

Valuation & Research Specialists (VRS)
Equity Research Team
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Share Price (25/9/2012) € 4.30

of Shares (,000) 27,379
Market Cap (in € mn) 117.73
A.D. Volume (p) 5,583
Beta Co-efficient 0.23

Statistical Data

Max 52 week 4.63 €
Min 52 week 3.00 €
1-M Rtn -6.32%
6-M Rtn -0.92%
12-M Rtn 43.33%

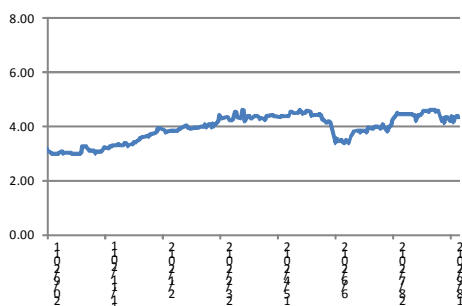
Shareholders' Structure

(Source: Athens Exchange, The Company)

Emmanouil Lebidakis 26.7%
Michail Lebidakis 25.5%
Maria Feretzaki 7.3%
Other Investors 40.5%

Source: The Company, Reuters, VRS.

Stock Price Performance (1 year, in €)



Plastika Kritis S.A. [Bloomberg Ticker: PLAKR:GA, Reuters Ticker: PLAKR.AT]

Business Sector: Plastics Manufacturers

Business Profile – Growth Drivers

- Plastika Kritis SA (the Company or the Group) is a plastics manufacturer based in Greece (island of Crete) with international presence. The Company was established in 1970 and was listed on Athens Exchange in May 1999. The Group holds (direct and indirect) subsidiaries in China, France, Poland, Romania, Russia, and Turkey. The Group employed 825 persons as of end June 2012.
- It produces the following products: (a) masterbatches & compounds under the brand name KRITILEN, (b) 3-layer agricultural films, KRITIFIL, (c) geomembranes, KRITIFLEX, (d) polyethylene pipes, KRITISOL and (e) recycled plastics, KRITISAN. It utilizes raw materials which mainly derive from oil. The Group is also active in the wind and photovoltaic energy market.
- Plastika Kritis Group owns production facilities in Greece (2 units), China, France, Poland, Romania, Russia, and Turkey (2 units) with some of the above countries covering all production lines (masterbatches & compounds, 3-layer agricultural films, geomembranes, polyethylene pipes and recycled plastics).
- All production facilities and plants are characterized by technical and qualitative features that are shared among the members – plastics manufacturers of the international group "Global Colors". This group has the mission of serving the plastics industry with high quality color and additive concentrates.
- Plastika Kritis' customers are located in the following business sectors and areas: Horticultural & agricultural markets, the plastics industry and projects related to water-management & environment protection.
- The Group owns and operates a 12 MW wind park in Crete and 4 photovoltaic parks.
- The Group exports products to more than 60 countries. According to the Management, Plastika Kritis is one of the world leaders in plastic films for agriculture and among the 8 largest masterbatch producers in Europe.

Corporate Strategy

- Plastika Kritis' growth strategy is based on the following components: (1) Production of high quality, constantly upgraded and innovative plastics products; (2) Geographical diversification of operations and generation of sales in an increasing number of international markets; (3) Focus on profitable operations which generate healthy margins and operating cash flows; (4) International partnerships and alliances; (5) Expansion in the energy market.
- China and Russia are the most challenging markets in the Group's current and prospective expansion plan.
- For 2012, the Group has announced investments in the operations of Greece, China, France, Poland, and Russia.
- The Group's current projects are the following: (1) Installation of new production line for agricultural films in China (40% increase of capacity); (2) Building of a new factory in St Petersburg, Russia, to transfer and expand the masterbatch production; (3) New production line for masterbatches in Poland. In addition, there are forthcoming projects referring to new investments in Greece and France to increase capacity and introduce new technologies for agricultural films.

Important Note:

Valuation & Research Specialists (VRS) have based the aggregate information contained in this report on Plastika Kritis' corporate and IR website, www.plastikakritis.com. VRS have also contacted the Management for factual verifications. VRS have compiled this report solely for information purposes.

Valuation & Research Specialists (VRS) do not intend to express any views or judgments about the covered company, Plastika Kritis, via this report.

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BASIC FINANCIAL INDICATORS

(in € mn)	Sales	EBITDA	EBT	EATAM	P/E (x)	P/BV (x)	EV/EBITDA (x)	DEBT / EQUITY (x)	ROE %
2009	137	18	13	10	11.92	1.13	7.30	0.27	9%
2010	171	19	14	10	12.14	1.05	7.14	0.29	9%
2011	189	24	17	12	9.64	0.96	5.82	0.25	10%

Notes: (1) EATAM and equity are calculated excluding minorities. (2) P/E, P/BV and EV/EBITDA are based on current share price. Source: Official Consolidated Financial Statements (based on IFRS), VRS Calculations.

Plastika Kritis Group Major Subsidiaries

SUBSIDIARY	COUNTRY
ROMCOLOR 2000 SA	ROMANIA
GLOBAL COLORS POLSKA SA	POLAND
SENKROMA AS	TURKEY
SHANGHAI HITEC PLASTICS	CHINA
AGRIPOLYANE SASU	FRANCE
GLOBAL COLORS z.a.o.	RUSSIA
MODERN PLANT OOO	RUSSIA

Source: The Company.

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Business Sector: Plastics Manufacturers

Financial Highlights 2011 (Consolidated)

- As of 31 December 2011, the Group's equity (excl. minorities) settled at EUR 122.10 million with its outstanding long-term and short-term bank debt at EUR 31.01 million. Cash and cash equivalents amounted to EUR 11.25 million. Net cash flows from operating activities stood at EUR 8.36 million at year end 2011. During the financial years 2010 and 2011, the Company returned capital (0.07 € / share each year) instead of dividend.
- Group investments in tangible and intangible assets accounted for EUR 5.52 million in 2011 (EUR 1.96 million on parent level).
- In 2011, exports represented 64% of the parent company's sales. Subsidiaries abroad accounted for 43.7% and 31.8% of consolidated sales and profit respectively. Subsidiary Shanghai Hitec Plastics in China generated net sales of EUR 37.13 million and profit of EUR 3.44 million in 2011. During the same year, subsidiary Agripolyane in France generated net sales of EUR 27.16 million and profit of EUR 0.1 million.

First Half 2012 Results (Consolidated)

- In 1H 2012, sales and gross profit accounted for EUR 100.02 million (from EUR 92.82 million in 1H 2011) and EUR 20.18 million (from EUR 19.65 million in 1H 2011) respectively, with net profit (excl. minorities) settling at EUR 5.86 million versus EUR 5.76 million in 1H 2011.
- As of end June 2012, the Group's equity (excl. minorities) accounted for EUR 126.59 million with its outstanding long-term and short-term bank debt at EUR 32.93 million. Cash and cash equivalents amounted to EUR 9.90 million. Net cash flows from operating activities stood at EUR -0.28 million in 1H 2012 versus EUR 1.13 million in 1H 2011.

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Working Capital Ratios

in EUR million	2009	2010	2011
Sales	137	171	189
Cost of Sales	102	131	144
Net Income / Profit	10	10	12
Cash & Cash Equivalents	14	12	11
Stock Days	94	98	110
Stock Inventory	26	35	43
Debtors Days	129	115	110
Debtors - Receivables	48	54	57
Creditors Days	62	59	52
Creditors - Suppliers	17	21	21
Operating Cycle (Days)	222	213	220
Cash Cycle (Days)	160	154	168

Source: Official Consolidated Financial Statements, VRS Calculations.

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DISCLOSURE CHECKLIST

Covered Company	Bloomberg	Reuters	Stock Price	Date	Disclosure
PLASTIKA KRITIS S.A.	PLAKR:GA	PLAKR.AT	€ 4.30	September 25, 2012	2, 3

1. VRS has acted as financial consultant for the covered company within the past 24 months.
2. VRS has sent the research report to the covered company, prior to publication or dissemination, for factual verification.
3. VRS has changed the contents of the initially sent report, with respect to: factual changes have been made.
4. VRS has received compensation from the covered company for the preparation of this research report.
5. VRS produces research reports for this company on systematic basis.
6. VRS produces research reports for this company on demand basis.
7. VRS has produced a research report for this company within the past 12 months.

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