



Premia



Premia Foods

1st Quarter 2012

May 16th, 2012

Q1 2012 = positive EBITDA despite the low season



- ❖ Improved profitability in all segments
- ❖ Improved liquidity and solvency ratios, net debt has decreased by 2.3 mEUR
- ❖ The consolidated turnover 17.1 mEUR, y-o-y increase 0.4 mEUR, i.e. 3%
- ❖ Gross profit was 4.2 mEUR, y-o-y increase 1.0 mEUR, i.e. 30%
- ❖ Gross margin 25%, increased by 6 ppt
- ❖ EBITDA from operations was positive, in 2011 - 0.5 mEUR
- ❖ Net result improved by 0.8 mEUR, net loss -1.2 mEUR (-2.0 mEUR)

Sales breakdown by business lines in Q1 2012



Fish:

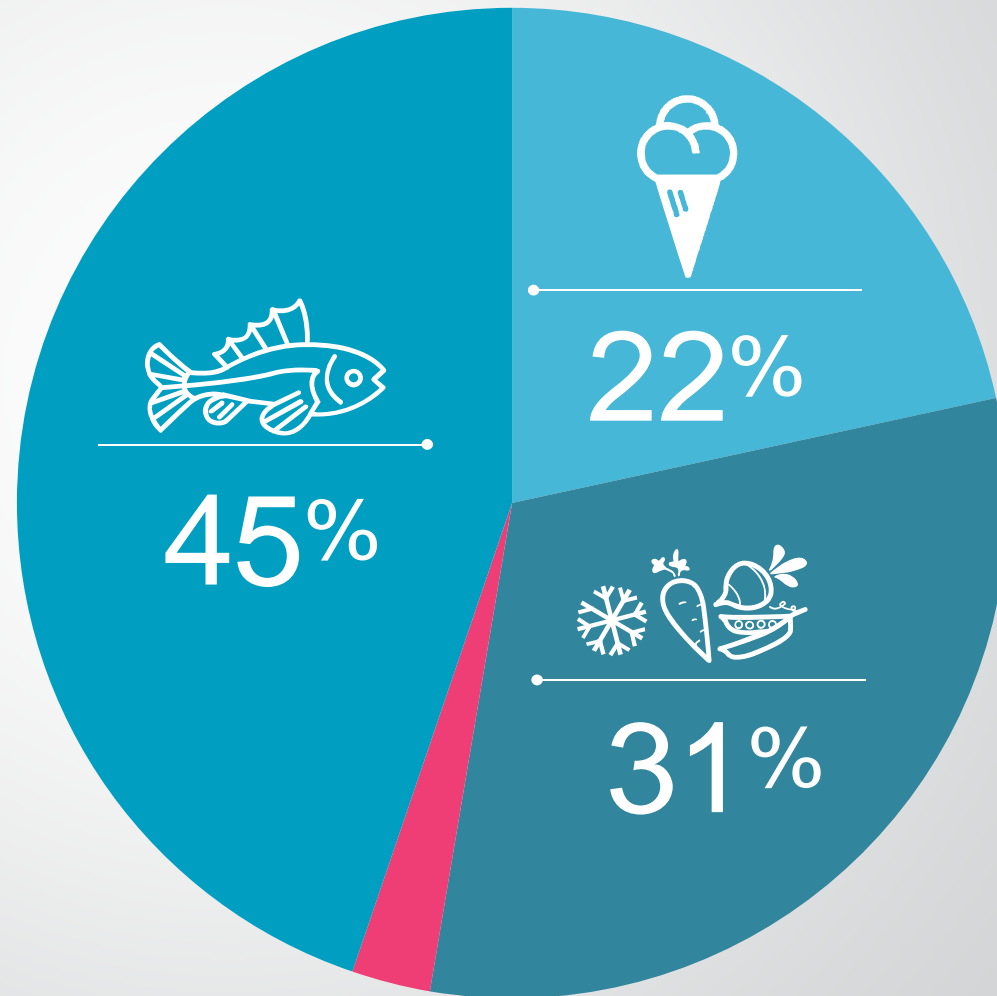
y-o-y growth 3%,
i.e. 0.2 mEUR

Ice Cream:

y-o-y growth -8%,
i.e. -0.3 mEUR

Frozen Goods:

y-o-y growth 8%,
i.e. 0.4 mEUR



Sales by countries.

Turnover of Q1 was 17.1 mEUR

Growth: +3%

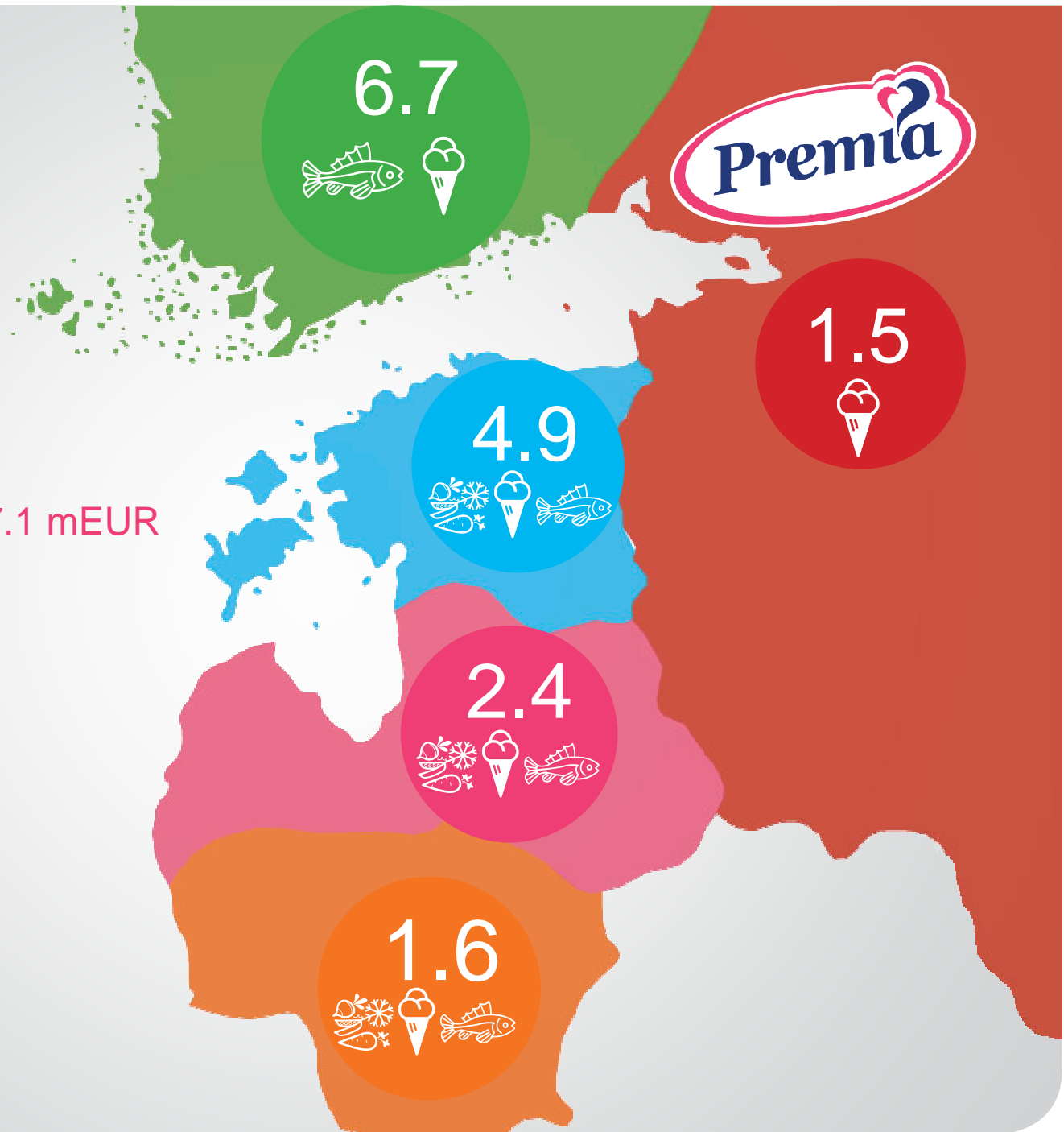
Finland: +6%

Estonia: +5%

Latvia: +5%

Lithuania: +11%

Russia: -23%



Sales growth driven by fish and frozen goods



SEGMENT SHARE FROM TOTAL SALES (3m 2012)

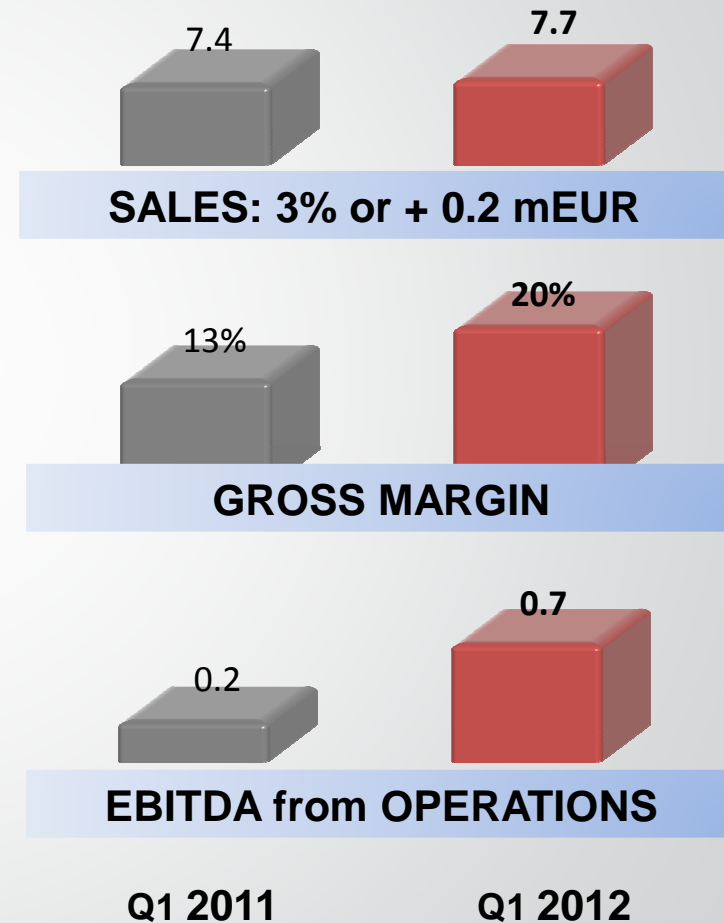
Other	0.2%	1.8%	0.0%	0.6%	0.0%	0.0%
Fish	38.2%	6.4%	0.1%	0.0%	0.0%	0.0%
Frozen Goods	0.0%	13.3%	11.6%	6.2%	0.0%	
Ice cream	0.8%	7.2%	2.3%	2.6%	8.6%	
SEGMENT ----- MARKET	Finland	Estonia	Latvia	Lithuania	Russia	Other regions

Fish and fish products



million euro

- ❖ Increased sales volume behind sales growth, while red fish market prices remain for the third consecutive quarter in a relatively low level
- ❖ Gross profit increased by 1.6 times
- ❖ Easter holidays in Q2 as in 2011
- ❖ Rainbow trout market price has increased by 2% during Q1 (2011:4%). Efficiency of the operations of fish farms has enabled to lower the cost price of livestock and hence improve also the fair value adjustment by 0.1 mEUR

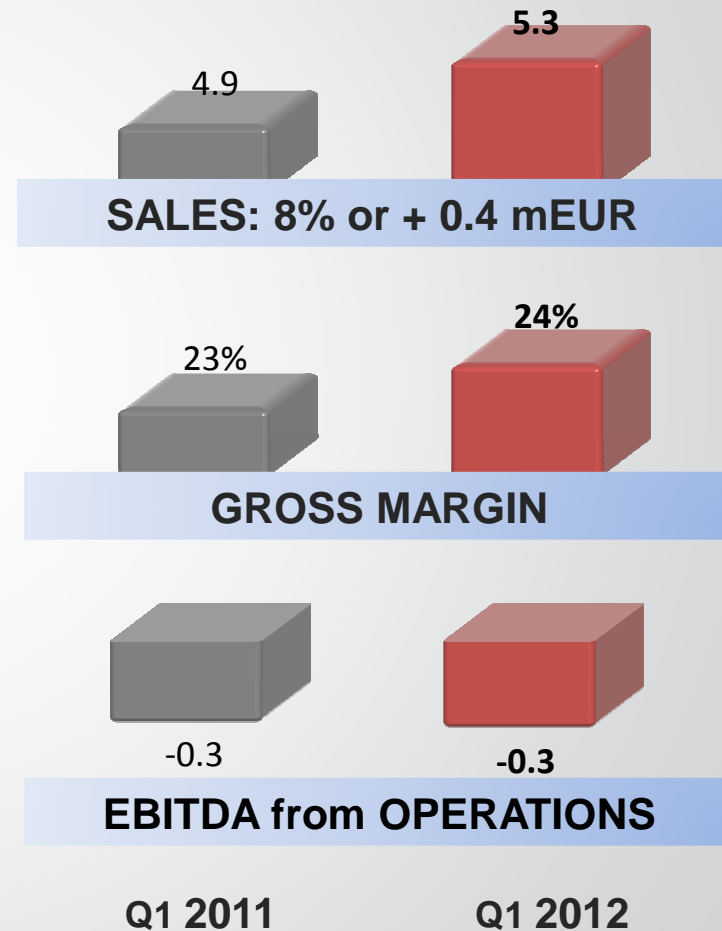


Frozen goods

- ❖ Growth for the 3rd consecutive quarter
- ❖ Lithuania's good performance: +26% / 0.2 m EUR sales growth on y-o-y basis
- ❖ Active work with portfolio enabled to increase the gross margin.
- ❖ Revenue based cost allocation along with increased marketing and transport expenses has kept EBITDA and EBIT at last year's level.

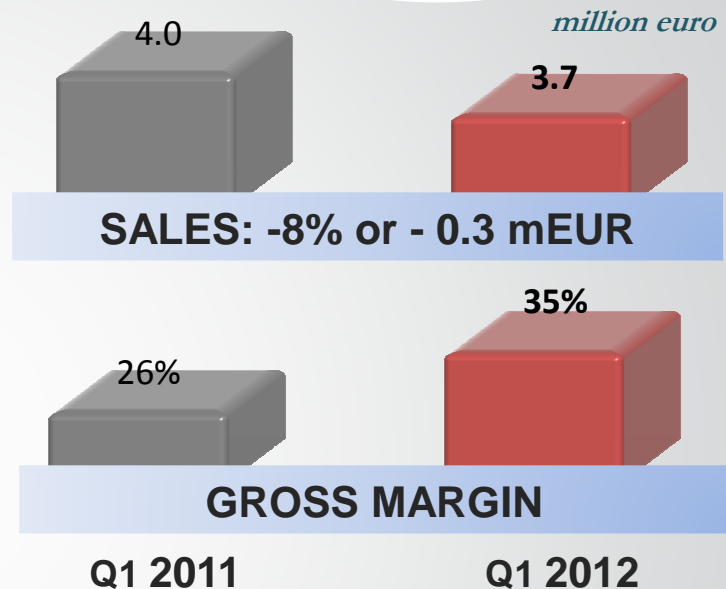


million euro



Ice cream

- ❖ Market leader in the Baltics, avg value share of 23% in total
- ❖ Despite decrease in sales, significant increase in profitability.
- ❖ Thanks to Russian entity, EBIT improved by 0.2 mEUR,
- ❖ Restructuring of Russia's product portfolio has proven to be on the right track.



EUR million	Q1'12	Q1'11		Q1'12	Q1'11	
Net sales	2.2	2.1	B A L T I C S	1.5	1.9	R U S S I A
Gross profit	0.9	0.9		0.4	0.2	
<i>Gross margin</i>	41%	41%		26%	8%	
EBITDA from operations	0.2	0.3		-0.6	-0.6	
EBIT	0.1	0.1		-0.7	-0.9	

Key ratios: profit & loss



<i>Profit & Loss, EUR mln</i>	Q1 2012	Q1 2011
Sales	17.1	16.7
Gross profit	4.2	3.2
EBITDA from operations	0.0	-0.5
EBITDA	-0.6	-1.3
EBIT	-1.4	-2.3
Net profit	-1.2	-2.0
Gross margin	24.5%	19.4%
EBITDA margin	0.1%	-2.7%
EBIT margin	-8.3%	-13.8%
Net margin	-6.9%	-11.9%
Operating expense ratio	29.7%	29.6%

Forecast for 2012: ❖ 6% increase in sales, i.e. turnover 93.5 mEUR
❖ Earnings before tax 1.6 mEUR

Cost analysis



	Q1 2012	Q1 2011	change	Q1 2012	Q1 2011	change
	EUR mln	EUR mln	EUR mln	as % of sales	as % of sales	as % of sales
Sales	17.1	16.7	+ 0.5	100.0%	100.0%	
<u>Cost of goods sold</u>	<u>- 12.9</u>	<u>- 13.4</u>	<u>- 0.5</u>	<u>75.5%</u>	<u>80.6%</u>	<u>- 5.1%</u>
incl one-off exp		- 0.1	- 0.1		0.6%	- 0.6%
materials in production & cost of goods purchased for resale	- 10.7	- 10.6	+ 0.1	62.6%	63.8%	- 1.2%
labour costs	- 1.0	- 1.2	- 0.2	5.8%	7.4%	- 1.6%
depreciation	- 0.3	- 0.5	- 0.1	2.0%	2.8%	- 0.9%
other cost of goods sold	- 0.9	- 1.1	- 0.2	5.1%	6.6%	- 1.5%
<u>Operating expenses</u>	<u>- 5.1</u>	<u>- 4.9</u>	<u>+ 0.1</u>	<u>29.7%</u>	<u>29.6%</u>	<u>+ 0.0%</u>
incl one-off exp		- 0.0	- 0.0		0.2%	- 0.2%
labour costs	- 1.5	- 1.7	- 0.2	9.0%	10.3%	- 1.3%
transport & logistics services	- 0.8	- 0.7	+ 0.2	4.9%	4.0%	+ 0.9%
depreciation	- 0.5	- 0.5	- 0.0	2.9%	3.2%	- 0.3%
marketing	- 0.5	- 0.4	+ 0.0	2.7%	2.5%	+ 0.1%
other operating expenses	- 1.7	- 1.6	+ 0.2	10.2%	9.5%	+ 0.6%
<u>Other income/expenses</u>	<u>0.1</u>	<u>0.1</u>	<u>+ 0.1</u>	<u>-0.3%</u>	<u>-0.7%</u>	<u>+ 0.3%</u>

Key ratios: balance sheet



<i>Balance Sheet, EUR mln</i>	31.03.12	31.03.11
Net debt	12.2	14.5
Equity	39.3	39.4
Working capital	12.0	12.1
Assets	64.2	68.9
Liquidity ratio	1.91	1.75
Equity ratio	61%	57%
Gearing ratio	24%	27%
Net debt-to-EBITDA	1.98	4.01
ROE	1%	1%
ROA	0%	1%

Board Proposal to AGM, taking place on May 29th, 2012:

- ❖ to pay dividends for 2011 in a same amount as in 2010, i.e. 0.01 EUR per share
- ❖ to decrease share capital by decreasing the nominal value of a share by 0.10 euro, the share capital shall be decreased in total by 3,868,286 euro by making payments to the shareholders.

PRF is offering highest share yield (0.11 eur per share) in Tallinn Stock Exchange in 2012.