



Premia



Premia Foods

4th Quarter & 12 months 2012

February 19, 2013

Improved net profit



- ❖ Turnover of the 4th quarter was 19.6 million euro, which is 0.4 million euro, i.e. 1.8% less than the result of the previous year.
- ❖ Turnover of 12 months was 86.4 million euro which is 1.9 million euro, i.e. 2.1%, less than the result of 2011.
- ❖ If compared to 2011, the turnover increased in all the Baltic markets and in the frozen goods business segment during both periods – in the 4th quarter and as well as in the summary of the 12 months.
- ❖ On y-o-y basis the gross margin of 12 months of 2012 increased by 1.4 pps reaching the level of 27.4%. During the same period, the gross profit increased by 0.8 million euro.
- ❖ The operational EBITDA in the 4th quarter was 0.2 million euro less on y-o-y basis. In the summary of the 12 months, the respective figure was 0.5 million euro less than during the same period in 2011
- ❖ The net profit of the 4th quarter of 2012 increased 2.1 times, being 0.7 million euro more than the result of the same period of 2011.
- ❖ In the summary of the 12 months of 2012, the net profit of the company was 0.1 million euro, the growth of the net profit is 0.7 million euro.

Key ratios: Profit & Loss



Profit & Loss, EUR mln	Q4 12m 2012		Q4 12m 2011	
Sales	19.6	86.4	20.0	88.3
Gross profit	4.5	23.7	4.7	22.9
EBITDA from operations	0.3	5.2	0.5	5.7
EBITDA	0.2	3.3	0.0	4.1
EBIT	-0.6	0.1	-1.0	0.2
Net profit	-0.6	0.1	-1.3	-0.6
Gross margin	22.7%	27.4%	23.7%	26.0%
Operational EBITDA margin	1.6%	6.0%	2.3%	6.4%
EBIT margin	-2.8%	0.1%	-5.1%	0.2%
Net margin	-3.0%	0.1%	-6.3%	-0.6%
Operating expense ratio	25.9%	26.1%	27.7%	25.8%

Sales by segments: 12 months 2012



Fish:

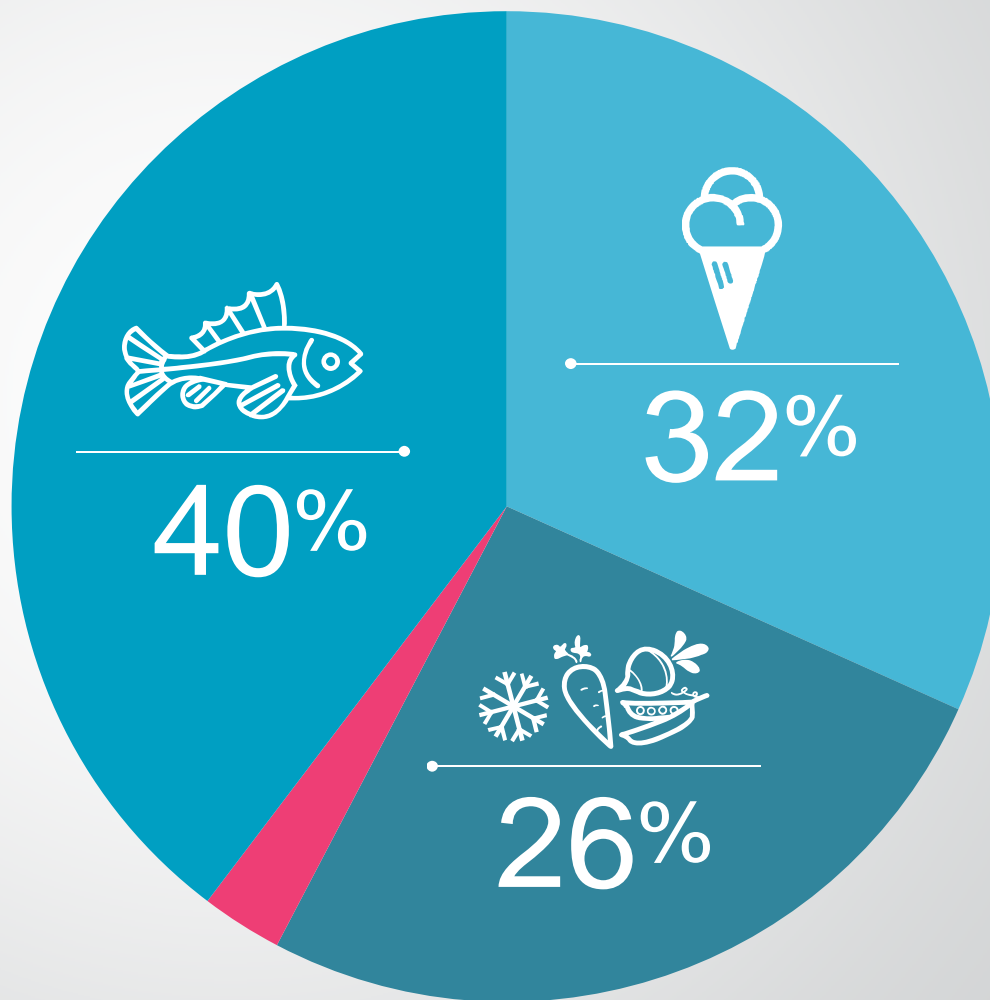
value - 7%
volume + 2%

Ice cream:

value - 5%
volume - 13%

Frozen goods:

value + 9%
volume + 4%



Value based sales breakdown by segments/ 12 months 2012

Sales by countries

Turnover of 12 months
2012: 86.4 million euro

2012/2011: - 2%

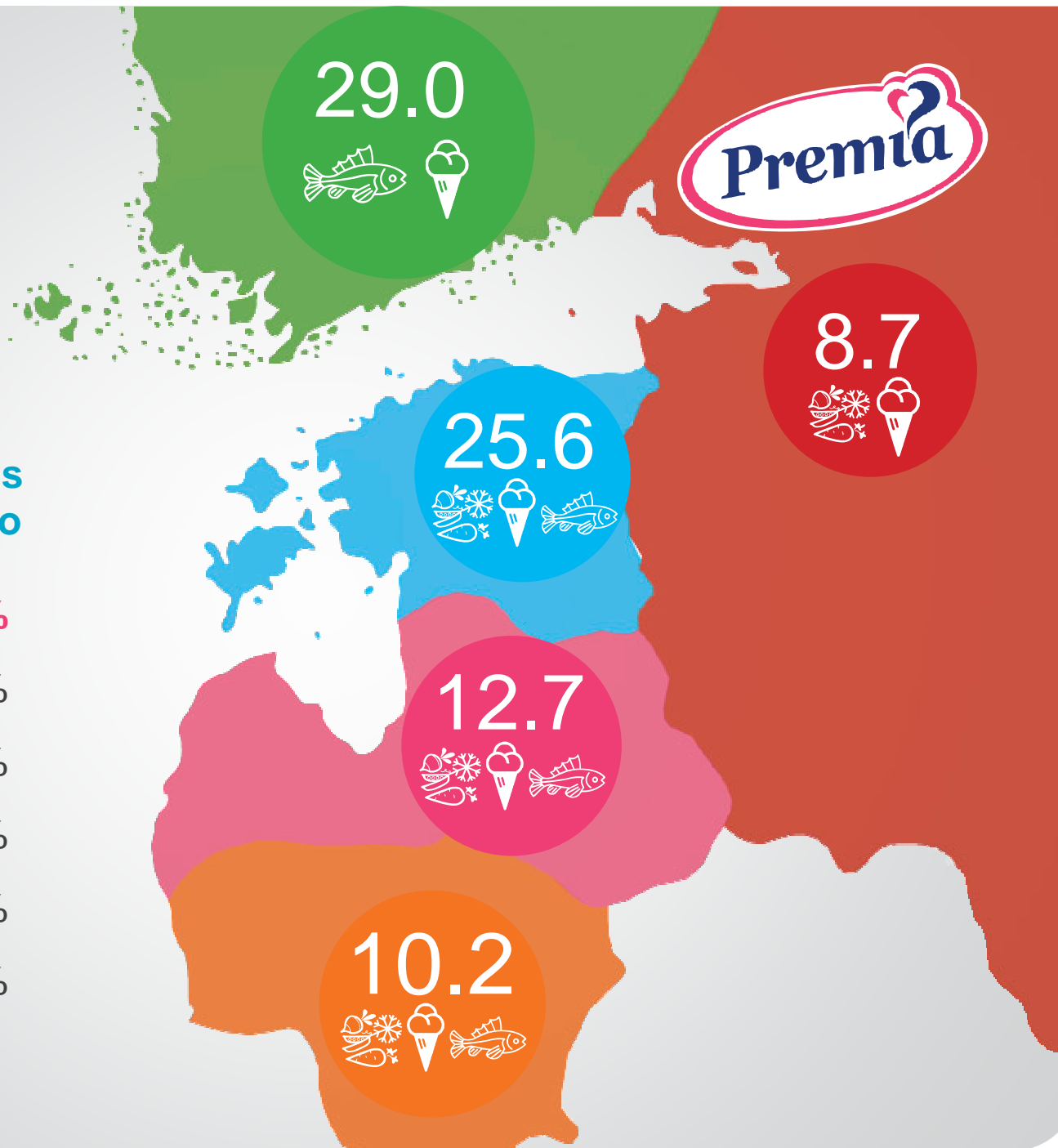
Finland: - 9%

Estonia: + 2%

Latvia: + 9%

Lithuania: + 6%

Russia: - 12%



Share of ice cream segment increased in summer



SEGMENT SHARE FROM TOTAL SALES (12m 2012)

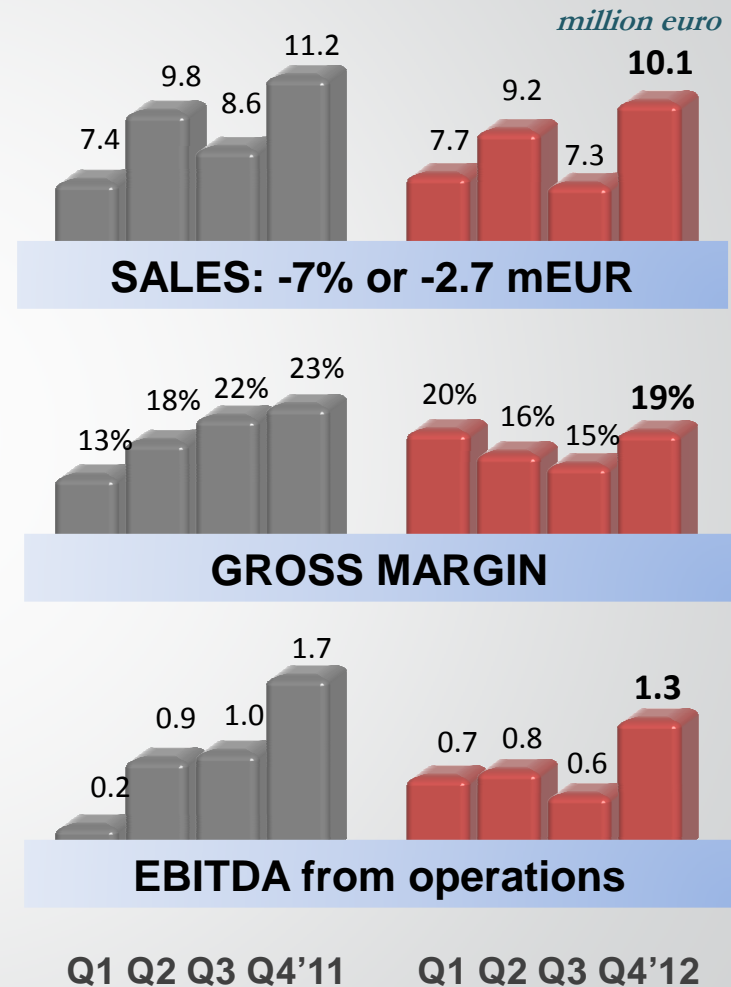
Other	0.2%	1.9%	0.1%	0.4%	0.0%	0.0%
Fish	33.0%	6.1%	0.4%	0.0%		0.2%
Frozen Goods	0.0%	10.9%	9.7%	5.3%	0.1%	0.0%
Ice cream	0.5%	10.7%	4.5%	6.1%	10.0%	0.0%
SEGMENT ----- MARKET	Finland	Estonia	Latvia	Lithuania	Russia	Other regions

Fish and fish products



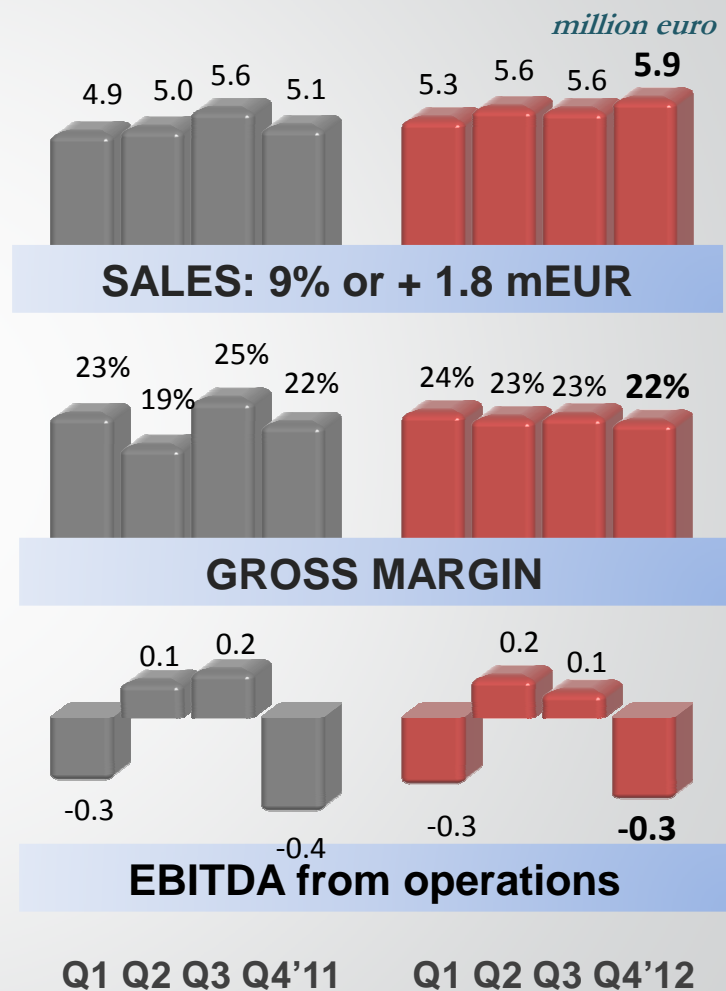
- ❖ Decrease of the market price of the raw fish was the main influencer on fish segment's results of 2012
- ❖ In y-o-y basis the gross profitability of the fish business segment decreased by 1 pps
- ❖ Decrease of the gross profit by 1.1 million euro, on yoy basis.
- ❖ The operational EBITDA of the fish business segment of 2012 was 3.3 million euro, which is 0.5 million euro less than in 2011.

yoy: year-on-year



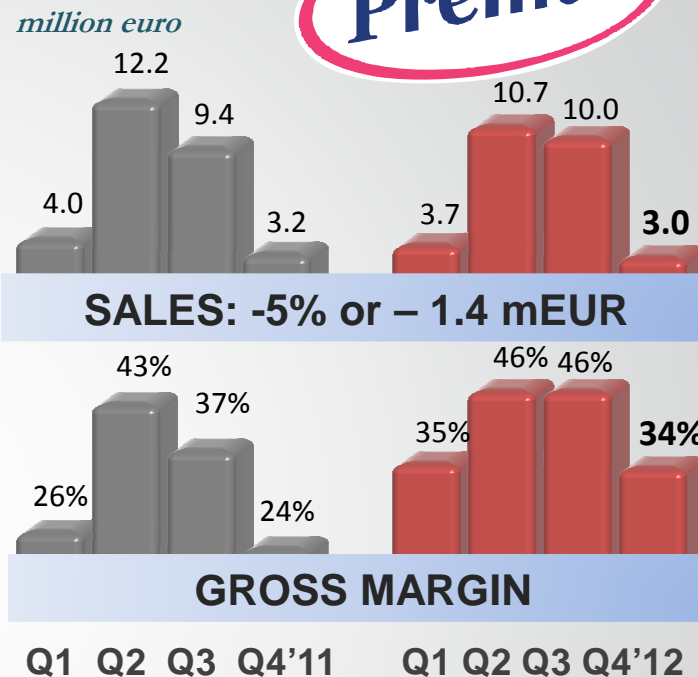
Frozen goods

- ❖ Record high quarterly sales of 5.9 mEUR after the economic crisis (2009 Q1: 6.0 mEUR)
- ❖ Turnover increased on yoy basis by 16% or 0.8 mEUR in Q4.
- ❖ Latvia and Lithuania increased their turnover of frozen goods the most.
- ❖ Horeca- sector is recovering due to the recovery of purchasing power of consumers.
- ❖ Gross profit of 12 months increased by 0.5 mEUR on yoy basis.
- ❖ Annual average gross margin 23% compared to last year's 22%
- ❖ EBITDA and EBIT of the segment remained on the same level as last year.



Ice cream

- ❖ Continuously Baltic market leader.
- ❖ Gross profit 35% higher in Q4 on yoy basis
- ❖ Gross profit of 2012 6% higher on yoy basis.
- ❖ Annual average gross margin 43%, improvement by 7 pps.
- ❖ The operational EBITDA of the ice cream business segment of the 4th quarter was by 0.3 million euro higher on yoy basis.
- ❖ In the summary of the 12 months, the operational EBITDA of the ice cream business segment in 2012 was 0.2 million euro less on yoy basis.



million euro	12m'12	12m'11		12m'12	12m'11	
Sales	18.9	19.1	B A L T I C S	8.5	9.7	R U S S I A
Gross profit	8.7	8.2		3.2	2.3	
<i>gross margin</i>	46%	43%		37%	24%	
EBITDA from operations	3.7	3.4		-1.3	-0.9	
EBIT	2.9	2.4		-1.6	-2.4	

Cost analysis



	12m 2012	12m 2011	change	12m 2012	12m 2011	change
	<i>EUR mln</i>	<i>EUR mln</i>	<i>EUR mln</i>	<i>as % of sales</i>	<i>as % of sales</i>	<i>as % of sales</i>
Sales	86.4	88.3	- 1.9	100.0%	100.0%	
<u>Cost of goods sold</u>	<u>- 62.7</u>	<u>- 65.4</u>	<u>- 2.7</u>	<u>72.6%</u>	<u>74.0%</u>	<u>- 1.5%</u>
incl one-off exp	- 0.4	- 0.6	- 0.2	0.5%	0.7%	- 0.2%
materials in production & cost of goods purchased for resale	- 52.0	- 53.9	- 1.9	60.1%	61.0%	- 0.9%
labour costs	- 4.9	- 5.3	- 0.4	5.6%	5.9%	- 0.3%
depreciation	- 1.4	- 1.9	- 0.5	1.6%	2.1%	- 0.5%
other cost of goods sold	- 4.5	- 4.4	+ 0.1	5.2%	5.0%	+ 0.2%
<u>Operating expenses</u>	<u>- 22.6</u>	<u>- 22.8</u>	<u>- 0.2</u>	<u>26.1%</u>	<u>25.8%</u>	<u>+ 0.3%</u>
incl one-off exp	- 0.0	- 0.4	- 0.3	0.0%	0.4%	- 0.4%
labour costs	- 6.6	- 7.0	- 0.4	7.6%	8.0%	- 0.3%
transport & logistics services	- 3.9	- 4.1	- 0.2	4.5%	4.7%	- 0.1%
depreciation	- 1.8	- 2.1	- 0.3	2.1%	2.4%	- 0.3%
marketing	- 2.4	- 2.3	+ 0.1	2.8%	2.6%	+ 0.2%
other operating expenses	- 7.8	- 7.2	+ 0.6	9.0%	8.2%	+ 0.8%
<u>Other income/expenses</u>	<u>0.4</u>	<u>0.5</u>	<u>+ 0.1</u>	<u>-0.4%</u>	<u>-0.5%</u>	<u>+ 0.1%</u>
incl one-off exp		- 0.1	- 0.1		0.1%	- 0.1%

Key ratios: Balance Sheet



Balance Sheet, EUR mln	31.12.12	31.12.11
Net debt	13.8	11.3
Equity	36.5	40.5
Working capital	12.2	13.7
Assets	63.2	64.1
Liquidity ratio	1.91	2.19
Equity ratio	58%	63%
Gearing ratio	28%	22%
Net debt-to-EBITDA	2.68	1.98

- ❖ Share capital reduction payments in amount of 3.9 mEUR were made on December 20, 2012
- ❖ Total payments to shareholders in 2012 amounted 4.3 mEUR or 0.11 per share, i.e. 17% yield per share (based on year end share price)