





Premia Foods

1st Quarter & 3 months 2013

May 14, 2013

Improved sales and operating profit



- ❖ The turnover 18.3 million euro, increased by 1.2 million euro, i.e. 6.8%.
- ❖ Gross margins of the ice cream and frozen goods segments have increased
- ❖ The decrease of the gross margin resulted from the increase of the prices of raw fish by 27%.
- ❖ The proportion of operating costs in the turnover decreased by 2.6 percentage points, i.e. by 0.1 million euro. The operating cost ratio decreased to 27.1%.
- ❖ The EBIT increased by 0.1 million euro, i.e. 7%. The growth came from the Baltics and Russia.
- ❖ The net profit was -1.2 million euro, remaining at the same level as one previous year.
- ❖ The cash flow from operations was positive, reaching 1.3 million euro. The improved management of working capital gave an improved result by 1.5 million euro.
- ❖ The net debt decreased by 0.7 million euro during the reporting period. During the 1st quarter of 2012, the net debt increased by 0.9 million euro.

Key ratios: Profit & Loss



Profit & Loss, EUR mln	Q1 2013	Q1 2012	
Sales	18.3	17.1	
Gross profit	3.8	4.2	
EBITDA from operations	-0.4	0.0	
EBITDA	-0.7	-0.6	
EBIT	-1.3	-1.4	
Net profit	-1.2	-1.2	
Gross margin	20.6%	24.5%	
Operational EBITDA margin	-2.2%	0.1%	
EBIT margin	-7.3%	-8.3%	
Net margin	-6.5%	-6.9%	
Operating expense ratio	27.1%	29.7%	

Sales by segments: 3 months 2013



Fish:

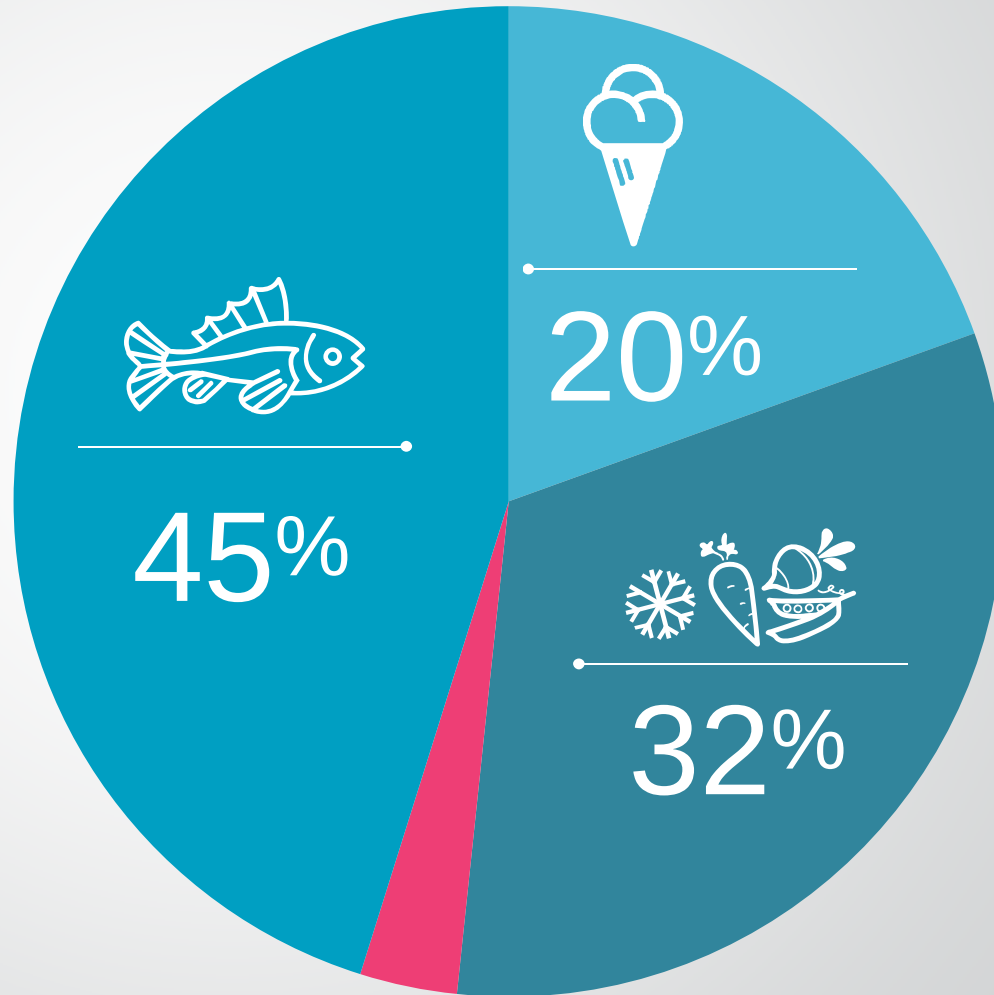
value + 8%
volume + 10%

Ice cream:

value - 4%
volume - 13%

Frozen goods:

value + 11%
volume + 3%



Value based sales breakdown by segments/ 3 months 2013

Sales by countries

Turnover of 3 months
2013: 18.3 million euro

2013/2012: + 7%

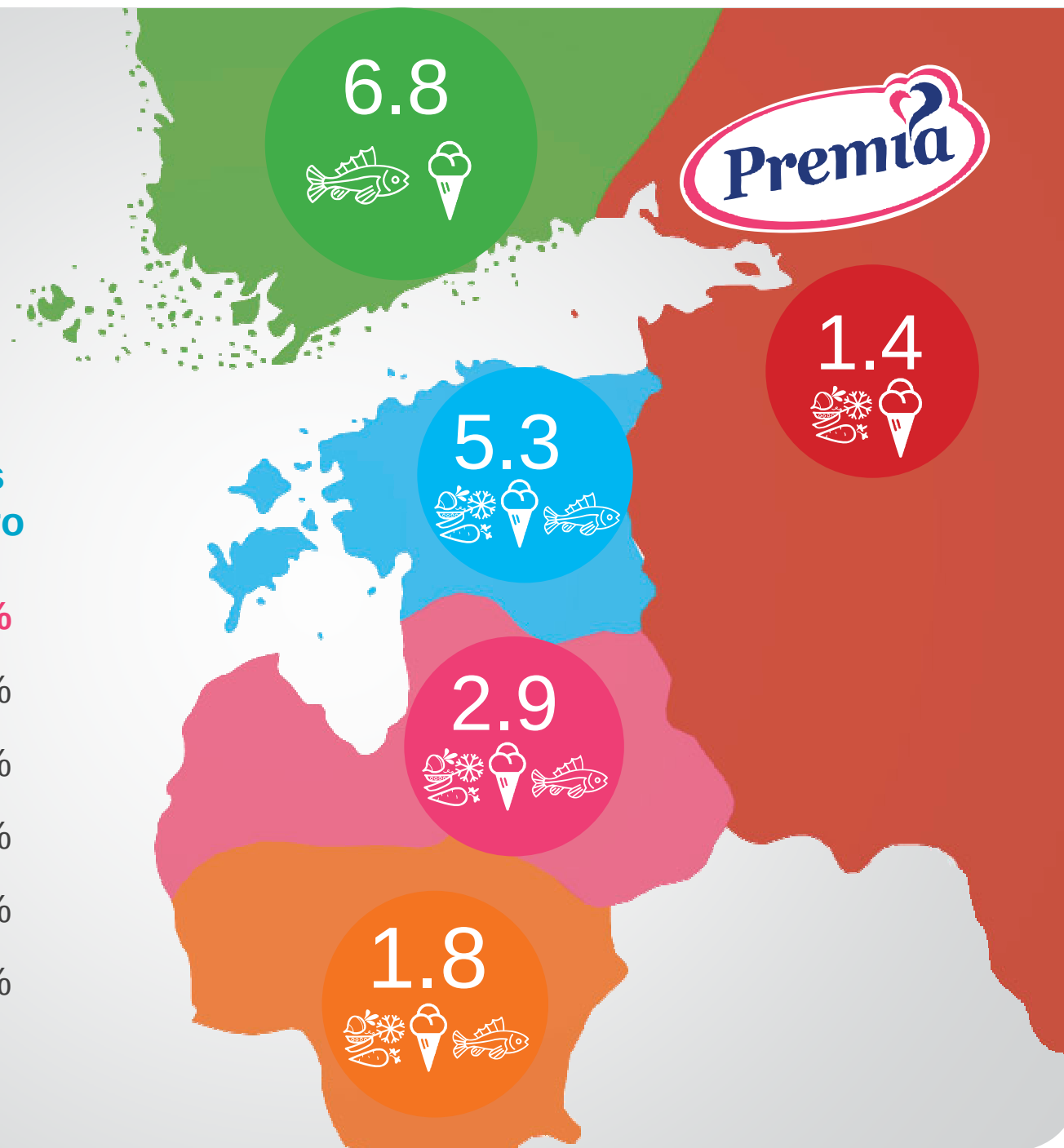
Finland: + 2%

Estonia: + 8%

Latvia: + 19%

Lithuania: + 13%

Russia: - 2%



Fish segment domination



SEGMENT SHARE FROM TOTAL SALES (3m 2013)

Other	0.0%	2.6%	0.1%	0.5%	0.0%	
Fish	36.9%	7.1%	1.2%	0.0%		0.0%
Frozen Goods	0.0%	12.4%	12.3%	7.3%	0.2%	0.0%
Ice cream	0.4%	7.1%	2.1%	2.1%	7.7%	0.1%
SEGMENT ----- MARKET	Finland	Estonia	Latvia	Lithuania	Russia	Other regions

Business segments in brief



EUR million	Q1 2013	Q1 2012	
<u>Sales</u>			
Ice cream	3.6	3.7	▼
Frozen goods	5.9	5.3	▲
Fish and fish products	8.2	7.7	▲
Other	0.6	0.4	▲
Total	18.3	17.1	▲
<u>Gross profit</u>			
Ice cream	1.4	1.3	▲
Frozen goods	1.4	1.2	▲
Fish and fish products	0.8	1.5	▼
<u>Gross margin</u>			
Ice cream	39%	35%	▲
Frozen goods	24%	24%	▲
Fish and fish products	10%	20%	▼

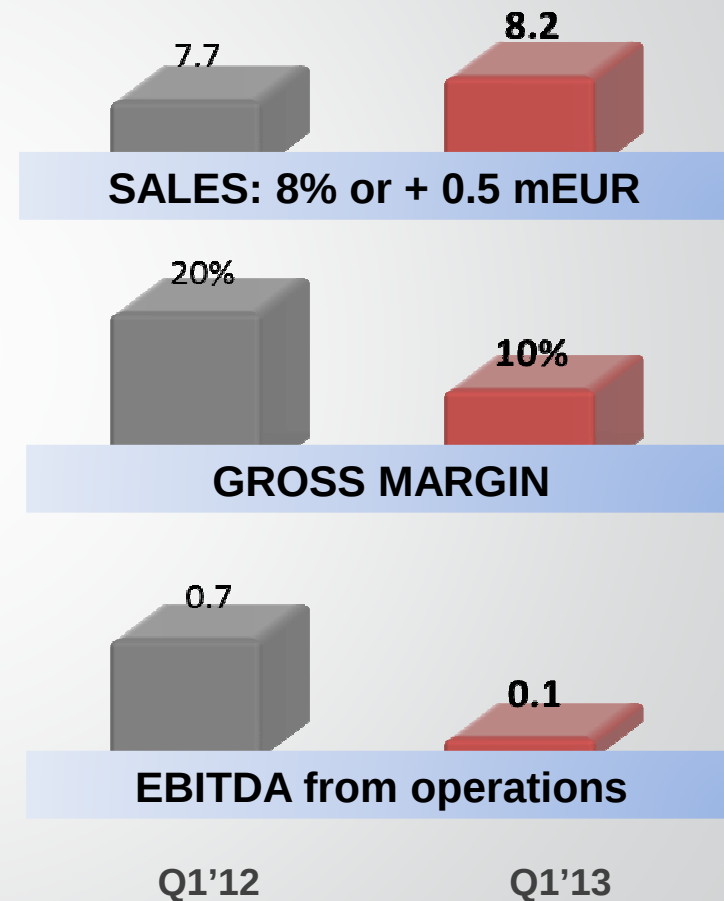
EUR million	Q1 2013	Q1 2012	
<u>EBITDA from operations</u>			
Ice cream	-0.2	-0.4	▲
Frozen goods	-0.3	-0.3	▲
Fish and fish products	0.1	0.7	▼
Other	-0.1	-0.1	▲
Total	-0.4	0.0	▼
<u>EBITDA</u>			
Ice cream	-0.2	-0.4	▲
Frozen goods	-0.3	-0.3	▲
Fish and fish products	-0.1	0.1	▼
<u>EBIT</u>			
Ice cream	-0.4	-0.6	▲
Frozen goods	-0.4	-0.5	▲
Fish and fish products	-0.3	-0.1	▼

Fish and fish products



million euro

- ❖ Turnover of fish segment increased in all target markets.
- ❖ The reason of decrease of gross margin was the 27% of increase of raw fish price during the reporting period.
- ❖ Revaluation of the biological assets compensated partly the decrease of gross profit and EBITDA from operations.
- ❖ Due to the common practise of Finnish fish market, the increase of raw fish price will be transferred to consumer prices during 4-6 months.

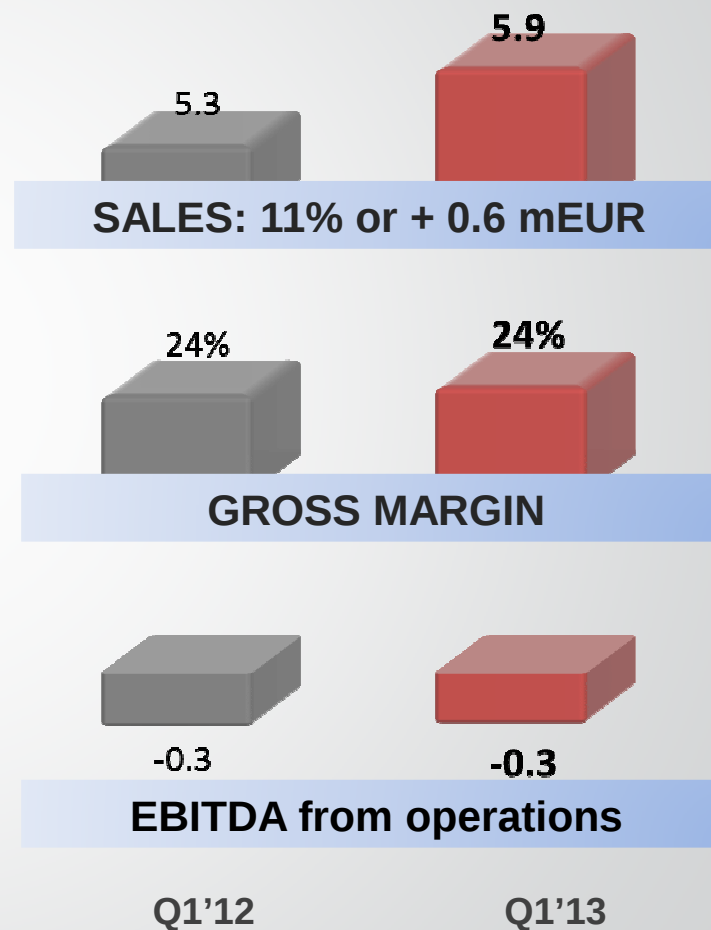


Frozen goods

- ❖ Turnover of frozen goods segment was 5.9 m EUR, which is record high for the second consecutive quarter.
- ❖ Turnover increased the most in Latvia and Lithuania.
- ❖ Gross profit of 3 months increased by 0.2 mEUR on yoy basis.
- ❖ The summed up EBITDA and operating profit of frozen goods and ice cream segments increased by 0.2 mEUR on yoy basis.

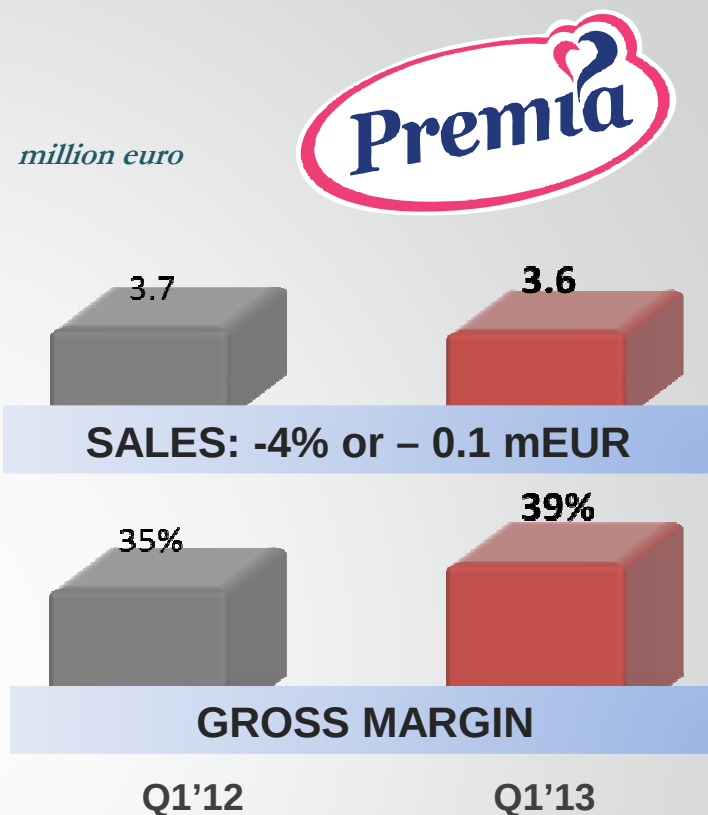


million euro



Ice cream

- ❖ Continuously Baltic market leader.
- ❖ Turnover in Estonia grew by 5%.
- ❖ Gross margin improved by 4 pps, both in Baltics as well as in Russia
- ❖ Profit improved by 0.1 mEUR, both in Baltics as well as in Russia



million euro	3m'13	3m'12		3m'13	3m'12	
Sales	2.1	2.2	BALTICS	1.4	1.5	RUSSIA
Gross profit	1.0	0.9		0.4	0.4	
gross margin	45%	41%		30%	26%	
EBITDA from operations	0.3	0.2		-0.5	-0.6	
EBIT	0.2	0.1		-0.6	-0.7	

Cost analysis



	Q1 2013 <i>EUR mln</i>	Q1 2012 <i>EUR mln</i>	change <i>EUR mln</i>	Q1 2013 <i>as % of sales</i>	Q1 2012 <i>as % of sales</i>	change <i>as % of sales</i>
Sales	18.3	17.1	+ 1.2	100.0%	100.0%	
<u>Cost of goods sold</u>	<u>- 14.5</u>	<u>- 12.9</u>	<u>+ 1.6</u>	<u>79.4%</u>	<u>75.5%</u>	<u>+ 3.9%</u>
incl one-off exp	- 0.0		+ 0.0	0.0%	0.0%	+ 0.0%
materials in production & cost of goods purchased for resale	- 12.1	- 10.7	+ 1.4	66.3%	62.6%	+ 3.6%
labour costs	- 1.1	- 1.0	+ 0.1	6.2%	5.8%	+ 0.4%
depreciation	- 0.3	- 0.3	- 0.0	1.7%	2.0%	- 0.3%
other cost of goods sold	- 1.0	- 0.9	+ 0.1	5.2%	5.1%	+ 0.1%
<u>Operating expenses</u>	<u>- 5.0</u>	<u>- 5.1</u>	<u>- 0.1</u>	<u>27.1%</u>	<u>29.7%</u>	<u>- 2.6%</u>
incl one-off exp	- 0.0		+ 0.0	0.0%	0.0%	+ 0.0%
labour costs	- 1.7	- 1.5	+ 0.1	9.2%	9.0%	+ 0.1%
transport & logistics services	- 1.0	- 0.8	+ 0.1	5.3%	4.9%	+ 0.4%
depreciation	- 0.3	- 0.5	- 0.2	1.9%	2.9%	- 1.0%
marketing	- 0.4	- 0.5	- 0.1	2.0%	2.7%	- 0.7%
other operating expenses	- 1.6	- 1.7	- 0.1	8.7%	10.2%	- 1.5%
<u>Other income/expenses</u>	<u>0.1</u>	<u>0.1</u>	<u>- 0.0</u>	<u>-0.3%</u>	<u>-0.3%</u>	<u>+ 0.0%</u>

Key ratios: Balance Sheet



Balance Sheet, EUR mln	31.03.13	31.03.12
Net debt	13.2	12.2
Equity	35.3	39.3
Working capital	10.4	12.0
Assets	62.4	64.2
Liquidity ratio	1.73	1.91
Equity ratio	57%	61%
Gearing ratio	27%	24%
Net debt-to-EBITDA	2.80	2.39

- ❖ The Management Board has proposed to AGM, taking place on 29.05.13, to continue the declared dividend policy and to distribute 387 thousand euro, i.e. 0.01 euro per share, as dividends for the financial year 2012.