>		<b>5.581</b>		<b>7.802</b>
Currency conversion differences	(786)		422	
Other comprehensive income	(43)		(1)	
<b>Total comprehensive income</b>		<b>4.752</b>		<b>8.223</b>
Attributable to Miko shareholders	4.711		8.089	
Minority interest	41		134	

## CONSOLIDATED BALANCE SHEET (KEUR)

	Disclosure	2011 (KEUR)		2010 (KEUR)	
ACTIF					
<u>Non current assets</u>	9.1	35.156		31.284	
Material fixed assets					
Immaterial fixed assets	9.2	5.586		5.856	
Deferred tax asset	9.10	959		721	
Trade and other receivables on more than 1 year	9.3	587		440	
<b>Total of non current assets</b>			<b>42.288</b>		<b>38.301</b>
<u>Current assets</u>					
Inventories	9.4	20.389		17.842	
Trade and other receivables on less than 1 year	9.5	23.834		22.414	-
Cash and cash equivalents	9.6	9.979		8.598	
<b>Total current assets</b>			<b>54.202</b>		<b>48.854</b>
<b>Total of assets</b>			<b>96.490</b>		<b>87.155</b>
LIABILITIES					
<b>Equity</b>					
Share capital	4	5.065		5.065	
Reserves and retained earnings	4	52.877		48.633	
Conversion differences	4	-648		135	
Equity of the Miko-shareholders			57.294		53.833
Minority interest	4	426		413	
<b>Total equity</b>			<b>57.720</b>		<b>54.247</b>
<b>Non current liabilities</b>					
Borrowings	9.7	9.055		5.794	
Pension obligations	9.9	568		802	
Deferred tax liabilities	9.11	2.882		2.468	
Trade and other liabilities on more than 1 year	9.8	1.107		1.005	
Provisions	9.9	100		24	
<b>Total of non current liabilities</b>			<b>13.712</b>		<b>10.092</b>
<u>Current liabilities</u>					
Borrowings financial institutes	9.7	8.377		5.688	
Other borrowings	9.7	3.524		3.650	
Taxes, remuneration, social security	9.8	13.157		13.479	
Trade and other liabilities on less	9.8				

than 1 year				
<b>Total current liabilities</b>			<b>25.058</b>	<b>22.816</b>
<b>Total liabilities</b>			<b>96.490</b>	<b>87.155</b>

## EQUITY MOVEMENT STATEMENT

(KEUR)	Share capital	Reserves (*) and retained earnings	Translation differences	Minority interest	Total
<b>Balance on 01/01/2010</b>	<b>5.065</b>	<b>41.939</b>	<b>- 289</b>	<b>331</b>	<b>47.045</b>
Profit (loss) for the financial year		7.683		119	7.802
Net income (cost), directly in equity		- 1	424	- 2	421
Subtotal		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					
<b>Balance on 01/01/2011</b>	<b>5.065</b>	<b>48.633</b>	<b>133</b>	<b>415</b>	<b>54.247</b>
Profit (loss) for the financial year		5.535		46	5.581
Net income (cost), directly in equity		-43	-781	-5	-829
Subtotal	5.065	54.125	-648	456	58.998
Value of the share option plans		-64			-64
Purchase of own shares		8			8
Dividend related to 2010		-1.192		-30	-1.222
Increase/(decrease) minority interest through participation differences					
<b>Balance on 31/12/2011</b>	<b>5.065</b>	<b>52.877</b>	<b>-648</b>	<b>426</b>	<b>57.720</b>

## CONSOLIDATED CASH FLOW STATEMENT

	Disclosure	2011 (KEUR)		2010 (KEUR)	
<b><u>Operational activities</u></b>					
Net profit for the group	1	5.535		7.683	
<b><i>Non cash costs</i></b>					
Depreciation and amortisation	1	7.336		7.516	
Other		90		- 161	
Deferred taxes	9.10 – 9.11	177		260	
Pension obligations	9.9	-233		65	
Provisions	9.9	76		14	
<b><i>Conversion differences</i></b>					
(Increase)/decrease trade and other receivables on more than 1 year	9.3	-147		- 122	
(Increase)/decrease inventories	8.2	-2.547		- 3.192	
(Increase)/decrease trade and other receivables on less than 1 year	9.5	-1.420		- 2.949	
Increase/(decrease) taxes and social security	9.8	-126		161	
Increase/(decrease) trade and other liabilities on more than 1 year	9.8	101		15	
Increase/(decrease) trade and other liabilities on less than 1 year	9.8	-321		3.619	
<b>Cash flow from operating activities</b>			<b>8.258</b>		<b>12.960</b>
<b><i>Investment activities</i></b>					
Purchase of immaterial fixed assets	9.2	-443		- 1.918	
Purchase of material fixed assets	9.1	-11.394		- 11.216	
Sale of fixed assets		266		458	
Others	9.1 – 9.2	23		29	
Interest (paid)/received	8.4			-	
<b>Cash flow from investment activities</b>			<b>-11.548</b>		<b>- 12.646</b>
<b><u>Financial activities</u></b>					
Purchase of own shares	4	8		5	
Value of the share option plans		-64		199	
Dividends paid		-1.192		- 1.192	
Minority interest		12		85	
Others		-43		- 1	
Proceeds from borrowings	9.8	7.529			
Repayments of borrowings	9.8	-3.308		- 1.624	
Interest (paid)/received	8.4				
<b>Cash flow from financial activities</b>			<b>2.942</b>		<b>- 2.528</b>
<b>Total cash flow</b>	<b>9.6</b>		<b>-348</b>		<b>-2.214</b>

## SECTOR INFORMATION

At: 31/12/2011	Coffee (KEUR)	Plastics (KEUR)	General (3) (KEUR)	Total (KEUR)
Total turnover	66.866	65.873		132.739
Sales to other sector	-1.204	-1.320		-2.524
External sales	65.662	64.553		130.215
Elimination of profit between sectors			-11	-11
Consolidation			64	64
Non allocated costs and revenues			-154	-154
Ebitda (1)	5.753	9.402	48	15.203
Ebit (2)	2.201	5.549	-101	7.649
Financial result			-508	-508
Income taxes			-1.560	-1.560
Profit before minority interest				5.581
Minority interest				46
<b>Net profit</b>				<b>5.535</b>

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