



# Full Year Results 2006 Analyst Presentation

28 February 2007





## Disclaimer

**During this presentation management may discuss certain forward-looking statements concerning FRIGOGLASS' future performance that should be considered as good faith estimates made by the Company. These forward-looking statements reflect management expectations and are based upon currently available data. Actual results are subject to future events and uncertainties, which could materially impact FRIGOGLASS' actual performance.**



# Agenda

**2006 Highlights**

**Dimitris Lois**

**2006 Financial Performance**

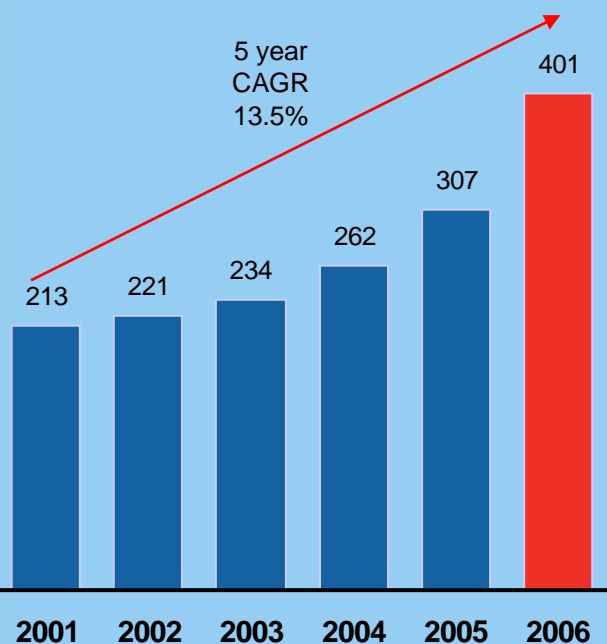
**Panos Tabourlos**

**2007 Outlook**

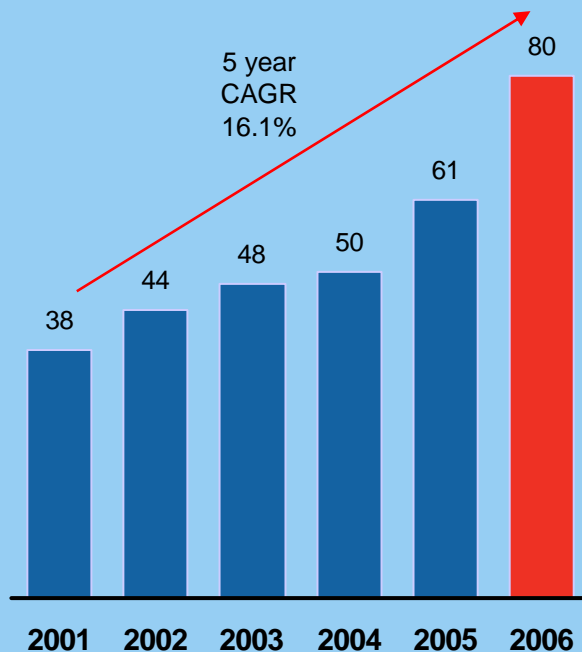
**Dimitris Lois**

**Top-line growth has accelerated in 2006 while profitability has increased substantially**

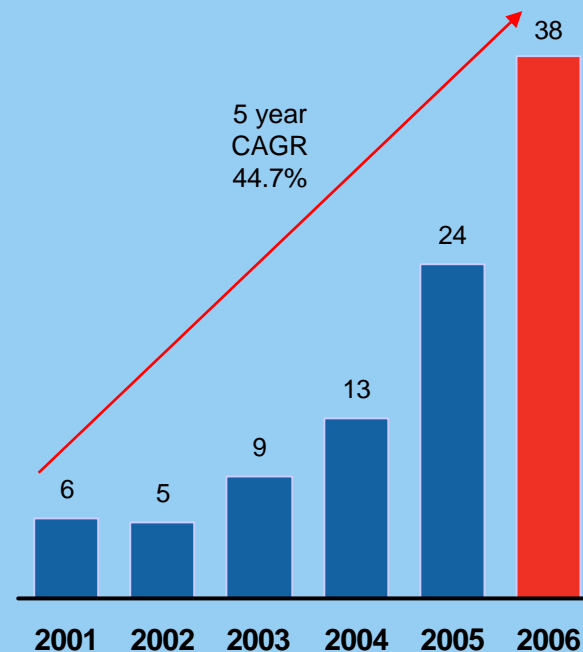
### Revenue (€m)



### EBITDA (€m)



### Net Profit (€m)



**Staggering growth over the last few years**

## Financial Highlights 2006

				Margins	
	2005	2006	% change	2005	2006
Revenue	€306.8m	€401.0m	+30.7%		
EBITDA	€60.6m	€80.3m	+32.5%	19.8%	20.0%
EBIT	€41.2m	€62.7m	+52.2%	13.4%	15.6%
EPS	€0.61	€0.96	+58.5%	7.9%	9.6%
NTS/NWC	2.85	3.16	+11.0%		

Organic growth for all key business metrics



## 2006 Highlights

### Drive top-line growth

- Substantial customer diversification towards Coca-Cola bottlers (other than Coca-Cola HBC), with Sales up by 90% and breweries up by 41%
- Improved sales structure towards leveraging customer opportunities
- Customer led Innovation
- Further strengthen our market position in key countries
  - Strong Sales growth from Africa by 65% (S.Africa, Kenya), Asia 49% (India, Malaysia), Western Europe by 48% (Germany, Italy), Eastern Europe by 30% (Russia, Ukraine, Romania)

### Focus on Cost Elements

- Increase production efficiency and cost management to offset raw material price pressures

### **Consistent with the development of our strategic priorities**

- **Geographical expansion into China – Greenfield operation**
- **Organic growth through the “Coke system”**
- **Diversification beyond the “Coke focus”**
- **Re-evaluation of non-core business – in Q3 2006 we closed our vehicles operations in Nigeria**
- **Capacity and manufacturing optimisation**
  - **Increased capacity in Russia and Romania**
  - **Successful completion of the transfer of production from the Irish plant to Poland this year**

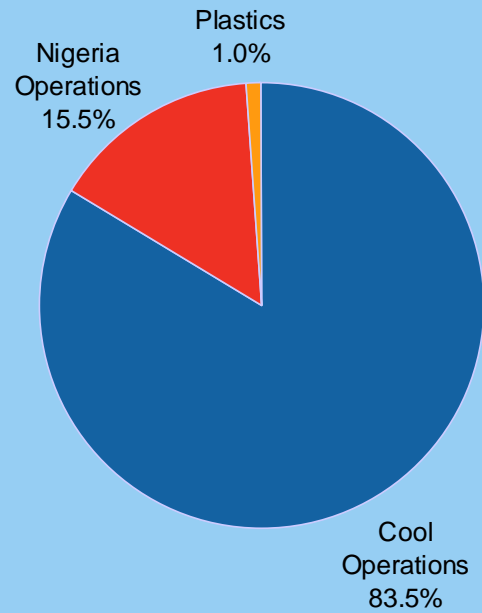
**Strong Cash Flow from Operations €56.2 million**

**Nigeria Operations strong improvement in glass sales revenues in Q4 (stronger demand from breweries and exports as expected)**

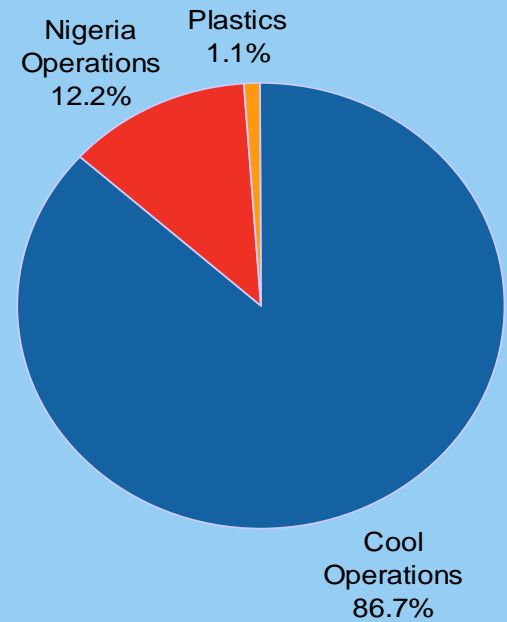
**Operating leverage, Working capital management (improved by 11%) and Taxation planning (tax rate 29.1% in 2006 vs. 31.7% in 2005) led to increased Net Profit margins by 170 bps to 9.6%**

## Sales and EBT: Contribution by Operation

### 2006 Sales

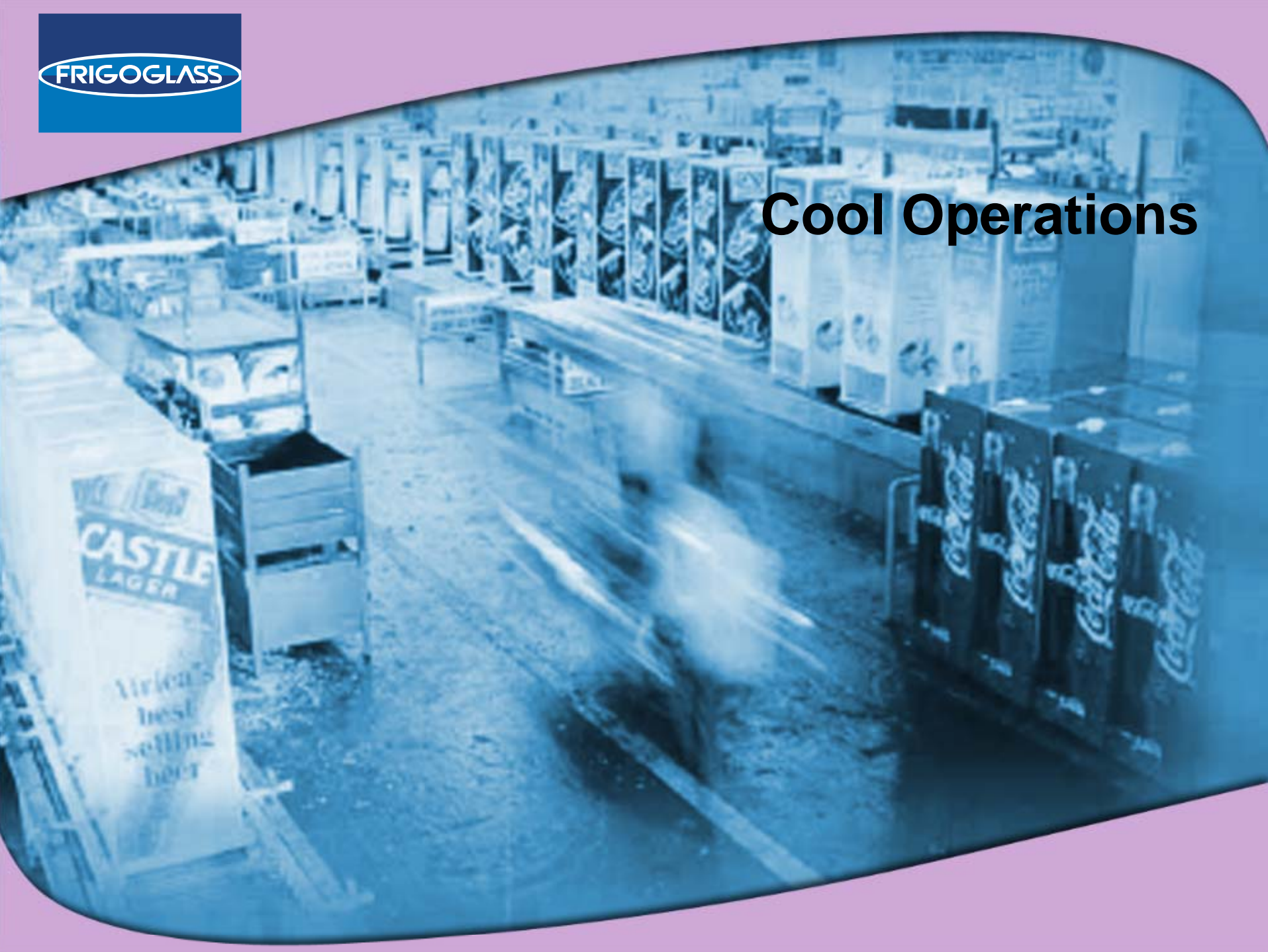


### 2006 EBT



FRIGOGLASS

## Cool Operations





## **2006 Cool Operations Highlights**

**Strengthened position in West European Region (+48%) mainly from Coca-Cola bottlers in Germany (CCE AG), Italy (CCHBC), Switzerland (CCHBC), Sweden and Norway (Scandinavia TCCS)**

**Experienced substantial growth from Africa, +65% mainly from Coca-Cola bottlers and breweries in South Africa and Kenya, and growth in Asia, +49% mainly from Coca-Cola bottlers in India (HCCB) and Malaysia**

**Healthy growth from Eastern Europe continues, with an increase of 30% mainly from Coca-Cola HBC and breweries (Russia, Ukraine, Romania, Poland and Bulgaria)**

**Leveraging our ability to propose the right solutions for specific trade channels and customer occasions**

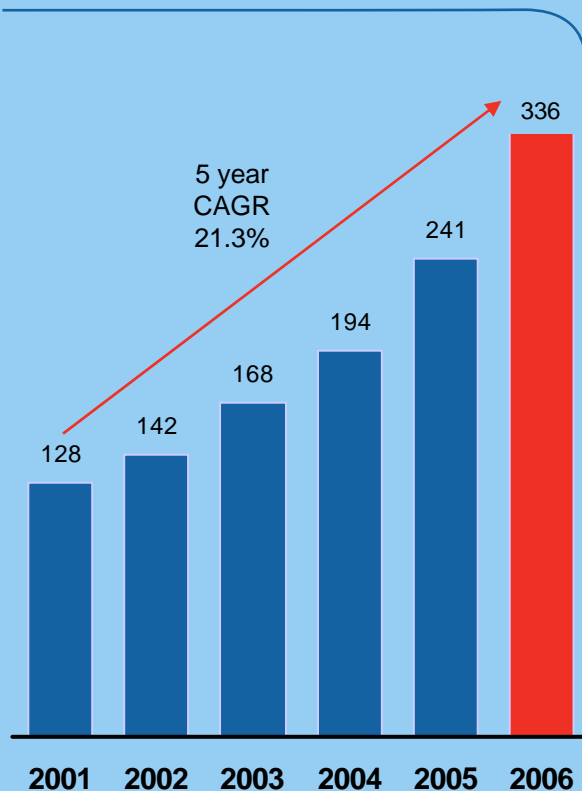
**New products as a percentage of total Revenue is 27.7%**

**Capex of €16.8 million mostly directed towards capacity increases, process automation and R&D**

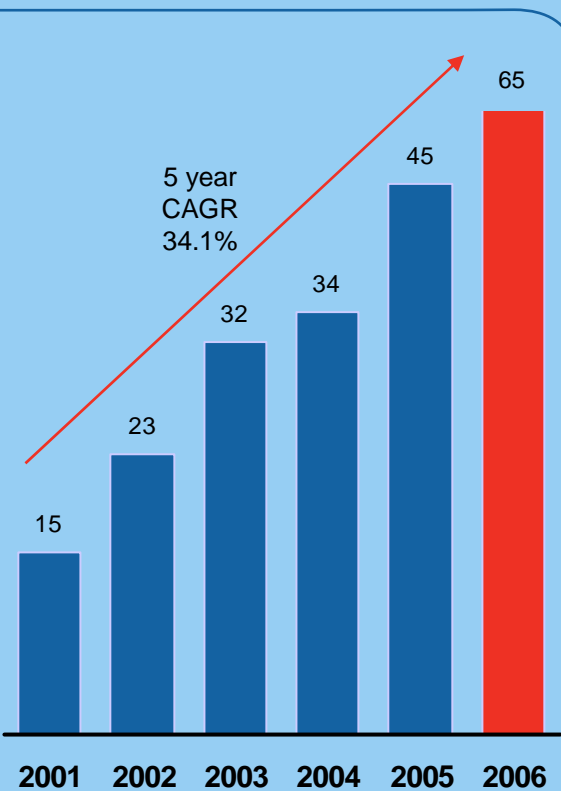
**In October 2006 we announced our plan to construct a plant in China. Commercial production is expected by the end of 2007, with expected annual capacity of 120,000 units**

# Cool Operations Financial Snapshot

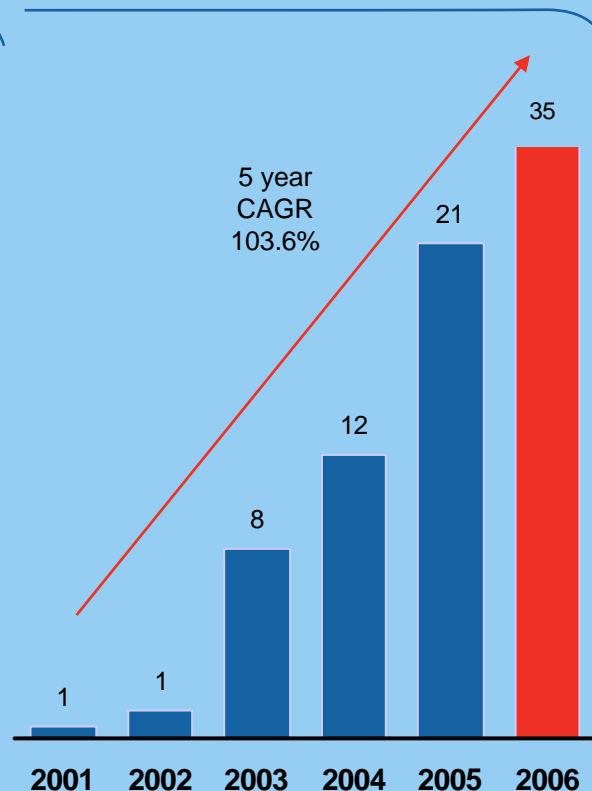
## Revenue (€m)



## EBITDA (€m)

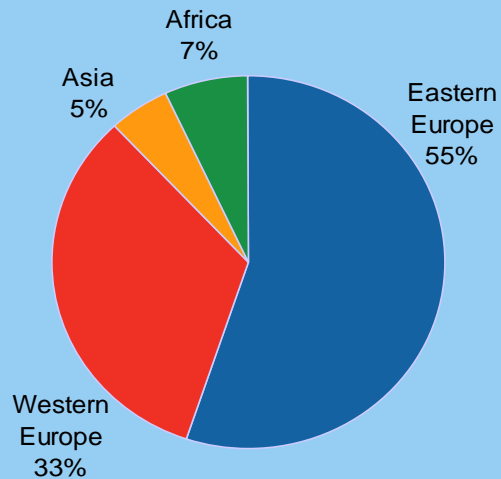


## Net Profit (€m)

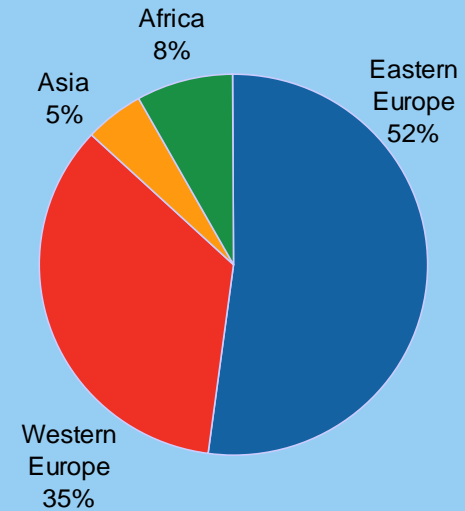


# Revenue by Geographic Breakdown

**2005**



**2006**

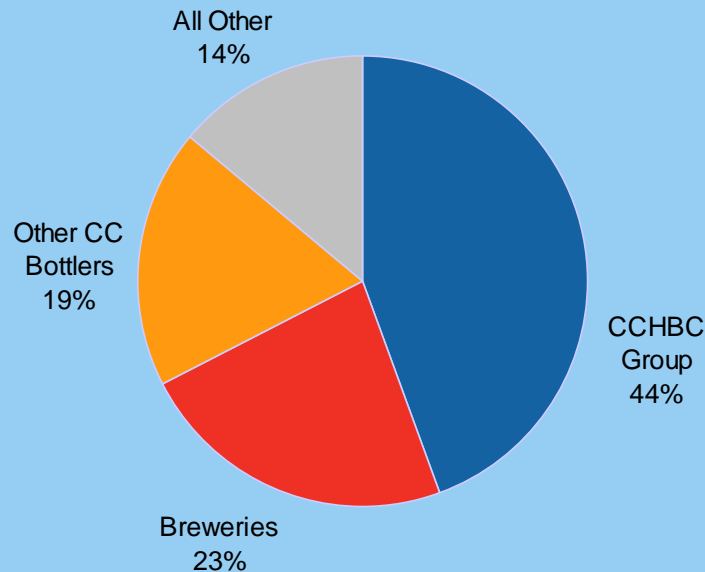


Region	2006 % growth
Africa	65%
Asia	49%
Western Europe	48%
Eastern Europe	30%

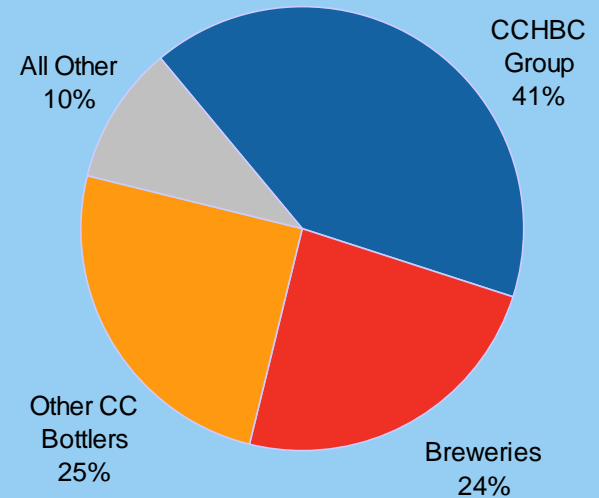
Africa and Asia are experiencing the strongest growth in 2006

# Revenue by Customer Group

2005

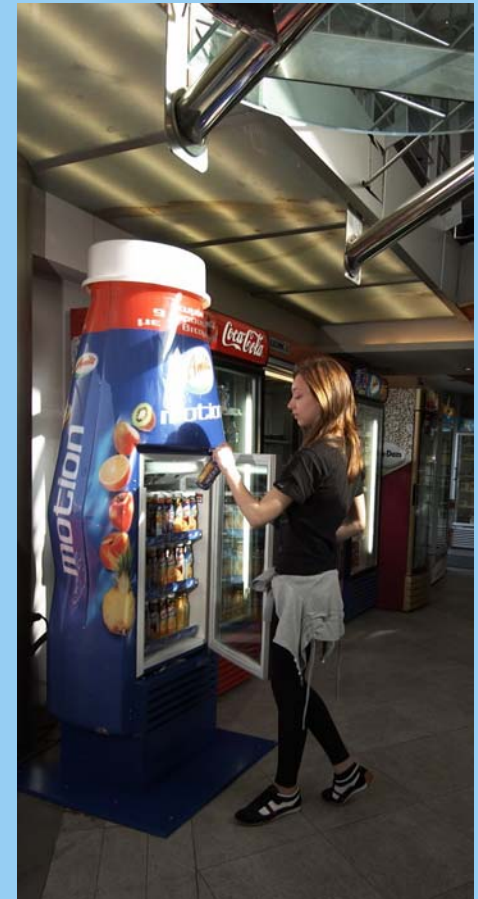


2006



Leading Coca-Cola bottlers are CC Germany, CC Scandinavian countries, CCE, CC Sabco, CC India. Leading brewery customers are Heineken, BBH, SAB. Highest growth rates in sales by Diageo (Guinness), Heineken and Inbev

## Customer-led Innovation



We support beverage companies' sales in the immediate as well as in future consumption trade channels promoting customers' product strategies

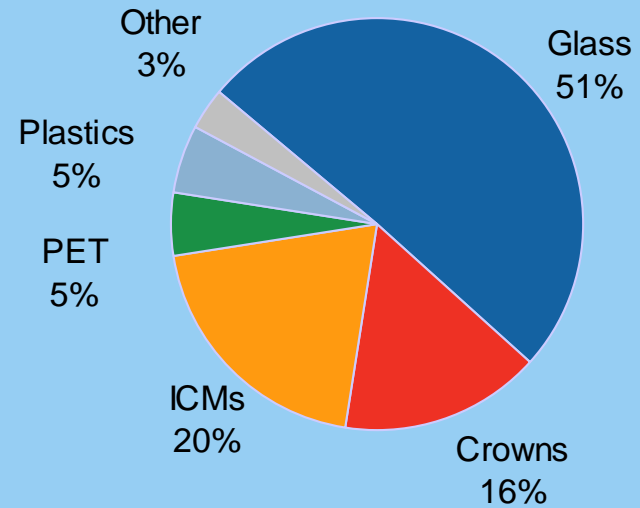
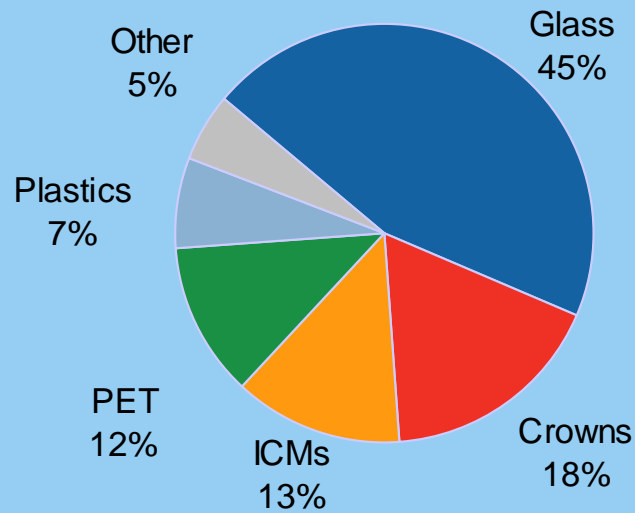
# Nigeria Operations



## Nigeria Operations

2005

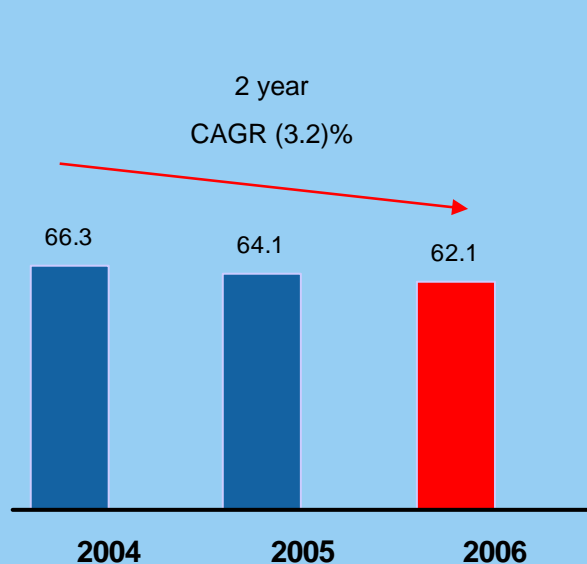
2006



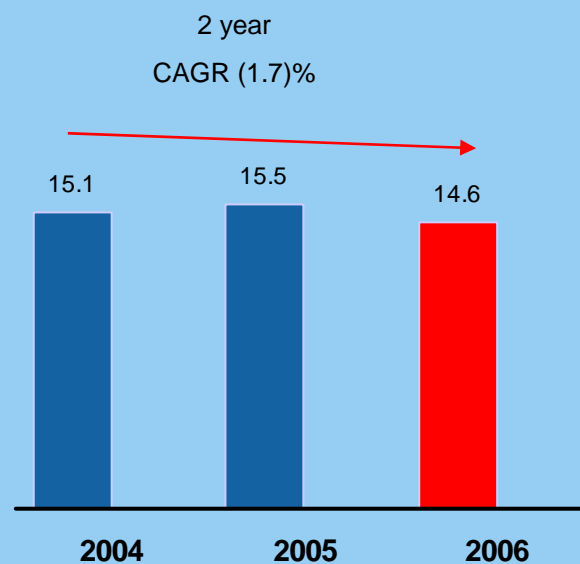
Among the top glass producers in Continental Africa and leading packaging group in West Africa

# Financial Snapshot

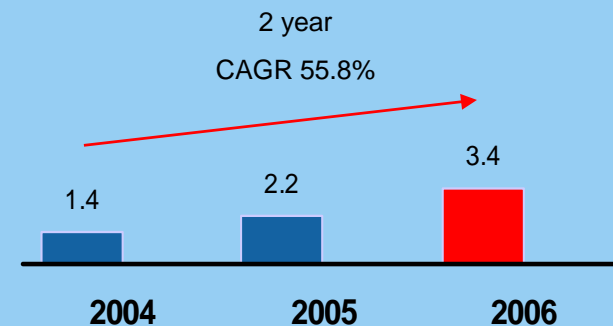
## Revenue (€m)



## EBITDA (€m)



## Net Profit (€m)



	2004	2005	2006
▪ Euro vs. Naira: Average Y.T.D Rate	168.02	164.92	166.78



## Review of Results

**Sales decreased 3.1% in euro terms and 2% in local currency (naira) terms**

**Vehicle operations ceased and pet operations are under new operational framework**

**Comparing like-for-like, Nigeria Operations increased Sales 6.5% in euro terms**

**Glass Sales up by 8.1% in 2006 vs. 2005, with substantial recovery in brewery volume sales (+44%) and exports sales (+4.7%)**

**ICM Operations in Nigeria continue healthy growth, posting increase of 49.4%. ICM accounts for 20% of Nigeria Revenues vs. 13% in same period last year**

**Reduction in depreciation, finance costs and cost management led to 120 bps increase in Earnings Before Tax margins, to 11.1%. EBT increased to €6.9 million from €6.4 million last year**

**Net Profit reached €3.4 million in 2006 vs. €2.2 million in 2005**



# **Financial Overview**

**IFRS RESULTS for the year ended DECEMBER 31, 2006**



## Financial Highlights 2006

**Challenging raw material cost environment. Direct material costs to Sales margins increased 260 bps to 51.4%. Increased volumes, production efficiencies and cost management led to 150 bps increase in Group Gross Profit margin to 27.8%**

**Strong Group EBIT growth of 52.2%, driven mainly by volume growth of 34% in Cool Operations benefiting from operating leverage**

**Net Trade Sales/Net Working Capital ratio improved by 11% to 3.16, mainly coming from inventory control initiatives**

**Strong Free Cash Flow of €43.1 million**

**Improved STR to 109 days from 131 in 2005. DSO to 67 days from 69 in 2005 and DPO to 61 days from 68 in 2005**

**Net Gearing ratio 21.7% in 2006 vs. 44.2% in 2005. Net Debt in 2006 at €35.2 million vs. €68.5 million in 2005**

**Taxation planning and reduced tax rates in Greece led to reduction in tax rate to 29.1% in 2006, from 31.7% in 2005**

**Capex of €24.3 million mostly directed to Cool Operations (€16.8 million) towards capacity increases, machinery and process automation**



## Group Income Statement

€ million

	<b>2005</b>	<b>2006</b>	<b>% change</b>
Revenue	306.8	401.0	<b>30.7%</b>
Gross Profit	80.8	111.4	<b>37.9%</b>
% margin	26.3%	27.8%	
Operating Expenses	41.0	49.4	<b>20.4%</b>
% margin	13.4%	12.3%	
Operating Profit	41.2	62.7	<b>52.2%</b>
% margin	13.4%	15.6%	
EBITDA	60.6	80.3	<b>32.5%</b>
% margin	19.8%	20.0%	
Earnings After Tax	24.3	38.5	<b>58.5%</b>
% margin	7.9%	9.6%	



## Operating Profit

€ million

	<b>2005</b>	<b>2006</b>	<b>% change</b>
Gross Profit	80.786	111.376	<b>37,9%</b>
Operating Expenses	40.991	49.358	<b>20,4%</b>
Other Operating Income	2.541	1.820	<b>(28,4%)</b>
Other Losses/Gains	1	146	
Losses from Restructuring Activities	1.111	967	
Operating Profit (EBIT)	41.225	62.725	<b>52,2%</b>
<i>% margin</i>	<b>13.4%</b>	<b>15.6%</b>	

## Operating Expenses

€ million

	<b>2005</b>	<b>2006</b>	<b>% change</b>
Administration Expenses	23.679	26.463	<b>11,8%</b>
Selling, Distribution and Marketing	14.756	20.114	<b>36,3%</b>
Research and Development	2.555	2.781	<b>8,8%</b>
Total Operating Expenses	40.991	49.358	<b>20.4%</b>
% margin	13.4%	12.3%	

## Net Profit

€ million

	<b>2005</b>	<b>2006</b>	<b>% change</b>
Operating Profit	41.225	62.725	<b>52.2%</b>
Exchange Gain/(Loss)	755	(1.744)	
Financial Expenses	4.274	4.536	<b>6.1%</b>
Profit Before Tax	37.706	56.444	<b>49.7%</b>
Tax	11.946	16.413	
Rate	31.7%	29.1%	
Minority interest	1.923	1.544	
Net Profit	24.286	38.487	<b>58.5%</b>



## Free Cash Flow Generation

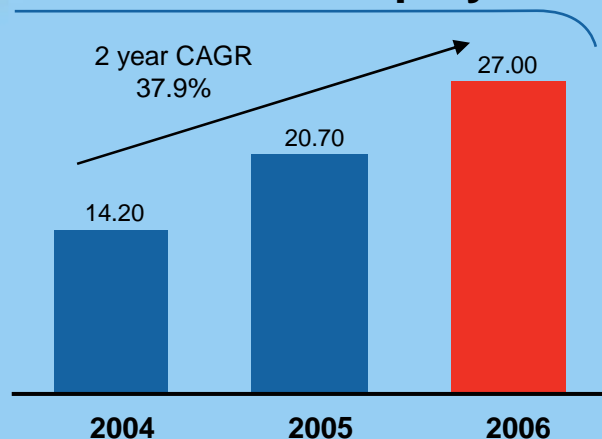
€ million

	<u>2005</u>	<u>2006</u>
Cash Generated	70.324	80.306
Working Capital Movement	(31.947)	(24.144)
Net Cash Flow from Operations	38.377	56.162
Capex	(17.098)	(13.081)*
Free Cash Flow	21.279	43.081

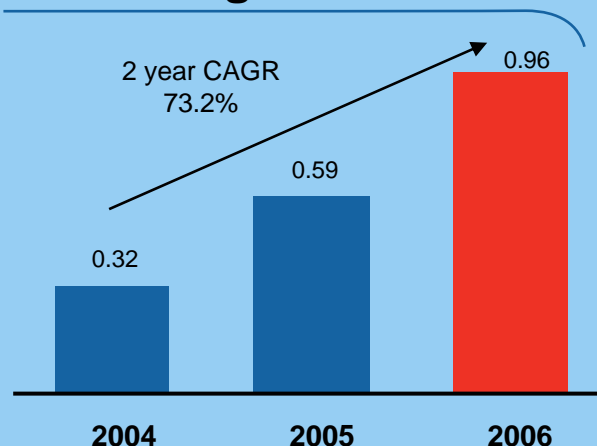
*\*includes €11.7 million from the disposal of VPI*

# Key Performance Indicators <sup>(1)</sup>

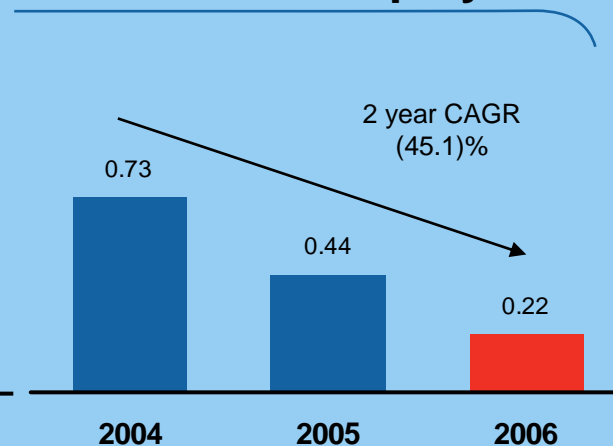
## Return on Equity



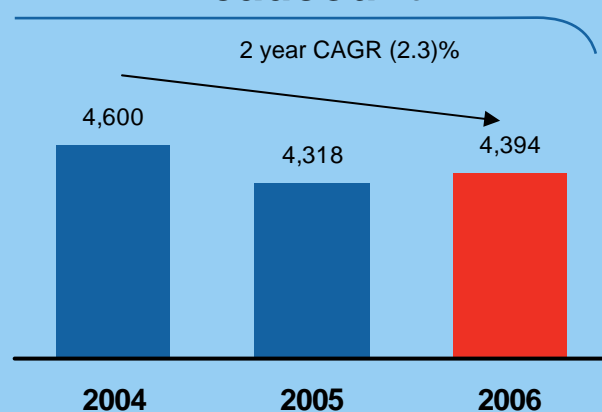
## Earnings Per Share



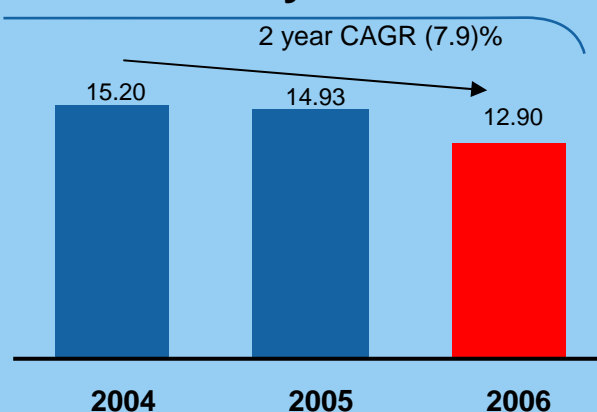
## Net Debt/Equity



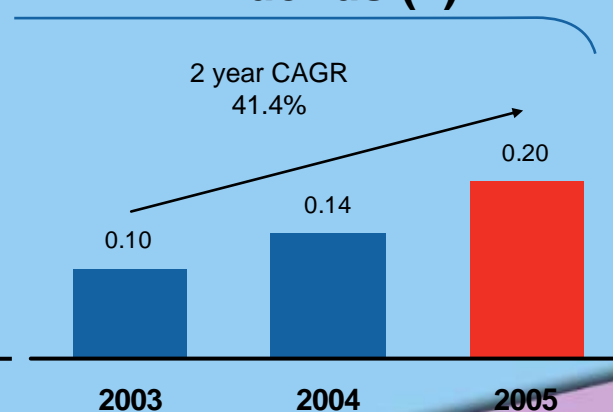
## Headcount



## Total Payroll/NTS



## Dividends (€)



Impressive performance across all KPIs

(1) Based on adjusted financials for only continuing operations



## Outlook for 2007

**Revenue Growth** **7-9%**

**EBITDA Growth** **9-11%**

**EPS Growth** **13-15%**

**Capex** **€53 million**

### Increasing focus on

Organisational development – Sales and manufacturing excellence

Quality across the board

### Strategy to continue to put in place platforms for long-term growth

#### **Strategy for Growth**

Organic growth (Coke focus, Beyond Coke system, Value adding solutions)

Additional capacity increases in Russia and India

Geographical expansion – Greenfield development in China

Acquisitions / J.V.

#### **Strategy for Profit**

Cost Structure improvement

Working Capital and Tax planning

Capital efficiency



**THANK YOU**