

## Consolidated Financial Results FY 2005 According to I.F.R.S.

- ❖ Consolidated turnover marked an increase of 71.9% standing at 142.5 mil. Euro as compared to 82.9 mil. Euro in 2004.
- ❖ Operating results (EBITDA) rose by 52.3% amounting to 27.5 mil. Euro, compared to 18.1 mil. Euro in 2004.
- ❖ Net profits after tax & minorities rose by 72.3% at 12.6 mil. Euro, compared to 7.3 mil. Euro in 2004.

	SALES (000 €)	EBITDA (000 €)	EBT (000 €)	EAT (000 €)	EPS €	DPS €	P/E x	P/BV x	P/SALES x	ROE %
2004	82,905	18,083	8,462	7,326	0.20	0.06	38.04	5.13	3.36	13.48%
2005	142,498	27,539	15,013	12,620	0.35	0.03	22.08	4.15	1.96	18.78%
2006 (E)	230,050	38,594	20,969	17,272	0.48	0.06	16.13	3.33	1.21	20.67%

Financial ratios computed at price € 7.74 (21/02/2006)

- ❖ **Consolidated turnover** comprises of distribution sales of 81.8 mil Euro and production sales of 60.7 mil Euro.
- ❖ **Gross profit** rose by 60.7% at 42.9 mil. Euro compared to 26.7 mil. Euro in 2004.
- ❖ In order to meet the **high demand** of the fast growth markets in **South Eastern Europe** Neochimiki changed its dividend policy to finance the expected growth.
- ❖ Pursuing the strategic goal for **geographical expansion** in Southeastern Europe, **total export activities** stood at 23.5 mil Euro as opposed to 11.2 mil Euro in 2004 marking an increase of 110%. Moreover total foreign sales represent the 16.5% of 2005 consolidated sales over 13.5% for the year 2004.
- ❖ During the last three months of 2005 NEOCHIMIKI proceeded, through its subsidiaries to the **acquisition of two new companies**. More specifically, the Group acquired 100% of NOVION S.A. (former Celanese), with privately-owned facilities and production lines for the paints & lacquer industry, as well as glue products. Furthermore the Group acquired BALLIS CHEMICALS S.A., a company with advanced know-how in the field of chemicals and detergents for professional use. The merger with Lamda Detergent will result to the creation of significant economies of scale regarding the production activity in the specific sector.
- ❖ **For 2006**, NEOCHIMIKI revised its former estimates of 195 mil Euro for consolidated turnover and 15.5 mil Euro for Earnings after Tax & Minorities (EAT) to 230 mil Euro and 17.2 mil. Euro respectively. This revision is due to the above mentioned acquisitions and to the first time inclusion of the cosmetics business as well as the penetration in agrochemicals.

**Consolidated Financial Results FY 2005 – Quarterly Analysis**

(FY: December)	Q1 2004	Q2 2004	Q3 2004	Q4 2004	FY 2004	Q1 2005	Q2 2005	Q3 2005	Q4 2005	FY 2005
(000 €)										
Sales	16,541	19,875	21,635	24,854	82,905	24,489	31,290	38,025	48,694	142,498
Cost of Goods Sold	11,175	13,293	15,232	16,533	56,233	16,326	22,729	27,378	33,190	99,623
Gross Profit	5,366	6,582	6,403	8,321	26,672	8,163	8,561	10,647	15,504	42,875
Other Revenues-(Expenses)	74	57	157	489	777	121	54	147	389	711
Research, Administrative & Selling Expenses	2,501	3,507	3,276	5,724	15,007	3,981	4,029	5,245	9,771	23,026
EBITDA	4,090	4,513	4,547	4,933	18,083	5,894	6,448	7,305	7,892	27,539
Depreciation	1,151	1,381	1,263	1,846	5,641	1,591	1,862	1,758	1,769	6,980
EBIT	2,939	3,132	3,284	3,087	12,442	4,303	4,586	5,547	6,123	20,559
Total Financial Results	843	981	798	1,358	3,980	1,154	1,318	1,493	1,581	5,546
EBT	2,096	2,151	2,486	1,729	8,462	3,149	3,269	4,053	4,542	15,013
Taxation	264	104	315	304	987	481	355	876	643	2,355
Minorities	74	66	89	(80)	149	(2)	(29)	12	57	38
EAT & Minorities	1,758	1,981	2,082	1,505	7,326	2,670	2,941	3,166	3,843	12,620
<b>Margin Analysis %</b>										
Gross Profit	32.4%	33.1%	29.6%	33.5%	32.2%	33.3%	27.4%	28.0%	31.8%	30.1%
Research, Administrative & Selling Expenses	15.1%	17.6%	15.1%	23.0%	18.1%	16.3%	12.9%	13.8%	20.1%	16.2%
EBITDA	24.7%	22.7%	21.0%	19.8%	21.8%	24.1%	20.6%	19.2%	16.2%	19.3%
EBIT	17.8%	15.8%	15.2%	12.4%	15.0%	17.6%	14.7%	14.6%	12.6%	14.4%
EBT	12.7%	10.8%	11.5%	7.0%	10.2%	12.9%	10.4%	10.7%	9.3%	10.5%
EAT & Minorities	10.6%	10.0%	9.6%	6.1%	8.8%	10.9%	9.4%	8.3%	7.9%	8.9%
<b>Period/Period %</b>										
Sales						48.1%	57.4%	75.8%	95.9%	71.9%
Gross Profit						52.1%	30.1%	66.3%	86.3%	60.7%
Research, Administrative & Selling Expenses						59.2%	14.9%	60.1%	70.7%	53.4%
EBITDA						44.1%	42.9%	60.7%	60.0%	52.3%
EBIT						46.4%	46.4%	68.9%	98.4%	65.2%
EBT						50.2%	52.0%	63.0%	162.8%	77.4%
EAT & Minorities						51.9%	48.5%	52.1%	155.4%	72.3%

Source: Consolidated Company Financial Data

Financial Calendar			
2006	May	4/5/2006	Q1 results
	July	27/7/2006	H1 results
	November	2/11/2006	9M results

Additional information concerning the Financial Statements under I.F.R.S. can be found in the company's website: [www.neochimiki-lavrentiadis.gr](http://www.neochimiki-lavrentiadis.gr)