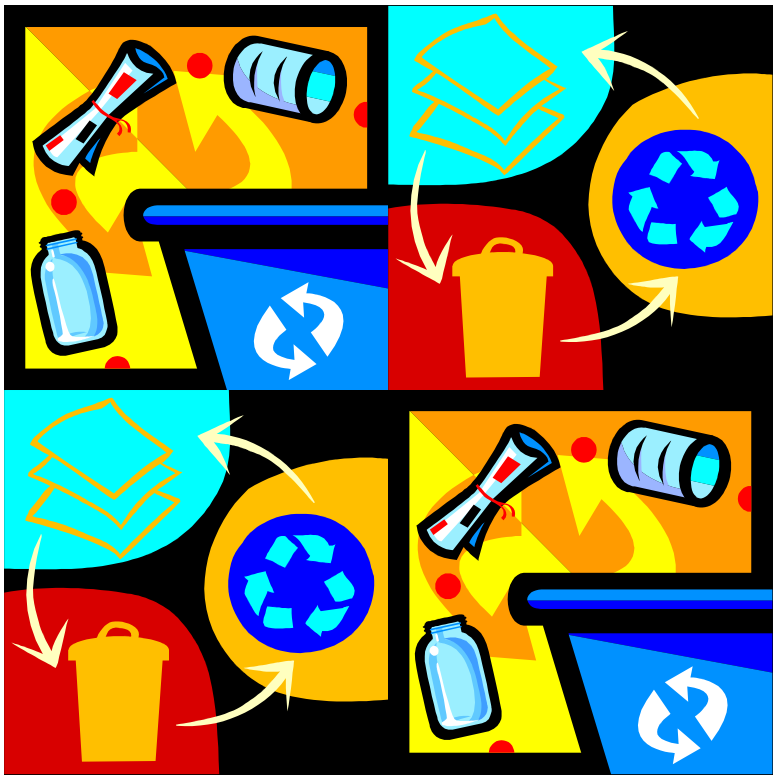
RECYCLING and WASTE MANAGEMENT Sector Case Study

Valuation & Research Specialists (VRS)



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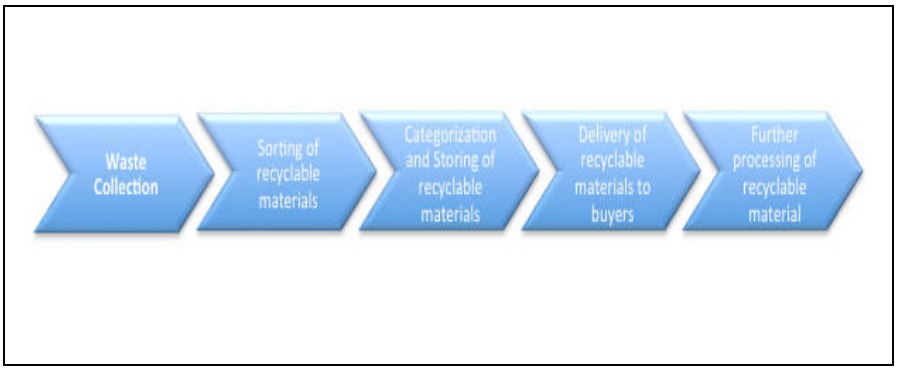
RECYCLING & WASTE MANAGEMENT

Sector Case Study

The sector of recycling and waste management refers to the collection and processing of recyclable non-hazardous solid materials (that would otherwise be considered waste), sorting out, processing and categorizing recyclables into bales in order to be shipped out to buyers, who then undertake the further processing of the material, with the purpose of transforming it into raw material or into new products. Buyers are companies located overseas, mainly in Asia and Europe. Companies of the sector utilize as inputs both ferrous and non-ferrous materials: paper, aluminum, polyethylene bottles, plastic, and glass.

IMAGE 1	The Value Chain of Recycling



International Market

The demand of recycling materials is closely aligned with the cycles of the world economy. Correlation between real GDP growth and sales of recyclable waste materials is very high, since demand for plastic (PET bottles, PVC or HDPE), glass and paper is driven by consumer demand primarily in beverages, food and dairy products, as well as in automotive sales (use of bumpers and other automotive parts in the recycling process).

The countries that drive global demand for recyclable products are the US, Western Europe, China, Brazil, India and Indonesia. Manufacturing and construction sectors in the US play a crucial role in the demand for these products. Moreover, as emerging markets grow, focusing on a leading role in the manufacturing processes and speeding up their modernization programs, they will remain in a dominant position for the years to come in the recycling industry.

Supply of recyclable materials is influenced by the national recycling rate – which has to do with culture – and by the percentage of materials recovered through landfills. Moreover, regulation plays an important role in the supply side. Imposition of revenue incentives for the residents who sort out their waste from its source, as well as disposal bans that prohibit certain types of waste (plastic, glass etc.) from landfills, are measures that increase supply. A lot of US states and municipalities use this method to increase the supply of recyclable materials without resorting to expensive information campaigns for the public.

International Recycling Companies

Major internationally oriented companies that are leaders in the value chain of recycling are the following: Schnitzer Steel Industries (recycler of ferrous and non-ferrous scrap metal), Nucor Corporation (recycler and processor of steel), USA Recycling Industries (pickup and recycling of metal), Scope Industries (processor of food waste), which operate in the US market; UK-based Tomra Systems (pickup, collection and processing of empty beverage containers), Pennon Group (broader waste management operations and services), and ZincOx Resources (engaging in the recycling of steel scrap); South-Africa-based Nampak Ltd (manufacturer of packaging products from recycled glass, plastic, aluminum and paper). These companies activate in transforming mainly steel, aluminum, paper and glass scrap into standardized end products, engaging actively in the final stages of the value chain of recycling.

Recyclable Materials in the International Market

Aluminum

End-users of aluminum recyclable material include companies that buy aluminum scrap with the purpose of melting it by creating new aluminum end products (cans, auto parts, aerospace equipment etc.). Aluminum recycling is energy-efficient, since it requires only 5% of the energy that is needed for the creation of new aluminum through the conventional process. Recycled aluminum is used in a variety of industries, specifically in construction, food and beverage, electrical appliances, automotive and aerospace industry among others. Aluminum can be recycled indefinitely without losing its properties.

Glass

Buyers of recyclable glass are companies that clean glass and then crush it into small pieces called cullet. Cullet is then mixed with other materials such as limestone, sand and soda ash and then is melted in high temperatures to form molten glass. Glass is also energy-efficient since the cost of recycling is lower than the cost of production. Glass can be recycled indefinitely, however it needs to be sorted out according to its color, because it maintains its original color throughout the recycling process.

Plastic

Recycling of plastic is less energy-efficient, given that it requires significant processing and cannot be indefinitely recycled, but is more flexible, since PET and HDPE bottles buyers may transform it into any plastic end product (from PET bottles into chairs, plastic bags, clothing and shoes; from shampoo HDPE packages to tables, plastic lumbers, rulers, benches).

Paper

As for recycling of paper, buyers include companies that engage in washing the paper to remove inks and other materials, mixing it with water to generate slurry and create different end products according to the specific ingredients added to the slurry (office paper, newsprints, and cards). Paper cannot be recycled indefinitely, since the same paper fibers can be recycled about seven times and are strained out throughout the process.

Prices of Recyclable Materials

Prices of recyclable materials have experienced sharp movements over the past especially during periods of economic recessions or crises, shaped also by investors' expectations. Prices also depend on proximity to the recycling material users. For example, collection of materials near international ports implies higher sale prices because of lower transportation costs and proximity to major international buyers, especially to China and other emerging markets. China is certainly a key price driver today, accounting for 16% of word imports of ferrous metal, 42% of aluminum scrap, 49% of recovered paper and 55% of plastic scrap.

European Union Regime for Recyclable Materials

As for the EU-27 municipal waste management regime, according to the European Environmental Agency, there is a significant tendency from 1995 to 2010 towards reducing the amount of land filled and incinerated waste. Despite the surge in consumption, in 1995, 172 million tones of municipal waste were land filled or incinerated, against 148 million tons in 2010. Recycled waste surged from 22 million tons in 1995 to 61 million tons in 2010.

According to the US Environmental Protection Agency, packaging waste in Europe represents 17% of municipal waste, with the rest being non-packaged waste.

THE GREEK MARKET

In Greece, Hellenic Recovery Recycling Corporation (HERRCo S.A. – a quasi-public company under the supervision of the Ministry of the Environment) in partnership with local municipalities and private enterprises that work as contractors in picking up and processing municipal waste, organize the collection and processing of recyclable materials. HERRCo operates 27 sorting waste centers in Greece. In 2011, according to HERRCo data, 478 thousand tons of materials were recycled in Greece, with no year-to-year growth, in spite of the 7% reduction in packaging waste originating from lower consumption.

Greek municipalities have placed blue dumpster bins on the streets for the collection of recyclable materials from the inhabitants / consumers / households of cities, towns and villages across the country. The response rate from the Greek people has been encouraging resulting into further expansion of state or municipality owned recyclable material collection networks.

Via stickers placed on the front vertical surface of the blue dumpster bins, citizens are assisted to put voluntarily the following materials into the buckets:

-- Paper packaging, newspapers, etc.

-- Aluminum cans and related materials

-- Glass materials

-- Plastic package

-- Other metallic packaging

PHOTO	Blue Dumpster Bin Placed in Greek Municipalities

Note: The most obvious improvement in household waste recycling has been the nationwide distribution of blue dumpster bins, which are used for the recycling of household garbage. The blue bins are accessible to approximately 4.3 million of Greece's 11 million citizens. There are continuous plans to increase the number of those bins. Through the direct cooperation of 337 municipalities, more than 25,000 bins have been placed on the streets across the country.

The environmental movement in Greece was born relatively late, in the 1980's, as compared to other European countries in which it was already robust during that period. As a result, the Greek waste processing and recycling market is still in its initial stages with attractive growth opportunities for entrepreneurs and investors. Greece has major advantages with regards to transportation costs. It is a country with large ports, in close proximity with Europe and Asia. Furthermore, over the medium-term and under the adjustment bailout program, Greece is obliged to open the "closed" and heavily regulated profession of public truck drivers. Liberalization of this market will drug down transportation costs and will relieve many waste recycling and processing companies from owning their own transportation fleets, an investment that increases significantly startup capital costs and deters undercapitalized talented new investors from entering this sector. Greece is also characterized by a significant supply of low-skilled immigrants who are willing and able to work in the recycling material sector the initial stages of delivery, storing and sorting out of the materials, driving personnel costs down.

Various market sources have revealed that the Greek market for recycling services and equipment is expected to exceed local capacity through 2015. Low capacity in conjunction with Greece's obligation to comply with the EU directives setting strict targets regarding recycling, create significant business and investment opportunities. Furthermore, in view of the tight timetable for the country's compliance, it becomes important for the local waste management authorities and the private waste management service companies to utilize the expertise of foreign firms as well.

Greek Recycling Market's Position in European Union

As compared to other E.U. markets, Greece has yet to reach its optimal level of environmental concerns. In terms of recycling, the Greek State must comply with European Union's directives, which among others point to the following actions:

-- Introduction and constant update of the legislative framework;
-- Improvement and renewal of recycling practices;
-- Introduction of new technologies
-- Attainment of specified recycling rates (according to EU directives, all member states should have started recycling 55-80% of packaging material by 2011 and should have also decreased organic urban waste through composting processes at the source by 50% by 2013 and by 65% by 2020);

According to Eurostat, the amount of municipal waste generated per capita in Greece increased between 1995 and 2009, with the highest annual growth rate observed in Malta (3.9%) and in Greece (3.3%). Greece however has the highest landfill rate in EU (81% of municipal waste), with not a single municipal waste incineration facility.

As for recycling of glass, according to the European Container Glass Federation, Greece significantly trails its EU partners recycling only 24% of glass packages, against the EU average of 66.86%. Glass recycling has significant room to grow if the relevant Greek law concerning fines and penalties for non-recycling of glass is properly enforced by Greek authorities.

Greek Market Statistics and Operating Structure

In Greece, annual residential and commercial waste accounts for nearly 5 million tons of which 478 thousand tons of waste was turned out into recyclable materials as of 2011.

The region of Attica - Athens produces almost 39% of Greece's urban waste, followed by Central Macedonia (16%) and the city of Thessalonica (9%). According to the Ministry of Environment, Energy and Climate Change, the

composition of urban waste in Greece is: Paper: 29%; Plastic: 14%; Organic: 40%; Metals: 3%; Glass: 3%; Idle: 3%; Rest: 8%.

Year 2010

In year 2010, Greek municipalities produced 183,298 tons of recyclable packages, an increase of 6 percent over 2009. During the same year, 415,904 tons of recyclable packages were collected from all Greek factories and industrial construction sites. In addition, more than 110,000 blue bins were placed throughout Greece, 360 waste-collecting trucks were put into use and 6 new recycling centers (that deal with packaging material, vehicles, tires, lubricants, batteries and electronic equipment) were established, for a total of 16. There were also 15 hazardous waste management facilities active in the country.

As of the year 2010, the broader recycling rate in Greece had stood at 20% on average, concerning mainly the following materials: glass, paper and aluminum.

Of the annual residential and commercial waste (accounting for nearly 5 million tons minus 0.5 million tons used for recycling), 50% was deposited in sanitary untreated landfills, while the remainder was channeled into over 500 illegal landfills throughout Greece. Despite the fact that a number of new sanitary landfills and treatment plants, as well as composting facilities and waste transit stations have been constructed, it is evident that construction of additional facilities is needed to cover the constantly growing demand of the Greek market.

Currently, more than 27 centers for sorting and recovery operate in Athens, Thessaloniki, Heraklion, Chania, Kalamata, Patras, Zakynthos, Schimatari, Lamia, Karditsa, Corfu, Katerini, Magnesia, and Ioannina.

Recycling Culture in Greece

The Greek recycling market has been steadily growing over the past 10 years and despite the current economic crisis, domestic needs continue to exceed the installed capacity in terms of waste management networks as well as operating facilities (sorting, recycling plants, etc.).

Factors such as growth in tourism, increased urban development, a shift in living standards, and a change in consumer habits and behavior all contribute to increasing volumes of urban waste.

In view of the country's higher needs for effective waste management, municipalities have created recycling programs which so far have shown satisfactory participation from all interested parties.

The authority responsible for the planning and implementation of alternative waste management in Greece is the National Organization for the Alternative Management of Packaging Materials and Other Products (EOEDSAP) of the Ministry of the Environment, Energy and Climate Change.

Overview of Recycling Materials in Greece

The following waste materials are recovered in Greece as recyclables:

Plastic Recycling

Although 1/3 of the waste generated in the Greek market is plastic, only 1% of this volume is recovered as recyclable material. Approximately three billion plastic bottles are thrown away every year.

Battery Recycling

It concerns the recovery of materials which are the constituents of batteries. All batteries collected in Greece for recycling are sent abroad, since no battery recycling plants exist in the country.

Electronic Equipment Recycling

It is a quite new area of the Greek recycling market. Electronic equipment recycling has received strong support by the state authorities with the Appliances Recycling S.A. as the main accountable body for the management and efficient operation of WEEE (Waste of Electrical and Electronic Equipment).

Tire Recycling

According to Greek legislation, tire importers and manufacturers are responsible for the disposal of all tires and their delivery to pre-assigned areas. All waste tires must be handed over to the certified organizations of alternative use. Unfortunately, 74% of used tires are thrown into ordinary dump areas.

Paper Recycling

Paper recycling has shown high popularity among Greek consumers, with the country's authorities as well as private companies being strongly engaged in collection of waste paper.

Greek Market's Growth & Investment Opportunities

The rising needs of Greece's recycling market as well as the country's obligation to gradually conform to EU directives that set recycling targets create in the domestic environment a number of business opportunities, the most notable of which are the following:

- Construction of transfer station networks, recycling centers, sanitary landfill sites for residual waste; mechanical, processing and compost units; rehabilitation of existing landfill sites
- Creation / operation of disposal facilities for municipal waste
- Collection at source and recycling of municipal waste
- Collection and treatment of various products and materials, including batteries, tires, waste oils, and electrical/electronic products
- Management of clinical and hazardous waste
- Implementation of coastal rehabilitation projects
- Supply of mechanical equipment and know-how that are appropriate to each local environment
- Construction and operation of plastic waste treatment facilities

FIGURE 1 **Composition of Urban Waste in Greece**

Source: Ministry of the Environment, Energy and Climate Change.

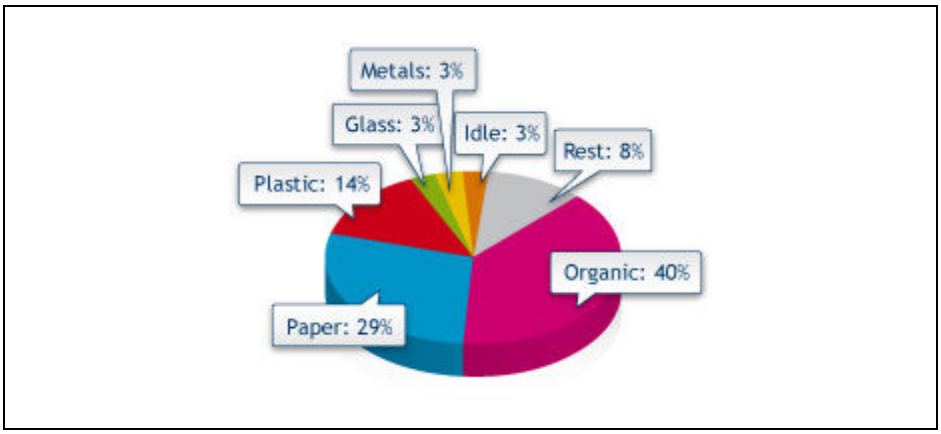
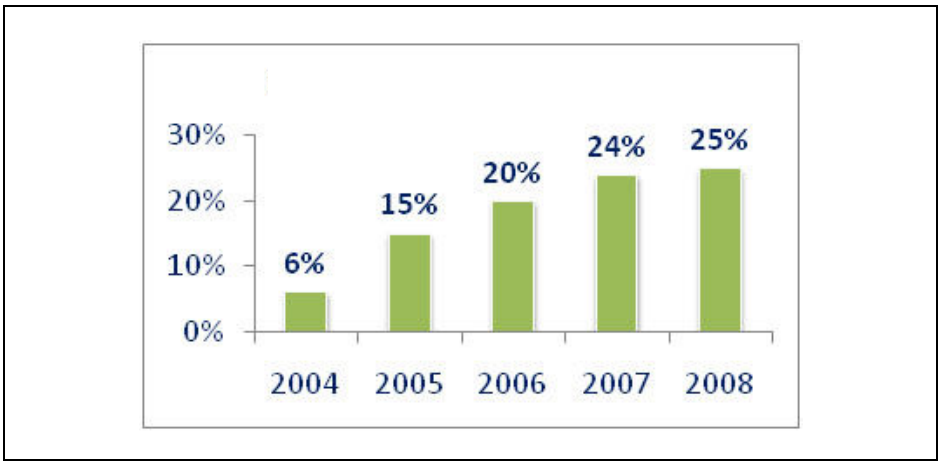


FIGURE 2 **Historic Growth of Recycling in Greece**

Source: Ministry of the Environment, Energy and Climate Change.



APPENDIX 1

Hellenic Recovery Recycling Corporation

The Hellenic Recovery Recycling Corporation (HE.R.R.Co S.A.) was founded in December 2001 by industrial and commercial enterprises which, either supply packaged products to the Greek market, or manufacture different packaging items. The Central Union of Municipalities in Greece (KEDE) has a shareholding of 35% in the System's capital. In compliance with the provisions of Law 2939/01 and in seeking to fulfill the obligations of packaging operators in an effective and cost-efficient way, HE.R.R.Co has developed and implemented the Collective Alternative Management System – "RECYCLING" (C.A.M.S. – RECYCLING) in Greece.

Operational Principles

The operation of HE.R.R.Co is based on a set of fundamental principles ensuring the attainment of its goals based on European practices.

The objective of HE.R.R.Co is not to achieve a positive financial outcome, but rather to utilize the financial resources allocated for the optimal recovery of packaging waste. It is for this reason that there is no provision for a dividend distribution to the shareholders of HE.R.R.Co. Pursuant to a decision by the Ministry of Finance, any spare funds generated annually are to be transferred to a special reserve for the purpose of being used for the objectives of HE.R.R.Co in the next financial periods.

The activities of the System which aim at the recovery of packaging waste from municipal waste are developed in close partnership with Local Authorities, as set forth in the legal framework.

C.A.M.S. - Recycling

Following its successful 1st six-year period of operation (2003-2009), the renewal of the system's operation was ratified for the 2nd six-year period (2009-2015), by means of Ministerial Decision No. 118019/18-3-09.

The Alternative Management System is addressed to all packaging operators. It ensures equitable and free participation and offers members the opportunity to fulfill their legal obligations in the optimal way, thus effectively contributing to the protection of the environment in Greece.

Today (10/05/2011), more than 1,680 companies, covering the entire spectrum of business activities and accounting for the largest proportion of packaging waste by virtue of their number and size, have joined the Collective Alternative Management System, C.A.M.S.-RECYCLING, of HE.R.R.Co S.A.

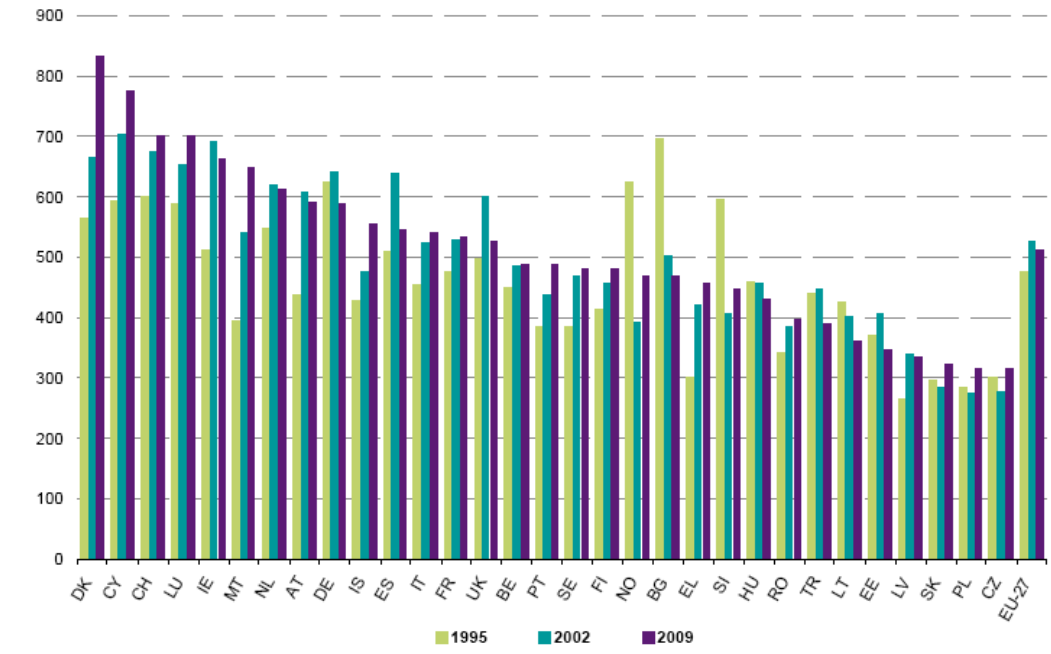
The long list of companies affiliated with HE.R.R.Co proves that the Collective Alternative Management System (C.A.M.S.-RECYCLING) has gained extremely wide popularity and acceptance among all packaging operators, operating and active in our country.

Source: Hellenic Recovery Recycling Corporation (HE.R.R.Co S.A.).

APPENDIX 2

FIGURE 1 **European Union, Municipal Waste Generated by Country in 1995, 2002 and 2009, sorted by 2009 level (kg per capita)**

Source: Eurostat.



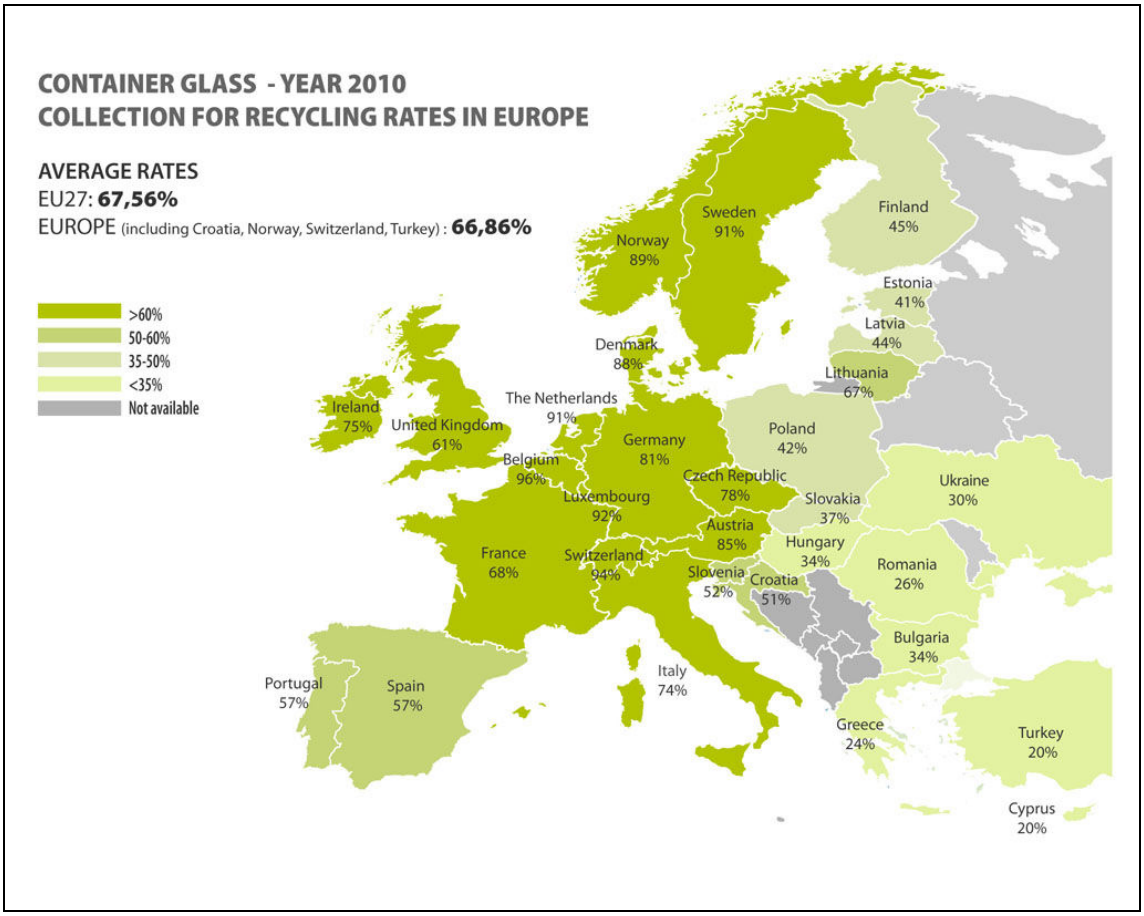
Notes: FYR of Macedonia, Croatia and Bosnia and Herzegovina excluded due to the limited data available (only one or two reference years)
Relevant breaks in series:
Sharp decreases for Estonia (2001), Spain (2004), Lithuania (1999), Hungary (2000), Portugal (2002), Slovenia (2002) and Norway (2001).
Sharp increases for Latvia (2002) and Slovakia (2002).

FIGURE 2

Container Glass – Year 2010

Collection for Recycling Rates in Europe

Source: FEVE (The European Container Glass Federation).



APPENDIX 3

Comparables Valuation Data

Universe of International Comparable Companies - Table 1 of 2

Pennon	PNN:LSE		**Tomra**	TOM:OSL	
In GBP (millions)			In NOK (millions)		
Price per share	7.77		Price per share	49.3	
No. of shares outstanding (million)	362.22		No. of shares outstanding (million)	148.02	
Market cap	2814.4494		Market cap	7297.386	
	2012	**2011**		**2011**	**2010**
Sales	1233	1159	Sales	3690	3050
COGS	134	122	COGS	1469	1154
Gross profit	1099	1037	Gross profit	2221	1896
Gross margin	89%	89%	Gross margin	60%	62%
Operating costs	964	898	Operating costs	3065	2825
EBITDA	416	403	EBITDA	807	383
Net Income	172.4	171.6	Net Income	382	74
Cash	425.3	555.5	Cash	178.3	56.6
Investment in associates	0	0	Investment in associates	37.1	31.2
Minorities	0	0	Minorities	75.8	68.4
PPE	3083	2923	PPE	527	568
Equity	822	780	Equity	2141	1832
Bank debt	2529.5	2489.3	Bank debt	740.5	483.9
Total liabilities	3449	3358	Total liabilities	1782.5	1404.6
Enterprise Value	4919	4748	Enterprise Value	7898	7762

Schnitzer	SCHN:NSQ		**Nucor Corp**	NUE:NYQ	
In USD (millions)			In USD (millions)		
Price per share	30.49		Price per share	37.79	
No. of shares outstanding (million)	26.81		No. of shares outstanding (million)	317.05	
Market cap	817.4369		Market cap	11981.32	
	2011	**2010**		**2011**	**2010**
Sales	3459	2301	Sales	20024	15845
COGS	3072	2020	COGS	18075	15001
Gross profit	387	281	Gross profit	1949	844
Gross margin	11%	12%	Gross margin	10%	5%
Operating costs	3273	2175	Operating costs	18772	15578
EBITDA	261	189	EBITDA	1775	779
Net Income	118	67	Net Income	778	134
Cash	49	30	Cash	1200	1325
Investment in associates	0	0	Investment in associates	0	0
Minorities	26	4.31	Minorities	231.69	210.6
PPE	555	461	PPE	3755	3852
Equity	1095	975	Equity	7706	7330
Bank debt	403.64	100.19	Bank debt	4281	4280
Total liabilities	795	368	Total liabilities	6864	6591
Enterprise Value	1198	892	Enterprise Value	15294	15147

Source: Company accounts, VRS calculations.

Comparables Valuation Data

Universe of International Comparable Companies - Table 2 of 2

ZincOx Resources	ZOX:LSE	
In GBP (millions)		
Price per share	0.64	
No. of shares outstanding (million)	89.02	
	2011	
Market cap	56.9728	
	2011	**2010**
Sales	1.65	1.93
COGS	0.96	0.95
Gross profit	0.69	0.98
Gross margin	42%	51%
Operating costs	9.74	113
EBITDA	-8.09	-111
Net Income	-8.09	-112
Cash	12	38
Investment in associates	0	0
Minorities	-5.6	-4.3
PPE	70	19
Equity	61	62
Bank debt	24.7	0.08
Total liabilities	33	9
Enterprise Value	64	15

Nampak	NPK:JNB	
In SAR (millions)		
Price per share	25.55	
No. of shares outstanding	696.43	
Market Cap	17793.787	
	2011	**2010**
Sales	15818.6	15774.2
COGS	7524.6	7783.3
Gross profit	8294	7990.9
Gross margin	52%	51%
Operating costs	3290.4	3302.4
EBITDA	2076.5	1826.4
Net Income	628	826
Cash	1450.8	718.6
Investment in associates	24	23.8
Minorities	-38.2	27.5
PPE	5686.3	6197.8
Equity	5694.9	5368.3
Bank debt	2032.9	2460.3
Total liabilities	7213.1	7556.8
Enterprise Value	18314	19539

USA Recycling Industries	USRI:PKC	
In USD (millions)		
Price per share	0.11	
No. of shares outstanding (million)	376.39	
Market cap	41.4029	
	2011	**2010**
Sales	8	0.025
COGS	6.774415	0.040774
Gross profit	1.311585	-0.015774
Gross margin	16%	-63%
Operating costs	0.514	0.85284
EBITDA	0.797	-0.757
Net Income	0.738581	-1.679
Cash	0.025	0.000069
Investment in associates	0	0
Minorities	0	0
PPE	12.703	0.074
Equity	9.424	-3.026
Bank debt	2	1.21
Total liabilities	3.816	3.28
Enterprise Value	43	43

Source: Company accounts, VRS calculations.

APPENDIX 4

Financial Accounts and Financial Ratios of Sector Companies in Greece

Financial Accounts		**EPANAKTISIS**		**ALPHA GREEN**	Jan 2009-		**TRIAS ECO**
in EUR thous.	2009	2008	2010	2009	Jun 2010	2008	2007
Current Assets	219	96	6,738	5,367	2,328	2,053	1,829
Inventories	54	9	79	532	60	10	51
Acc. Receivable	139	74	5,943	4,291	2,110	1,885	1,640
Total Assets	686	445	7,484	5,929	4,325	3,541	2,960
Current Liabilities	384	145	4,395	4,639	2,574	2,355	1,852
Equity	302	300	1,545	1,267	1,193	1,046	970
Sales	1,052	106	6,827	9,778	9,081	4,694	3,495
COGS	793	76	4,716	7,601	6,017	3,841	2,944
Gross Profit	259	29	2,111	2,177	3,064	853	551
EBIT	5	7	924	1,069	602	336	334
Interest Expense	2	1	165	140	243	131	90
Net Income	1	5	278	573	68	136	75

Financial Ratios		**EPANAKTISIS**		**ALPHA GREEN**	Jan 2009-		**TRIAS ECO**
	2009	2008	2010	2009	Jun 2010	2008	2007
Current Ratio	0.57	0.66	1.53	1.16	0.90	0.87	0.99
Asset Turnover	1.53	0.24	0.91	1.65	2.10	1.33	1.18
Inventory Turnover	14.72	8.21	59.38	14.29	101.04	374.94	57.58
Receivables Turnover	7.57	1.42	1.15	2.28	4.30	2.49	2.13
Interest Coverage	2.48	13.27	5.61	7.64	2.48	2.56	3.72
Financial Leverage	2.27	1.48	4.84	4.68	3.63	3.39	3.05
Return on Equity	0%	2%	18%	45%	6%	13%	8%
Dupont ROE	0%	2%	18%	45%	6%	13%	8%
Return on Assets	0%	1%	4%	10%	2%	4%	3%
Gross Margin	25%	28%	31%	22%	34%	18%	16%
Net Income Margin	0%	4%	4%	6%	1%	3%	2%

Source: Officially Published Company Accounts.

Financial Accounts and Financial Ratios of Sector Companies in Greece

Financial Accounts		ECOMEL		MARI REAL ESTATE		ANTIPOLLUTION
in EUR thous.	2010	2009	2010	2009	2010	2009
Current Assets	23,568	21,571	6,501	4,304	10,620	5,015
Inventories	1,127	2,644	1,124	486	77	140.478.6
Acc. Receivable	15,439	11,616	1,981	777	7,590	4,461
Total Assets	23,568	21,571	7,055	4,918	12,088	6,125
Current Liabilities	18,426	16,001	4,398	3,018	9,734	4,402
Equity	2,025	1,778	2,117	933	2,340	1,709
Sales	19,701	13,971	11,774	5,292	10,874	12,789
COGS	14,620	10,378	7,889	3,068	6,023	9,106
Gross Profit	5,080	3,593	3,885	2,223	4,851	3,683
EBIT	1,630	887	2,075	583	3,907	2,624
Interest Expense	836	67,319,589	24	14	322	171
Net Income	364	136	1,559	643	3,203	2,256

Financial Ratios		ECOMEL		MARI REAL ESTATE		ANTIPOLLUTION
	2010	2009	2010	2009	2010	2009
Current Ratio	1.28	1.35	1.48	1.43	1.09	1.14
Asset Turnover	0.84	0.65	1.67	1.08	0.90	2.09
Inventory Turnover	12.97	3.92	7.02	6.31	78.19	n/c
Receivables Turnover	1.28	1.20	5.94	6.81	1.43	2.87
Interest Coverage	1.95	0.00	85.20	40.47	12.15	15.32
Financial Leverage	11.64	12.14	3.33	5.27	5.17	3.58
Return on Equity	18%	8%	74%	69%	137%	132%
Dupont ROE	18%	8%	74%	69%	137%	132%
Return on Assets	2%	1%	22%	13%	27%	37%
Gross Margin	26%	26%	33%	42%	45%	29%
Net Income Margin	2%	1%	13%	12%	29%	18%

Source: Officially Published Company Accounts.

Financial Accounts and Financial Ratios of Sector Companies in Greece

Financial Accounts	ANAKYKLOSI ST. APOVL.			ELEKTOR		MESOGEIOS EMP.
in EUR thous.	2010	2009	2010	2009	2010	2009
Current Assets	671	584	1,578	1,325	26,160	23,328
Inventories	0	0	0	0	4,213	7,598
Acc. Receivable	545	426	1,499	1,174	18,865	15,141
Total Assets	896	829	1,904	1,701	39,049	36,044
Current Liabilities	659	612	1,303	1,262	21,017	19,548
Equity	237	217	574	440	9,871	8,932
Sales	2,315	2,120	1,477	1,466	44,192	32,610
COGS	1,401	1,364	243	60	38,930	24,801
Gross Profit	913	755	1,234	1,406	5,262	7,810
EBIT	482	415	209	54	2,509	4,717
Interest Expense	3	3	0	0	986	1,016
Net Income	390	345	134	41	789	2,438

Financial Ratios	ANAKYKLOSI ST. APOVL.		ELEKTOR		MESOGEIOS EMP.	
	2010	2009	2010	2009	2010	2009
Current Ratio	1.02	0.95	1.21	1.05	1.24	1.19
Asset Turnover	2.58	2.56	0.78	0.86	1.13	0.90
Inventory Turnover	n/c	n/c	n/c	n/c	9.24	3.26
Receivables Turnover	4.24	4.97	0.99	1.25	2.34	2.15
Interest Coverage	165.97	126.27	1373.18	n/c	2.54	4.64
Financial Leverage	3.78	3.82	3.32	3.87	3.96	4.04
Return on Equity	165%	159%	23%	9%	8%	27%
Dupont ROE	165%	159%	23%	9%	8%	27%
Return on Assets	44%	42%	7%	2%	2%	7%
Gross Margin	39%	36%	84%	96%	12%	24%
Net Income Margin	17%	16%	9%	3%	2%	7%

Source: Officially Published Company Accounts.

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NOTES 1

NOTES 2

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