



RAMADA
INVESTIMENTOS E INDÚSTRIA

Earnings announcement
2015
(unaudited)



80 YEARS

Investing on industry

RAMADA GROUP – BUSINESS PROFILE

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 Storax (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 essentially 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

	2015	2014	Var. %
Sales and services rendered	125,810	118,199	6.4%
Other income	747	1,011	-26.1%
Total income	126,557	119,210	6.2%
Cost of sales	(70,685)	(66,134)	6.9%
External supplies and services	(21,183)	(20,476)	3.5%
Payroll expenses	(15,018)	(14,762)	1.7%
Other costs	(1,801)	(2,033)	-11.4%
Total costs (a)	(108,687)	(103,405)	5.1%
EBITDA (b)	17,870	15,805	13.1%
EBITDA margin	14.1%	13.3%	
Depreciation and amortization	(2,397)	(1,599)	49.9%
EBIT (c)	15,473	14,206	8.9%
EBIT margin	12.2%	11.9%	
Gains/ (Losses) in associated companies	1,563	365	
Financial expenses	(2,713)	(3,102)	
Financial income	154	29	
Profit before income tax	14,477	11,498	25.9%
Income tax	(3,419)	(3,410)	
Consolidated net profit	11,058	8,088	36.7%
Consolidated net profit attributable to shareholders of the Parent Company	11,033	8,077	36.6%
Consolidated net profit attributable to non-controlling interests	25	11	

(Amounts in thousand Euros)

(a) Operating expenses excluding depreciation and amortization, financial expenses and income tax

(b) EBITDA = earnings before financial results, income tax, depreciation and amortization

(c) EBIT = earnings before financial results and income tax

The total turnover of Ramada Group amounted to 126,557 thousand Euros, representing an increase of 6.2% in relation to 2014.

Total costs, excluding depreciation and amortization, financial expenses and taxes, amounted to 108,687 thousand Euros, representing an increase of 5.1% in comparison with 2014.

EBITDA in 2015 reached 17,870 thousand Euros, representing an increase of 13.1% when compared with 2014. In 2015, EBITDA margin reached 14.1%, which compares to 13.3% obtained in 2014.

Group's operating results (EBIT) amounted to 15,473 thousand Euros, representing a positive variation of 8.9% comparing with 14,206 thousand Euros in 2014.

In 2015, Ramada Group recorded gains in associated companies amounting to 1,563 thousand Euros, which compare to 365 thousand Euros recorded in 2014.

Negative financial results amounted to 2,559 thousand Euros, representing an improvement of 16.7%, when compared with 2014.

Ramada Group net profit reached 11,058 thousand Euros, being 36.7% above the amount recorded in 2014.

INDUSTRY

	2015	2014	Var. %
Total income	120,088	112,869	6.4%
Total costs (a)	(107,220)	102,019	5.1%
EBITDA (b)	12,868	10,850	18.6%
EBITDA margin	10.7%	9.6%	
EBIT (c)	10,737	9,592	12.0%
EBIT margin	8.9%	8.5%	
Gains/ (Losses) of associates	1,563	365	328.2%
Financial results	(296)	(501)	-40.9%
Net profit before income tax	12,004	9,456	27.0%

(Amounts in thousands Euros)

(a) Operating expenses excluding depreciation and amortization, financial expenses and income tax

(b) EBITDA = earnings before financial results, income tax, depreciation and amortization

(c) EBIT = earnings before financial results and income tax

In 2015 total turnover of the industry segment reached 120,088 thousand Euros, corresponding to an improvement of 6.4% in relation to total turnover in the prior year.

The Steel activity recorded a turnover growth compared to 2014, exceeding the estimates for this year, as a result of the increase of activity in the sector of moulds, with a strong impact on this business.

The Portuguese industry of moulds for plastic, which occupies a worldwide top position, has been at a high level in 2015, being expected that it will continue to follow the strong movement of renewal of car's industry, in order to lower the weight of vehicles and to reduce their pollution emissions.

The Steel activity is mainly developed in the domestic market (95% of its turnover). However, in the last four years, the sales to external markets have doubled and represented 5% of the business in 2015.

The sales for the metal-mechanics, construction of equipment and maintenance goods sectors had a reduction in relation with the prior year, due to a lower vitality of this sectors (resulting from the reduction of orders to export, mainly coming from Angola) and also due to the worldwide reduction in the prices of raw materials (steel, scrap and alloys), which significantly influenced the sales price for these sectors.

The level of stocks is under control, due to the constant decrease of prices, especially in the second half of the year. There is an oversupply in relation to the decline in worldwide demand, with a specific contribution from China, which has caused a strong pressure for low prices.

The Storage Systems activity, like the Industry segment, experienced a growth in turnover in relation to the previous year.

The export market remains the main growth driver of this activity, representing 76% of turnover in 2015. The internal market had a significant growth this year, which is associated with a big project in Portugal. Europe remains the main market, representing 90% of the exports.

In 2015, the Industry segment EBITDA amounted to 12,868 thousand Euros, representing an increase of 18.6% compared to 10,850 thousand Euros recorded in 2014.

Industry segment EBITDA margin increased from 9.6% in 2014 to 10.7% in 2015.

Profit before taxes in this segment reached to 12,004 thousand Euros, 27% higher than the amount recorded in 2014.

REAL ESTATE

	2015	2014	Var. %
Total income	6,469	6,341	2.0%
Total costs (a)	(1,467)	(1,385)	5.9%
EBITDA (b)	5,002	4,956	0.9%
EBIT (c)	4,736	4,615	2.6%
Financial results	(2,263)	(2,573)	-12.0%
Net profit before income tax	2,473	2,042	21.1%

(Amounts in thousand Euros)

(a) Operating expenses excluding depreciation and amortization, financial expenses and income tax

(b) EBITDA = earnings before financial results, income tax, depreciation and amortization

(c) EBIT = earnings before financial results and income tax

In 2015 total turnover of the Real Estate segment amounted to 6,469 thousand Euros, representing an increase of 2.0% 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 2015 Real Estate segment EBITDA reached 5,002 thousand Euros, representing a slight increase of 0.9% in relation to 2014.

Real Estate segment EBIT amounted to 4,736 thousand Euros, representing an improvement of 2.6% in relation to 2014.

Financial results of the Real Estate segment, in 2015, amounted to negative 2,263 thousand Euros, representing an improvement of 12.0% compared with negative 2,573 thousand Euros reached in 2014.

INVESTMENTS AND DEBT

Ramada group's investments in fixed assets in 2015 amounted to 4,027 thousand Euros. In relation to financial investments made during the year, we should highlight the share capital increase in Base Holding, with the contribution from Ramada Group amounting to 1,890 thousands Euros. After the referred share capital increase, Ramada holds a stake of 35.22% of Base Holding.

The nominal net debt of the Ramada Group as of December 31, 2015, deducted of own shares in portfolio (in the amount of 1,641 thousand Euros), amounted to 64,700 thousand Euros, which compares to 61,418 thousand Euros as of 31 December, 2014.

Porto, February 26, 2016

The Board of Directors



Shaping industry

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