

Miko results 2015

Turnover + 11.5 % * EBIT - 3.7 % * EBITDA + 7 %

Net profit + 3.3 % * Dividend + 9.4 %

Turnhout, 31 March 2016 – Miko, the Euronext Brussels listed specialist in coffee service and plastic packaging, posted a 11.5 % rise in turnover in 2015. The operating profit (EBIT) fell by 3.7 %, while operating cash flow (EBITDA) and net profit rose by 7 % and 3.3 % respectively. These gratifying results are the consequence of both organic growth and a number of takeovers.

CONSOLIDATED RESULTS

Turnover rose by 11.5 % compared with the previous financial year, from EUR 160 million to EUR 178 million. More than three quarters of the Group's turnover was achieved abroad.

EBIT (profit from operational activities before costs and taxes) amounted to EUR 10.2 million (down 3.7 % or EUR 0.4 million on 2014). The increase in turnover helped limit the impact of the strong rise in the exchange rate of the US dollar and raw material prices for coffee. The combined effect of both resulted in a decrease of the gross margin by EUR 2.3 million. Investments made in the infrastructure, required in order to encourage future growth, increased depreciation by EUR 1.3 million, which also had an impact on EBIT.

EBITDA (profit from operational activities before financial costs, taxes, depreciation and amortisation) amounted to EUR 22.2 million (up 7 % or EUR 1.4 million compared with 2014).

The financial result was EUR 0.1 million, a rise of EUR 0.7 million on 2014.

The Group paid EUR 2.5 million in taxes.

The net profit was EUR 7.8 million. At the annual general meeting, the Board of Directors is proposing to pay out a dividend of EUR 1.40 gross per share, which is 9.4 % more than last year. This is a net figure of EUR 1.02 per share.

SECTOR INFORMATION

The coffee sector achieved a turnover of EUR 89.6 million. This is 6.2 % up on the previous year and accounts for 50 % of group turnover. The turnover was given a boost thanks to the takeover made in Norway in March. All the home+markets generated decent sales figures, with the German market a notable highlight following an excellent performance mainly in the second half of the year.

The operating result (EBIT) and the operating cash flow (EBITDA) for the coffee service business dropped by 20 % and 13 % respectively. This fall is linked to the strong rise in the exchange rate of the US dollar and raw material prices, which were not passed on in order to maintain market share. Investments of EUR 8 million were made, targeted primarily at purchasing coffee machines and a new coffee roaster.

The plastics sector, which also accounted for 50 % of group sales, posted a 17.5 % rise in turnover. This increase occurred in both the injection moulding and thermoforming division. In addition, a major contract which was signed for the German market in 2014, came to full speed in 2015. Turnover was further boosted by the sales made by our joint venture partner Innoware in Indonesia. Only two months of this partnership were taken into account in the results from the previous year.

EBIT and EBITDA for the plastic packaging business rose by 29.1 % and 28.1 % respectively. These good results are linked to the rise in turnover. In 2015 Miko Pac in Poland expanded its storage capacity to 10,000 pallet places. Preparations were made by Innoware in Indonesia for the purchase of a site of 31,000 m², with the aim to build a greenfield plant in the future. Investments of EUR 5.2 million were made in the plastics sector.

KEY EVENTS

In March 2015 Miko acquired a 66 % stake in the Norwegian coffee service company A:KAFFE, based in Oslo with a staff of 8 and a turnover of EUR 1.8 million. Scandinavia is renowned as a region with sound economic performance within Europe. For this reason, the decision was made a few years ago to channel our efforts in this direction for

achieving external growth. After acquiring this stake, Miko now has its own subsidiaries in Sweden, Denmark and Norway.

In May Miko was proud to announce that a new species of frog had been discovered in the Puro Coffee Rainforest Reserve in Ecuador. Puro is Miko's sustainable coffee brand which is fully Fairtrade certified. In addition, 2 % of the turnover from Puro coffee is donated to the World Land Trust for the purchase of rainforest. In the meantime, an area of rainforest has already been purchased covering a surface of 75 million m². In recognition of the Puro coffee brand, the new species of frog was officially registered as **Pristimantis puruscafeum**. In 2011 a new orchid that was discovered was also named after Puro: **Teagueia puroana**. See also www.youtube.com/watch?v=AikZG2utJI

In December Miko established a partnership in Germany via its subsidiary Miko Kaffee with qusotic, which has 7 employees and a turnover of EUR 2 million. This gave Miko Koffie a 75 % stake in the merged company, the new Miko Germany. The other 25 % of the shares went to the former owners of qusotic. This has enabled Miko to strengthen its market presence in southern Germany. The large volumes which Miko places in the market via strategic partners are now supplemented by qusotic's large customer base.

Within the plastics department, Miko Pac acquired in February a 55 % stake in Miko Pac France by means of a capital increase. The other shareholder in Miko Pac France already has a number of years' experience in the plastic food packaging market. This intensive cooperation will give Miko access to its extensive knowledge of the market. The initial contracts have already been signed with the new customers.

PROSPECTS

With double-digit growth in our turnover and a great leap in EBITDA, we have further strengthened the company's foundations to ensure a solid future.

We were also heavily involved with external growth in 2015. Our acquisition strategy resulted in takeovers in Norway, France and Germany.

And how are things looking for 2016? As usual, we do not have any specific expectations for the coming year. There remains uncertainty regarding the economy and raw material prices for coffee. Our healthy investment budget of EUR 12.4 million confirms however that we are entering 2016 with confidence, says Frans van Tilborg, CEO of the Miko Group.

END

The statutory auditor, PricewaterhouseCoopers BCVBA, represented by Mr Koen Hens, has confirmed that his inspection activities have not brought to light any circumstances which could result in a significant correction to the information featuring in this release.

The annual report and full annual results can be consulted as of mid April 2016 at www.miko.eu.

ABOUT MIKO

Miko has been active in coffee service for over 200 years and in plastic packaging for some 40 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 with their own management, so that each activity can follow its own growth path. The Group, with its 985 employees, posted a turnover of EUR 178 million in 2015, with the coffee service and plastics processing division each accounting for half of this figure. Miko is an international group with companies in Belgium, France, UK, the Netherlands, Germany, Denmark, Norway, Sweden, Poland, the Czech Republic, Slovakia, Indonesia and Australia.

END

Note for editors:

For photos: www.miko.eu . English . Press releases.

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Dit persbericht is ook beschikbaar in het Nederlands.

Ce communiqué de presse est également disponible en français.

Miko website: www.mikocoffee.com

Puro website: www.purocoffee.com

SCHEDULE 1 – Consolidated annual results Miko Group

	2015 (KEUR)		2014 (KEUR)		
Revenue			178.243		159.865
Revenue . sale of goods	173.502			155.081	
Revenue . leasing	4.456			4.646	
Revenue . sale of fixed assets	285			138	
Other operating income		3.656			3.328
Raw materials & consumables used	-93.839			-81.999	
Employee benefit expense	-39.557			-36.520	
Depreciation and amortization	-10.996			-9.653	
Other operating expenses	-27.261			-24.382	
Total expenses		-171.653			-152.554
Operating profit before interests and taxes			10.246		10.639
Net financial result		89			-657
Financial income	1.153			353	
Financial costs	-1.064			-1.010	
Profit before taxes			10.335		9.982
Taxes on result		-2.535			-2.450
Net profit of the group			7.800		7.532
Attributable to minority interests			29		10
Attributable to Miko shareholders			7.771		7.522
Basic earnings per share, Attributable to Miko shareholders (in euro)			6,26		6,06
Diluted earnings per share, Attributable to Miko shareholders (in euro)			6,21		6,02
Gross dividend			1.739		1.590
Gross dividend per share (in euro)			1,40		1,28

SCHEDULE 2 - Consolidated overview of comprehensive income

	2015 (KEUR)		2014 (KEUR)	
Net profit of the group		7.800		7.532
Currency translation differences	463		-27	
Other items of comprehensive income	0		-111	
Comprehensive income for the year		8.263		7.394
Attributable to Miko shareholders	8.234		7.384	
Attributable to minority interests	29		10	