



RAMADA

INVESTIMENTOS E INDÚSTRIA

Earnings announcement

2014



80 ANOS

A investir na indústria

RAMADA GROUP – BUSINESS PROFILE

F. Ramada Investimentos was incorporated as of June 1, 2008, as a result of the demerger process of the steel and storage systems business from Altri, SGPS, S.A. ("Altri").

Currently, F. Ramada Investimentos is the parent company of a group of companies ("Ramada Group") that operate in two business areas: i) Industry, which includes the Steel activity, of which we highlight the sub segment of steel for moulds, the Storage Systems activity, and as well as the activity related to management of financial investments held corresponding to non-controlling interests; and ii) Real Estate, focused in the management of real estate assets.

The Steel activity, with a prominent position in the domestic market, is carried out by two Companies: Ramada Aços and Universal Afir.

The Storage Systems activity is carried out by five Companies: Ramada Storage Solutions (largest manufacturer of storage systems in Portugal and where all Group production is concentrated), Storax France, Storax United Kingdom, Storax Belgium, and Storax Spain.

The activity of financial investments includes share capital holdings in Base Holding and CEV – Consumo em Verde/Converde.



The financial information presented below in relation to Ramada Group was prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards (IFRS), as adopted by the European Union.

INCOME STATEMENT

	2014	2013	Var. %
Sales and services rendered	118,199	104,399	13.2%
Other income	1,376	952	44.5%
Total income	119,575	105,351	13.5%
Cost of sales	66,134	58,756	12.6%
External supplies and services	20,476	16,351	25.2%
Payroll	14,762	13,025	13.3%
Other costs	2,033	2,754	-26.2%
Total costs (a)	103,405	90,886	13.8%
EBITDA (b)	16,170	14,465	11.8%
<i>EBITDA margin</i>	<i>13.5%</i>	<i>13.7%</i>	
Amortisation and depreciation	1,599	1,529	4.6%
EBIT (c)	14,571	12,936	12.6%
<i>EBIT margin</i>	<i>12.2%</i>	<i>12.3%</i>	
Financial results	(3,073)	(4,068)	-24.5%
Net profit before income tax	11,498	8,868	29.7%
Income tax	(3,410)	(2,650)	
Consolidated net profit	8,088	6,218	30.1%
Consolidated net profit attributable to shareholders of parent company	8,077	6,218	29.9%
Consolidated net profit attributable to non-controlling interests	11	-	

Amounts in thousands Euros

(a) Operating costs excluding amortisation, financial expenses and income tax

(b) EBITDA= Earnings before interest income, tax, depreciation and amortisation

(c) EBIT = Operating results

The total turnover of Ramada Group amounted to 119,575 thousand Euros, representing an increase of 13.5% in relation to 2013.

Total costs, excluding amortization, financial expenses and taxes, amounted to 103.405 thousand Euros, representing an increase of 13.8% in relation to 2013.

EBITDA in 2014 reached 16,170 thousand Euros, representing an increase of 11.8% when compared with 2013.

In 2014, EBITDA margin reached 13.5%, which compares to 13.7% obtained in 2013.

Group's operating results (EBIT) amounted to 14,571 thousand Euros, representing a positive variation of 12.6% comparing with 12,936 thousand Euros in 2013.

Negative financial results amounted to 3,073 thousand Euros, representing an improvement of 24.5%, when compared with 2013.

Ramada Group net profit reached 8,088 thousand Euros, being 30.1% above the amount recorded in 2013.

INDUSTRY

	2014	2013	Var. %
Total income	113,234	99,096	14.3%
Total costs (a)	102,019	89,621	13.8%
EBITDA (b)	11,215	9,475	18.4%
<i>EBITDA margin</i>	<i>9.9%</i>	<i>9.6%</i>	<i>0.3 p.p.</i>
EBIT (c)	9,957	8,324	19.6%
<i>EBIT margin</i>	<i>8.8%</i>	<i>8.4%</i>	<i>0.4 p.p.</i>
Financial results	(501)	(717)	-30.2%
Net profit before income tax	9,456	7,607	24.3%

Amounts in thousands Euros

(a) Operating costs excluding amortisation, financial expenses and income tax

(b) EBITDA= Earnings before interest income, tax, depreciation and amortisation

(c) EBIT = Operating results

In 2014 total turnover of the industry segment reached 113,234 thousand Euros, corresponding to a decrease of 14.3% in relation to total turnover in the prior year.

The Steel activity is developed mainly in the domestic market, having presented in 2014 a higher turnover when compared to 2013, as a result of the increase on sales for the moulds and metal-mechanics sector.

The moulds and tooling manufacturing sector, was quite strong in the first half of 2014, unlike the slowdown recorded in the last months of the year. The group considers that this sector has conditions to continue to grow internationally following the strong trend of renewal and launch of new models in the automotive industry.

The sales for the metal-mechanics sector had a recovery over the prior year, contributing for this increase the higher dynamics of this sector as well as the group's efforts on the sale of advanced high strength steels, applied in the production of parts for automotive components.

The group has controlled levels of stocks given the high uncertainty of the evolution of the steel price.

The Storage Systems activity had a significant growth in turnover over the previous year.

The export market remains the main growth driver of this activity, representing 87% of turnover. Europe remains the main market, representing 90% of the exports.

In 2014 with the establishment of Storax España, S.L., in which the group holds 60% of its share capital, this activity started to be represented directly in Spain.

In 2014, the Industry segment EBITDA amounted to 11,215 thousand Euros, representing an increase of 18.4% compared to 9,475 thousand Euros recorded in 2013.

Industry segment EBITDA margin increased from 9.6% in 2013 to 9.9% in 2014.

Profit before taxes in this segment reached to 9,456 thousand Euros, 24.3% higher than the amount recorded in 2013.

REAL ESTATE

	2014	2013	Var. %
Total income	6,341	6,255	1.4%
Total costs (a)	1,385	1,264	9.6%
EBITDA (b)	4,956	4,990	-0.7%
EBIT (c)	4,615	4,612	0.1%
Financial results	(2,573)	(3,351)	-23.2%
Net profit before income tax	2,042	1,261	62.0%

Amounts in thousands Euros

(a) Operating costs excluding amortisation, financial expenses and income tax

(b) EBITDA= Earnings before interest income, tax, depreciation and amortisation

(c) EBIT = Operating results

In 2014 total turnover of the Real Estate segment amounted to 6,341 thousand Euros, representing an increase of 1.4% in relation to the prior year.

The rents obtained with the long-term renting of the forest land represent more than 95% of the total income of the Real Estate segment.

In 2014 Real Estate segment EBITDA reached 4,956 thousand Euros, representing a slight decrease of (-0.7%) in relation to 2013.

Real Estate segment's EBIT amounted to 4,615 thousand Euros, similar to 2013.

Financial results of the Real Estate segment, in 2014, amounted to negative 2,573 thousand Euros, representing an improvement of 23.2% compared with negative 3,351 thousand Euros reached in 2013.

INVESTMENTS AND DEBT

In 2014 Ramada Group's investments amounted to 2,719 thousand Euros.

The nominal net debt of the Ramada Group as of December 31, 2014, deducted of own shares in portfolio (in the amount of 1,641 thousand Euros), amounted to 61,418 thousand Euros, which compares to 68,772 thousand Euros as of 31 December, 2013.

Porto, February 27, 2015

The Board of Directors



Shaping industry

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