

**Valuation & Research Specialists (VRS)**  
Equity Research Team  
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Share Price (15/11/2012) € 5.51

# of Shares (,000) 51,111  
Market Cap (in € mn) 281.62  
A.D. Volume (p) 9,393  
Beta Co-efficient 0.47

#### Statistical Data

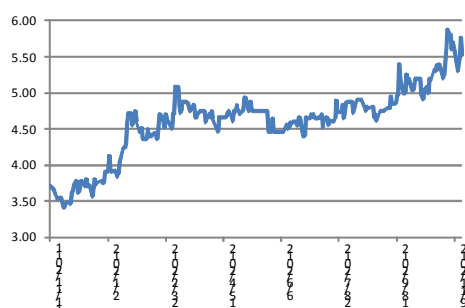
Max 52 week 5.88 €  
Min 52 week 3.42 €  
1-M Rtn 10.20%  
6-M Rtn 23.54%  
12-M Rtn 53.06%

#### Shareholders' Structure

Founding Family 61.20%  
Foreign Inst. Investors 25.10%  
Greek Inst. Investors 5.60%  
Private Greek Investors 8.10%

Source: The Company, Reuters, VRS.

#### Stock Price Performance (1 year, in €)



## S&B Industrial Minerals S.A. [Bloomberg Ticker: ARBA:GA, Reuters Ticker: BARr.AT]

### Business Sector: Basic Resources - General Mining

#### Business Profile

- S&B Industrial Minerals S.A. (the Company or the Group) is a basic resources and general mining company with a leading presence in Greece. S&B resulted from two previous companies incorporated in 1934 in the Greek island Milos, and as of end June 2012 the Group employed 1,942 employees. Its assets include 26 mines, 46 plants and processing units and 26 distribution centers that are located in 21 countries, whereas the Group's products are sold in 75 countries all over the world.
- The Group deals with the mining, development and transformation of natural resources into raw materials and products that offer added value to its customers. It operates in four global industrial markets: Metallurgy, foundry, construction and specialties. The Group is active into four regions: Northern Europe, Southern Europe, Asia / Pacific and Americas.

#### Corporate Strategy

- S&B Group is constantly trying to strengthen its position in the industrial markets which already operates in and at the same time, it targets the geographical expansion of activities in developing countries.
- Furthermore, the Management has stated that expansion is targeted even in industries beyond metallurgy via the enrichment of portfolio with new value added products and services.
- S&B is concerned about environmental protection. Appropriate measures and procedures have been designed to minimize the impact on the environment and health. These processes are being monitored through a system that measures and records all relevant indicators and through inspections of the manufacturing facilities. In the majority of its establishments worldwide, the Group applies the certified standards ISO 9001 and ISO 14001.
- As of September 2011, the Company applied a new organizational structure.

#### First Half 2012 Financial Highlights (Consolidated)

- In June 2012, the Group's equity (excluding minorities) settled at € 267.4 million and the long-term and short-term bank debt at € 179.8 million.
- Cash and cash equivalents amounted to € 50 million. Net cash flows from operating activities accounted for € 21.3 million as of end June 2012, posting an increase of 44.6% compared to the end of June 2011.
- Consolidated investments in tangible and intangible assets accounted for € 16 million in June 2012 versus € 17.51 million in June 2011 based on the cash flow statement.

#### Important Note:

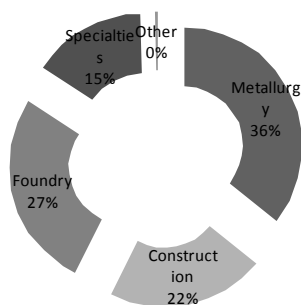
Valuation & Research Specialists (VRS) have based the aggregate information contained in this report on S&B's corporate and IR website, [www.sandb.com](http://www.sandb.com). VRS have also contacted the Management for factual verifications. VRS have compiled this report solely for information purposes. Valuation & Research Specialists (VRS) do not intend to express any views or judgments about the covered company, S&B, via this report. Valuation & Research Specialists (VRS) are the sole creators and distributors of this report.

#### BASIC FINANCIAL INDICATORS

(in € mn)	Sales	EBITDA	EBT	EATAM	P/E (x)	P/BV (x)	EV/EBITDA (x)	GROSS DEBT / EQUITY (x)	ROE %
2009	335.8	39.0	7.3	2.1	135.1	1.2	10.4	0.7	1%
2010	420.1	59.8	21.8	13.1	21.4	1.2	6.6	0.6	5%
2011	455.7	67.6	32.0	20.6	13.7	1.1	6.1	0.7	8%

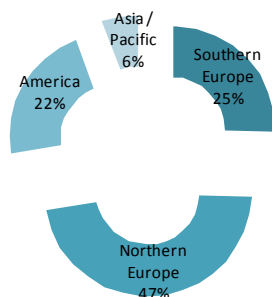
Notes: (1) EATAM and equity are calculated excluding minorities. (2) P/E, P/BV and EV/EBITDA are based on current share price. Source: Official Consolidated Financial Statements (based on IFRS), VRS Calculations.

**Turnover Breakdown**  
Industrial Market Basis, 1<sup>st</sup> Half 2012



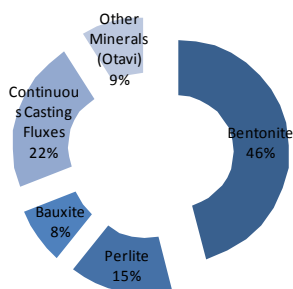
Source: The Company.

**Turnover Breakdown**  
Geographic Basis, 1<sup>st</sup> Half 2012



Source: The Company.

**Turnover Breakdown**  
Product Basis, Year 2011



Source: The Company.

## S&B Industrial Minerals S.A. [Bloomberg Ticker: ARBA:GA, Reuters Ticker: BARr.AT] Business Sector: Basic Resources - General Mining

### Year 2011 Financial Highlights (Consolidated)

- As of end December 2011, the Group's equity (excl. minorities) and the bank debt (long-term and short-term) accounted for € 249.25 million and € 178.26 million respectively.
- Cash and cash equivalents amounted to € 46.16 million, while net cash flows from operating activities reached € 37.8 million.
- Consolidated investments in tangible and intangible assets settled at € 41.1 million in 2011 from € 25 million in 2010 based on the cash flow statement.

### Latest Corporate Actions

- On 27 June 2012, the General Meeting of Shareholders approved the Board's proposal for a capital return € 0.25 per share. The capital return was paid to the shareholders on 2 August 2012.
- At the end of June 2012, in order to refinance its obligations maturing in years 2012 and 2013, the parent company S&B Industrial Minerals S.A. issued a bond loan of € 110 million maturing in 4 years. The issue was covered by Alpha Bank, EFG Eurobank and Emporiki Bank. The parent company also agreed with HSBC Bank on a 3 year loan of € 40 million.
- In October 2011, the Group inaugurated a closed circuit bentonite warehouse in Milos island, Greece. The warehouse featuring a unique design was expected to reduce the dust emissions and the environmental footprint. The investment amounted to € 10 million.

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### Working Capital Ratios

in EUR million		2009	2010	2011
Sales	€ mn	335.84	420.13	455.72
Cost of Sales	€ mn	237.72	295.55	317.54
Net Income / Profit	€ mn	2.09	13.13	20.62
Cash & Cash Equivalents	€ mn	49.57	42.72	46.16

### Stock Days

	Days	100	95	84
Stock Inventory	€ mn	65.09	77.06	73.47
<b>Oper. Debtors Days</b>	<b>Days</b>	<b>52</b>	<b>45</b>	<b>40</b>
Debtors - Receivables	€ mn	47.50	51.74	49.56
<b>Oper. Creditors Days</b>	<b>Days</b>	<b>52</b>	<b>55</b>	<b>48</b>
Creditors - Suppliers	€ mn	33.66	44.28	41.40

### Operating Cycle (Days)

	Days	152	140	124
<b>Cash Cycle (Days)</b>	<b>Days</b>	<b>100</b>	<b>85</b>	<b>77</b>

Source: Official Consolidated Financial Statements. VRS Calculations.

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Covered Company	Bloomberg	Reuters	Stock Price	Date	Disclosure
S&B INDUSTRIAL MINERALS S.A.	ARBA:GA	BARr.AT	€ 5.51	November 15, 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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### Investment Research & Analysis Journal

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