

**Press release (embargoed until 5.40 p.m. CEST on 22 March 2018).**

**Regulated information.**

## **Miko Annual Results 2017**

### **Miko surpasses 3 milestones:**

- **Turnover rises above EUR 200 million**
- **Net profit is well in excess of the EUR 10 million mark**
- **Puro coffee is protecting more than 100 million m2 of rainforest**

Turnhout, 22 March 2018 – Miko, the coffee service and plastic packaging specialist listed on Euronext Brussels, reported a turnover of EUR 204.8 million in 2017, some 7.0 % higher than in 2016. Net profit amounted to EUR 11.3 million, a 27.3 % increase. EBIT and EBITDA increased by 1.7 and 6.4 % respectively.

#### **CONSOLIDATED RESULTS**

Turnover increased by 7.0 % in 2017 compared to last year, from EUR 191.5 million to EUR 204.8 million. More than three quarters of Group turnover was achieved abroad.

EBIT (profit from operational activities before costs and taxes) amounted to EUR 16.3 million (up 1.7 % on 2016).

EBITDA (profit from operational activities before financial costs, taxes, depreciation and amortisation) amounted to EUR 29 million (up 6.4 % compared to 2016).

Net profit amounted to EUR 11.3 million, a 27.3 % increase as compared to 2016. Part of this is attributable to the non-recurring impact of the tax reform. The Board of Directors is proposing to the General Meeting that a gross dividend of EUR 1.7 per share be paid, i.e. 10.4 % more than last year.

#### **SEGMENT INFORMATION**

The coffee segment recorded turnover of EUR 108.2 million during 2017. This represents double-digit growth of 12 % as compared to last year. The coffee service department represents 52.8 % of Group turnover. The operating results (EBIT) of the coffee service department increased by 71.1 %. The operating cash flow (EBITDA) increased by 40.5 %. Investments in the coffee segment amounted to EUR 5.7 million in 2017.

This leap forwards is the result of solid performance in all 12 home countries . markets where Miko has its own coffee service subsidiaries. The strategic focus on Scandinavia decided upon some years ago, is now bearing fruit. Today, Miko is well represented in Sweden, Denmark and Norway. Together, they already represent 20 % of the turnover of the coffee service department. A clear bonus was a large deal concluded in Denmark in 2017. The local currencies, i.e. Danish, Norwegian and Swedish Crowns, also served to spread the foreign-exchange risk more efficiently.

The plastics segment recorded a turnover of EUR 96.6 million, a 1.8 % increase compared to last year. This segment accounts for 47.2 % of overall turnover. The operating profit (EBIT) and operating cash flow

(EBITDA) for the plastic packaging unit decreased by 37.8 % and 18.7 % respectively. Investments in the plastics segment amounted to EUR 10.6 million.

Leaving aside a non-recurring massive contract for subsidiary Innoware in Indonesia in 2016, the EBIT and EBITDA for this unit would have increased by 26 % and 18.5 % respectively. The segment of trays for ready meals exhibited strong growth in Belgium and Poland. A new ice-cream concept was also launched on the market, for which Miko Pac co-developed and manufactured the packaging, and which was well received.

## KEY EVENTS

A third milestone surpassed in 2017 relates to the sustainable Puro coffee. Puro coffee fulfils the %people+ pillar, given that it is a fair-trade coffee. The %planet+ pillar stands for the 2 % of the turnover which is used for the acquisition and perpetual protection of rainforest. The symbolic mark of 100 million m2 protected rainforest was well exceeded in 2017. Miko is currently preserving 120 million m2 of tropical forests with the aid of Puro coffee.

At the end of 2016, the initial spadework was carried out in the plastics processing department in Jakarta, Indonesia. The site is now home to a fully functional greenfield manufacturing plant for subsidiary Innoware. This has not only created additional space for growth, it also creates considerable opportunities for increasing efficiency. New construction and expansion plans have now also been developed in Poland in order to make additional capacity available.

This year, Miko and the Michielsen family were also nominated for the Family Business Award of Excellence (\*). This recognition is intended for family-owned companies that demonstrate excellence in the field of good governance both within the family and the company, doing so in their vision, their preservation of the family values, and in their social commitment.

## PROSPECTS

Frans Van Tilborg, Miko Group CEO comments: %2017 was a record year. Quite a few milestones were surpassed. We succeeded in adjusting our sails in order to benefit from the favourable wind blowing through the economy. We are wide awake to face all the potential challenges that may present themselves in 2018. An investment budget of EUR 15.8 million is confirmation of our confidence in the future.+

%would like to conclude this press release with a very warm tribute and an expression of deep sadness at the sudden passing away of Mr Chris Van Doorslaer at the end of 2017. Chris was our Chairman of the Board of Directors, an extremely competent, honourable, passionate and inspiring leader ò Our thoughts go out to his next of kin ò ,+Frans Van Tilborg says.

(\* ) This award is a joint initiative of Ernst & Young, Guberna and The Family Business Network

## ABOUT MIKO

Miko has been active in coffee service for over 200 years and in plastic packaging for some 45 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 posted a turnover of EUR 205 million in 2017, with the coffee service and plastics processing division accounting for respectively 53 % and 47 % 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](http://www.miko.eu) . English . Press releases.

For more information, please contact Frans Van Tilborg on +32 (0)14-46.27.70.

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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](http://www.mikocoffee.com)

**SCHEDULE 1 Consolidated annual results Miko Group**

	<b>2017 (KEUR)</b>	<b>2016 (KEUR)</b>
<b>Revenu</b>	<b>204.779</b>	<b>191.467</b>
Revenue sale of goods	199.792	186.448
Revenue leasing	5.008	4.732
Revenue sale of fixed assets	-21	287
<b>Other operating income</b>	<b>3.683</b>	<b>4.674</b>
Raw materials & consumables used	-104.748	-95.375
Employee benefit expense	-44.709	-43.638
Depreciation and amortization	-12.154	-11.476
Other operating expenses	-30.586	-29.663
<b>Total expenses</b>	<b>-192.197</b>	<b>-180.152</b>
<b>Operating profit before interests and taxes</b>	<b>16.265</b>	<b>15.989</b>
<b>Net financial result</b>	<b>-723</b>	<b>-940</b>
Financial income	52	362
Financial costs	-775	-1.302
<b>Profit before taxes</b>	<b>15.542</b>	<b>15.049</b>
Taxes on result	-3.243	-4.298
<b>Net profit of the group</b>	<b>12.299</b>	<b>10.751</b>
Attributable to minority interests	1.018	1.891
<b>Attributable to Miko shareholders</b>	<b>11.281</b>	<b>8.860</b>
Basic earnings per share, Attributable to Miko shareholders (in euro)	9,08	7,13
Diluted earnings per share, Attributable to Miko shareholders (in euro)	9,01	7,09
Gross dividend	2.111	1.913
<b>Gross dividend per share (in euro)</b>	<b>1,70</b>	<b>1,54</b>

**SCHEDULE 2 - Consolidated overview of comprehensive income**

	<b>2017 (KEUR)</b>	<b>2016 (KEUR)</b>
<b>Net profit of the group</b>	<b>12.299</b>	<b>10.751</b>
Currency translation differences (items that may be reclassified to profit or loss)	-3.028	-1.025
Other items of comprehensive income (items that will not be reclassified to profit or loss)	-18	20
<b>Comprehensive income for the year</b>	<b>9.253</b>	<b>9.746</b>
Attributable to Miko shareholders	8.244	7.845
Attributable to minority interests	1.009	1.901