



**RESULTS FOR FULL YEAR 2013**

**HIGHLIGHTS FOR FULL YEAR 2013**

- o NIREUS group results in 2013 were marked by significant losses, whereas the level of sales was stable. To a large degree, these losses resulted from non-recurring charges detailed below.
- o Group consolidated results before taxes were negative € (87.4) mi. versus negative € (16.2) mi. in the previous corresponding period and results after taxes were also negative € (75.5) mi. versus negative € (13.9) mi. in 2012. Results after taxes to equity holders of the parent were negative € (75.1) mi. from negative € (14.1) mi. in the previous year.
- o As of 31.12.2013, shareholders equity for the Company amounted to € 68.6 mi. and for the Group to €64.6 mi. (€ 57.7 mi. after minority interests). The decline in shareholders' equity in 2013 versus 2012 resulted from period losses.
- o Total Group sales posted a slight decline despite the deepening financial recession that has mainly affected the traditional, for our products, markets of Southern Europe. Total Group sales for 2013 amounted to € 198.6 mi. versus € 202.2 mi. in 2012.
- o Fish sales value, corresponding to 80% of total sales, posted a 3% decline as compared to 2012. Fish sales volume increased by 4%. The average weighted fish sales price declined by 7.2%. The price decline was caused by distressed sales coming from companies in the sector in search of liquidity. The Group was forced to adapt to market conditions in order to maintain its market share and financial planning.
- o Operating expenses, after the deduction of provisions, were stable at € (194.3) mi. versus € (196) mi. in 2012 in spite of the increase in transport of higher volumes and the higher prices of fish feed raw material.
- o The generation of positive cash flows continued. In 2013, cash flow from operations amounted to € 7.2 mi. versus € 14.2 mi. in 2012.
- o Results were affected by losses from extraordinary and non-recurring events including but not limited to the extremely low pricing, expected to improve in 2014, reduced growth of the biomass, as well as one-off provisions and activated guarantees for associates. Specifically:
  - o The impact of the decline in the fish sales price amounted to € 30 mi. from which € 10 mi. correspond to the value of fish sales value and € 20 mi. to the valuation of the fair value of biological assets that was carried on with the use of January 2014 low pricing.
  - o The cost of raw material for fish feed was higher, especially during the first semester, reducing gross profit by € 3 mi.
  - o Also, in the second semester of 2013, the growth of the biomass was lower by € 24 mi., in relation to the expected, mainly from diseases resulting in higher mortality, but also from variations in the sea temperature and changes in the feed formularies.



- At the same time, the Group established one-off provisions of € 11.3 mi., from which € 6.4 mi. were for affiliates and were charged to financial expenses and € 4.9 mi. were for customers and were charged to operating expenses.
- Finally the increase of the corporate tax rate from 20% to 26% impacted the results with additional deferred tax of €2.7 mi.
  
- Given the above, the Management of the Company will proceed with the required justified request for an exemption of the the existing losses from 2013 Financial Results, inasmuch they consider that they fall under the 2<sup>nd</sup> subparagraph of the 2<sup>nd</sup> paragraph of article 3.1.2.4 of the ATHEX Rulebook for the Under Supervision category.
- Moreover, the Company states that it holds advanced negotiations with the creditor banks for the debt restructuring of the Group and there is a stated willingness on both sides to conclude the agreement within the current fiscal year 2014. Specifically, the Company has received a letter, dated 24.03.2014, sent by Piraeus Bank, Alpha Bank and Eurobank, which incorporates the proposed timetable for the completion of the conducted audits and for the remaining procedures and agreements in order to configure and endorse the Basic Terms of Debt Restructuring (Term Sheet) and to implement them with all necessary corporate actions, in compliance with the Law and after the approval of the competent private and public authorities. The Board of Directors of the company, at its meeting of 28.03.2014, decided to respond positively to this letter.
- Consequently, following the implementation of the above in 2014, all uncertainties about the continuation of the smooth operation of the Group activities will be removed.

**Mr. ARISTIDES BELLES, CHAIRMAN AND MANAGING DIRECTOR OF NIREUS, COMMENTED:**

“2013 was the worst year in the history of NIREUS group. The unprecedented lack of liquidity, as well as the continuing climate of uncertainty, dragged the prices to very low levels, whereas we also faced the large increase in the prices of raw materials with collateral effects.

At the same time, the Group was frequently audited by the creditor Banks in the course of its debt restructuring. The audits for the biological assets proved the credibility of the management and coincided fully with the company’s data. However, the use of the exceptionally low January prices in the valuation of the assets resulted in a significant impairment of their fair value as of 31.12.2013.

Nevertheless, NIREUS withstood all adversities and continues to maintain a positive net position at € 68.6 mi. asserting a leading role under the developing new conditions.

The Management of the Group already notes that for 2014 there is a much improved outlook for recovery and for improvement of the economic and business conditions. This, in tandem with the on-going actions for cost reduction and productivity improvement, will lead to the expected recovery.

A contributing factor to the Group’s strengthening will be the expected completion of the debt restructuring in the current year, under the best possible terms for the Company and for all the stakeholders who have provided material support for NIREUS in all the adverse situations it faces.”



## HIGHLIGHTS BY SEGMENT

- o Sales of fish farming products (fish, juveniles and other fish related products and services) amounted to € 170.1 mi. from € 176.2 mi. in 2012 due to lower fish value and reduced juveniles sales.
- o Sales of fish feed amounted to € 16 mi., posting an increase € 3.5 mi.
- o Sales of aviculture, animal culture products (sold through the 100% subsidiary KEGOagri) and equipment amounted to €12.5 mi. (down € 0.9 mi.).
- o Sales outside Greece amounted to €154.2 mi. and correspond to 78% of total sales.

## INVESTMENTS AND LIQUIDITY

- o Net investment in property, plant, equipment and subsidiaries was increased to € 6.9 mi. (up € 1.3 mi.) due to the installation of equipment at the new large packaging unit in Western Greece. The investment was made within the scope of restructuring the Group's facilities.
- o As of December 31, 2013, net bank debt amounted to € 222.7 mi. as compared to € 216.5 mi. at the end of the financial year 2012. Correspondingly, total cash on hand amounted to €9.1 mi. versus € 7.9 mi.

## OUTLOOK

- o After an extremely adverse year, the 2014 outlook for the sector of Mediterranean fish farming looks positive.
- o Fish prices are trending higher in contrast to raw material prices that show a downward trend.
- o The financial situation of the Greek economy is not expected to have a material effect on the Group's sales since most of our products are exported. Additionally, the Group's management does not foresee any problem with the distribution of our products due to our solid customer base and extended networks.
- o NIREUS group holds the leading position and technical know-how in a sector with a large contribution to Greek exports and to the regional development of the country.
- o Even in 2013 – a year marked by exceptional negative events – the Group achieved positive cash flows from operations and continued implementing its restructuring program.
- o The long-term restructuring of the bank debt, together with the further improvement of productivity, will become the safeguards enabling the Group to enter a new growth phase.

### Group Key figures

values in mi. €	12M 2013	12M 2012
Volumes of fish sold (thou.tons)	32,9	31,6
Operating revenues	198,58	202,16
EBITDA	(60,17)	20,99
EBT	(87,43)	(16,17)
Earnings /(loss) after taxes (EAT) - Group	(75,48)	(13,89)
Earnings /(loss) per share (€)	(1,1791)	(0,2208)
Total assets	388,73	470,40
Group Equity	57,69	137,67
Net interest bearing debt	222,71	216,45
Cash flow from operating activities	7,19	14,16
Cash flow from investing activities	(6,66)	(5,22)
Cash flow from financing activities	1,22	(14,08)



## COMPANY PROFILE

NIREUS is the largest producer of Mediterranean fish with production facilities in 3 countries (Greece, Spain & Turkey) and maintains a top ranking position in all of its business: market-size fish, juveniles, fish feed. The group is fully vertically owns and operates 42 fish farms, 5 hatcheries, 3 pre-fattening units, 1 R&D center, 5 packaging plants, a fish processing plant, 2 fish feed factories, a company producing fish farming equipment and a company selling genetic material, equipment, nutrition and health products to aviculture and animal culture. The Group is export oriented and ranks 1<sup>st</sup> in total exports within the Greek food industry.

NIREUS follows principles of social responsibility and sustainability and has received the Management Award for Sustainable Development. The company is certified for biological farming and according to ISO 9001: 2000, ISO 14001: 2004, ISO 22000: 2005, the BRC standards and the Global GAP standards.

Additional information is available on the website: [www.nireus.com](http://www.nireus.com)

## INVESTOR RELATIONS

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### Financial Calendar 2014

Announcement of Full Year 2013 Results: Monday, 31 March 2014  
Announcement of Three Months 2014 Results: Friday, 30 May 2014  
Annual General Meeting of Shareholders: Monday, 30 June 2014  
Announcement of Six Months 2014 Results: Friday, 29 August 2014  
Announcement of Nine Months 2014 Results: Friday, 28 November 2014

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