

**CHEMICALS BLENDING INTO LIFE**

***Neochimiki***



NOVEMBER 2006

**CORPORATE PRESENTATION**

# Key points

Market Cap:	464 mil.€	P/E:	6.54x
Turnover 2006 (E):	300 mil.€		
EAT 2006 (E):	71 mil.€	PEG:	0.09x

**Market Leader** ➤ Production of Detergents for  
Multinationals & Private Label in Greece

**Market Leader** ➤ Distribution of Chemical Raw materials  
in Greece

Greek chemical market:	€ 5 bil.
NEOCHIMIKI' s market share:	€ 200 mil., 4 %

Eastern Europe Chemical market:	€ 15 bil.
NEOCHIMIKI' s market share:	€ 100 mil., 1 %

**2006-2011 Strategic Goal**  
« Eastern Europe Expansion »



Key figures computed at share price 12.90 (31/102006)



# What We Do

## Distribution of Chemical Raw materials

Distribution of Chemical Raw Materials on behalf of large corporations

### Major suppliers

- SHELL
- BP
- BASF
- FMC FORET
- SASOL
- RHODIA
- ADM
- SOLVAY
- LUKOIL
- K+S KALI GmbH
- TESSENDERLO

A network of 5,500 clients

## Detergents, Cosmetics

Market Leader in Producing Detergents in Liquid and Powder form for Multinationals and for Private Labels. We produce detergents for 9 out of the 12 largest S/M chains in Greece

### Major clients

- HENKEL
- UNILEVER
- ECOLAB
- JOHNSON DIVERSEY
- SARA LEE
- COLGATE PALMOLIVE
- CARREFOUR
- AB VASSILOPOULOS
- VEROPOULOS
- GALAXIAS
- DIA
- MAKRO
- MASSOUTIS
- METRO
- PLUS

## Production of Chemical raw materials




### Production of

- Emulsions on behalf of Celanese
- Emulsions
- Resins
- Constructions



# History

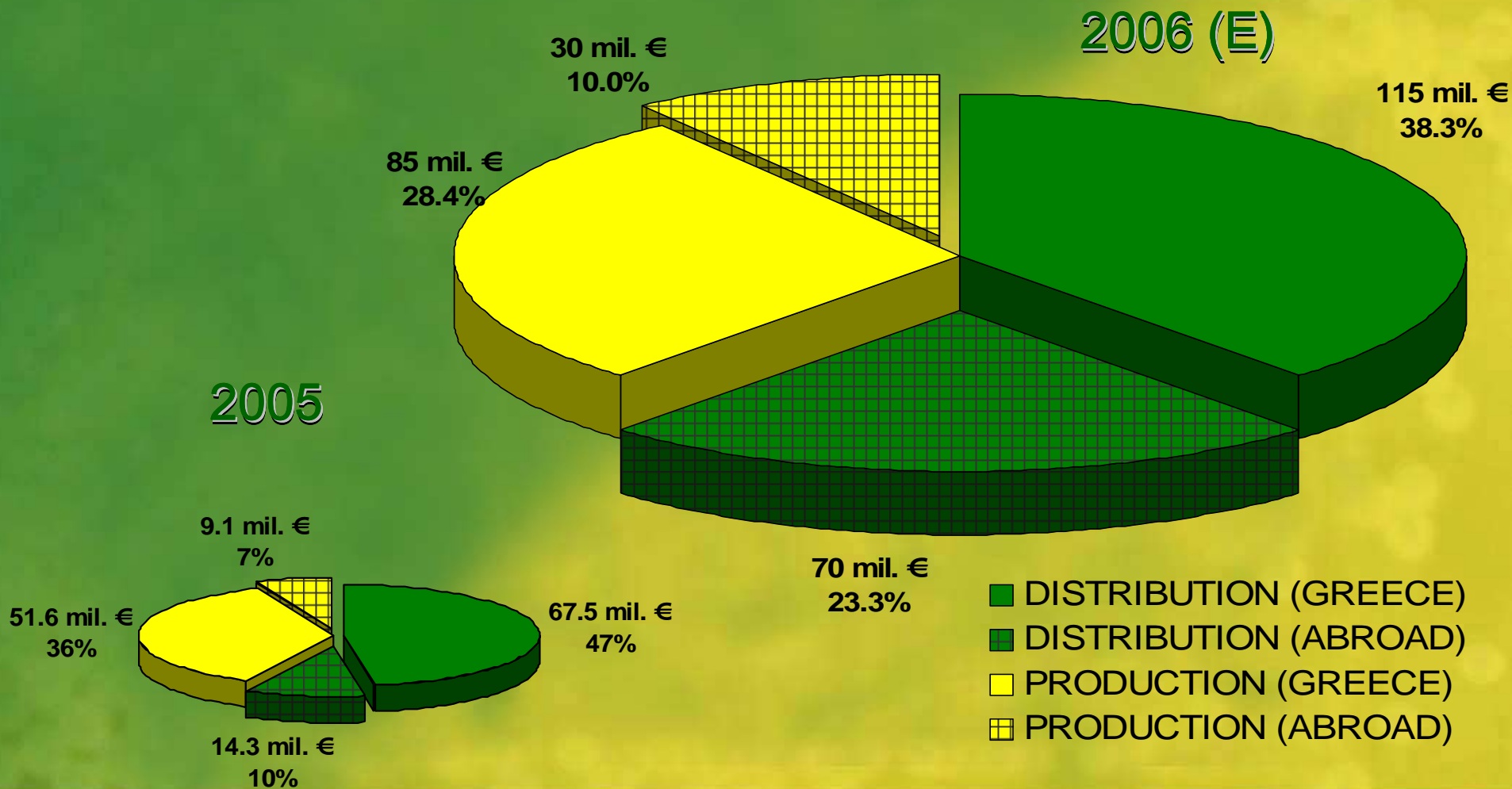
<b>Continuous Expansion</b> 2006	Establishment of <b>LAMDA DETERGENT LTD</b> <b>COSMETICS</b>	Establishment of <b>PLANTERA S.A.</b> <b>AGROCHEMICALS</b>	Establishment of <b>NEOCHIMIKI UKRAINE LTD</b> <b>CHEMICALS</b>	Acquisition of <b>ATLANTIC POLYMERS</b> <b>POLSKA Sp. ZOO</b> <b>CHEMICALS</b>		
<b>Developments</b> 2005	Establishment of <b>ATLANTIC POLYMERS GmbH</b> In GERMANY <b>POLYMERS</b>	Establishment of <b>NEOCHIMIKI</b> International S.A. PARTICIPATION IN COMPANIES	Establishment of <b>CHEMICAL</b> <b>INNOVATIONS S.A.</b> <b>EMULSIONS</b>	Establishment of <b>LAMDA COSMETICS S.A.</b> <b>COSMETICS</b>	Acquisition of <b>BALLIS</b> <b>CHEMICALS S.A.</b> , which is listed in the ASE	Acquisition of <b>NOVION S.A.</b> <b>EMULSIONS+RAW</b> <b>MATERIALS</b>
	Establishment of <b>AGROINOVATION S.A.</b> <b>AGROCHEMICALS</b>	Establishment of <b>LAMDA COSMETICS LTD</b> <b>COSMETICS</b>				
<b>Geographical expansion</b> 2004	Establishment of <b>ATLANTIC POLYMERS</b> & <b>CHEMICALS SA</b> <b>PETROCHEMICALS</b>	Establishment of <b>NEOCHIMIKI BEOGRAD</b> in SERBIA <b>CHEMICALS</b>	Establishment of <b>NEOCHIMIKI LAVRENTIADIS</b> in CYPRUS <b>CHEMICALS</b>	Establishment of <b>NEOCHIMIKI BULGARIA</b> <b>CHEMICALS</b>	Rep. Office of <b>NEOCHIMIKI</b> In Kiev - UKRAINE <b>CHEMICALS</b>	
<b>New Activities</b> 2002 – 2003*	Establishment of <b>PETRONET</b> <b>BASE INDUSTRIAL</b> <b>OILS PARAFFINS</b>	Purchasing of <b>CLARIANT's</b> Resin factory	Establishment of <b>CHEMICAL</b> <b>SOLUTIONS</b> <b>RESINS</b>	Establishment of <b>LAMDA FERTILIZERS SA</b> <b>SPECIAL</b> <b>FERTILIZERS</b>	Establishment of <b>NEOCHIMIKI-ROMANIA</b> <b>CHEMICALS</b>	
<b>Business Portfolio</b> 2001	Establishment of <b>SPEDIMET</b> <b>TRANSPORT CHEMICALS</b>	Establishment of <b>LAMDA LAMDA</b> <b>CHEMICALS - SOLVENTS</b>	Establishment of <b>LAMDA POLYMERS</b> <b>CHEMICALS - POLYMERS</b>			
<b>Expansion Northern</b> <b>Greece 2000</b>	Purchasing of <b>HENKEL</b> <b>HELLAS</b> factory by our subsidi- ary <b>LAMDA DETERGENT</b>	Establishment of <b>Logistics Center</b> in Thessaloniki				
<b>Focused Business</b> 1999	Establishment of <b>LAMDA</b> <b>DETERGENT</b> <b>DETERGENTS</b>	Establishment of <b>LAMDA PACK</b> <b>PACKAGING CHEMICALS</b>				
<b>Initial Investments</b> 1997-1998	Purchase of <b>HOECHST HELLAS</b> facilities					
<b>Foundation</b> 1974	Foundation of <b>NEOCHIMIKI</b> <b>TRADING CHEMICAL</b> <b>PRODUCTS</b>					

-  Production
-  Distribution
-  Geographical expansion

\* May 20, 2003:  
Listing of Neochimiki on the Athens Stock Exchange



# What We Do - 2005 & 2006 (E)



# What We Do - 2006 (E)



SBU	% OF TURNOVER	COMPETITION (GREECE)	COMPETITION (ABROAD)
<p>DETERGENTS</p> <p>COSMETICS</p>	36	<p>MONOPOLY IN PRODUCTION FOR MULTINATIONALS &amp; PRIVATE LABELS, ROLCO VIANYL, MINOLVARA, FAMAR</p>	<p>MC BRIDE, DA SILVA, PERSAN, CHENOTEHCANI HAYAT, INTERSTAR, COGNIS, BASF,SASOL,BRENNTAG, ELTON,STERA CHEMICALS, VASTA, PROVENTOS, INKOCHEM,JUGOHEMIJA</p>
<p>PLASTICS</p>	18	<p>RIGAS, SKEBERIS PENTAPLAST</p>	<p>BRENNTAG,ELTON,DOW, ZORA-ZO,CHEMIPLAST,BWC</p>
<p>PAINTS &amp; LACQUER</p>	16	<p>INTERCHEM, CHIMA, PETROBRAS, BP, SHELL</p>	<p>BRENNTAG, ELTON,ARNAUD, NTERNOVA,HELIOS INTERCHEM, SPOLEK,TSI,VIRA,CHEMMAX, UNIVAR</p>
<p>FERTILIZERS</p>	15	<p>V.F.L., SOULFUR</p>	<p>HAIFA ,VALAGRO,YARA,ZIKO, ALFA,DELTA M AZOHEM, FERTIS, ZOTIS, LANNITIS, CCB</p>
<p>DISTRIBUTION OF CHEMICAL RAW MATERIALS ( FOR WATER PROCESSING / FOOD INDUSTRY / METALLURGY / TEXTILES, INDUSTRIAL BASE OIL )</p>	15	<p>MOTOR OIL, ELTON, ASTRON, DICHEM, KAPLANOGLOU, TSOPANELIS, MOSXOLIOS</p>	<p>BRENNTAG,BIESTERFELD, BARENTZ,CHIMSNAP,ELTON, FINKOCHEM,GENEZA,KUBA, HANSEN,ROSENTAL</p>

# Facilities Greece

**\* Thessaloniki**  
Logistics Centre  
Distribution Centre

**\* Avlida**  
Production Site  
Logistics Centre  
New Facilities

**\* Atalanti**  
Production Site

**\* Athens**  
HQs & R&D Dpt.  
Distribution Centre



# Facilities Greece

## \*Atalanti

Currently operating at 60%  
of Production capacity



### DETERGENT FACTORY

TOTAL AREA (130,000 m<sup>2</sup>)  
LOGISTICS-STORAGE (30,000 m<sup>2</sup>)  
TANKS (10,000 m<sup>3</sup>)

### PRODUCTION CAPACITY

100,000 T/Year in Detergents (Liquid)  
100,000 T/Year in Detergents (Powder)  
25,000 T in Raw materials  
ISO 9002





# Facilities Greece

\*Avlida



LOGISTICS - TANKS

TOTAL AREA (20,000 m<sup>2</sup>)

LOGISTICS (3,000 m<sup>2</sup>)

TANKS (3,000 m<sup>3</sup>)

20,000 m<sup>2</sup>

ISO 9002



# Facilities Greece

## \*Thessaloniki



### LOGISTICS - TANKS

TOTAL AREA (40,000 m<sup>2</sup>)

LOGISTICS (10,000 m<sup>2</sup>)

TANKS (5,000 m<sup>3</sup>)

40,000 m<sup>2</sup>

ISO 9002



# Facilities Greece

\*Athens



HEAD OFFICE  
&  
R&D LABORATORIES  
1,200 m<sup>2</sup>

ISO 9002 Quality Standards



# Geographic Expansion - Eastern European Market



Market of 15 € BIL. - NEOCHIMIKI : 100 € MIL. - Market Share : 1 % - Developing Market of 200 mil. people

# Our Strategic Advantages



## GROWTH

- Import Substitution
- South Eastern Expansion
- Economies of scale

## SECURITY

- Strong relation with multinationals
- High barriers to entry
- Low market shares

## RELIABILITY

- Conservative Projections
- High ROE
- Competent management



## Consolidated Income Statement (mil. €)

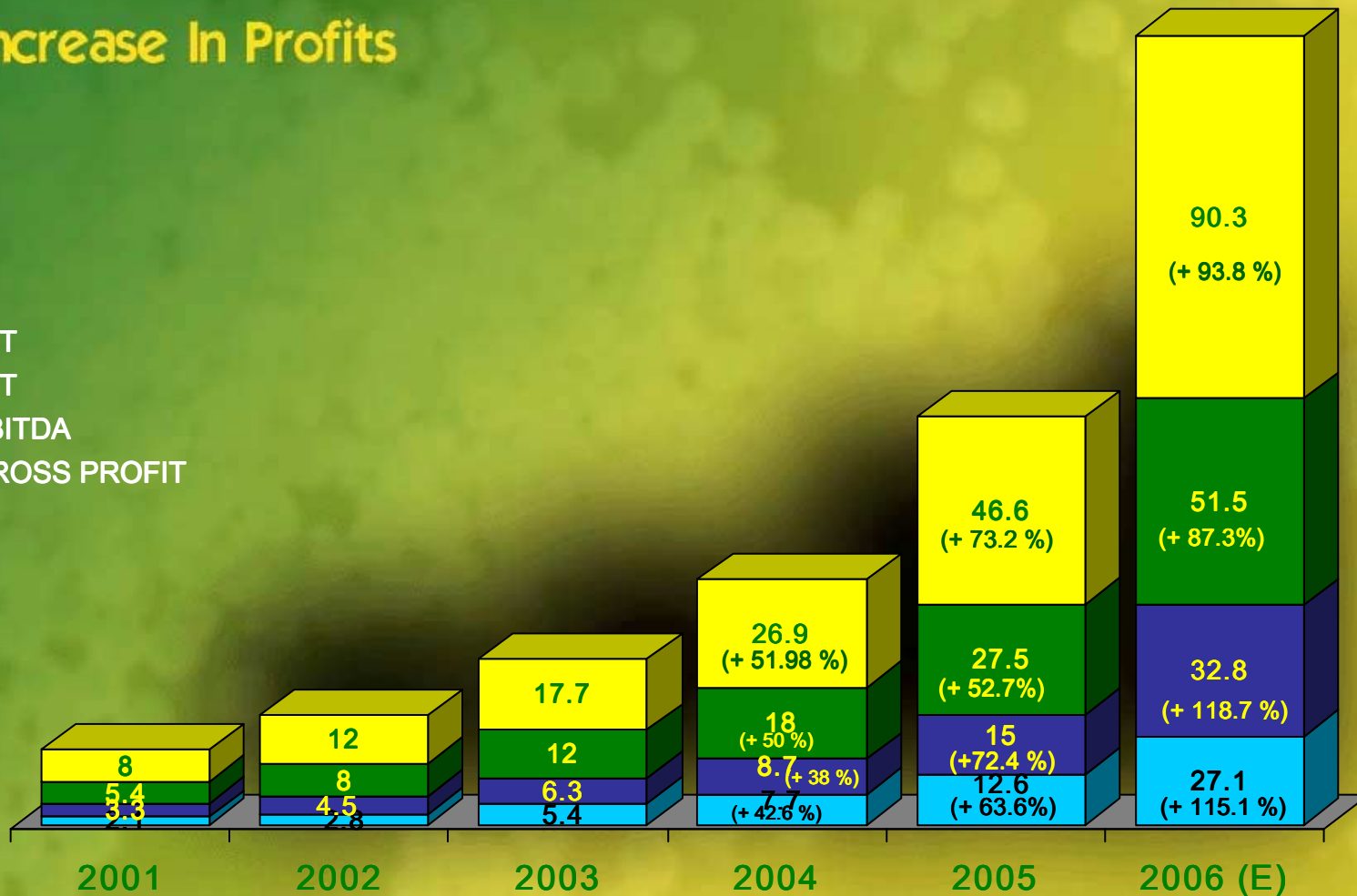
### ► Increase In Sales



■ Production  
■ Distribution

## Consolidated Income Statement (mil. €) according to IFRS

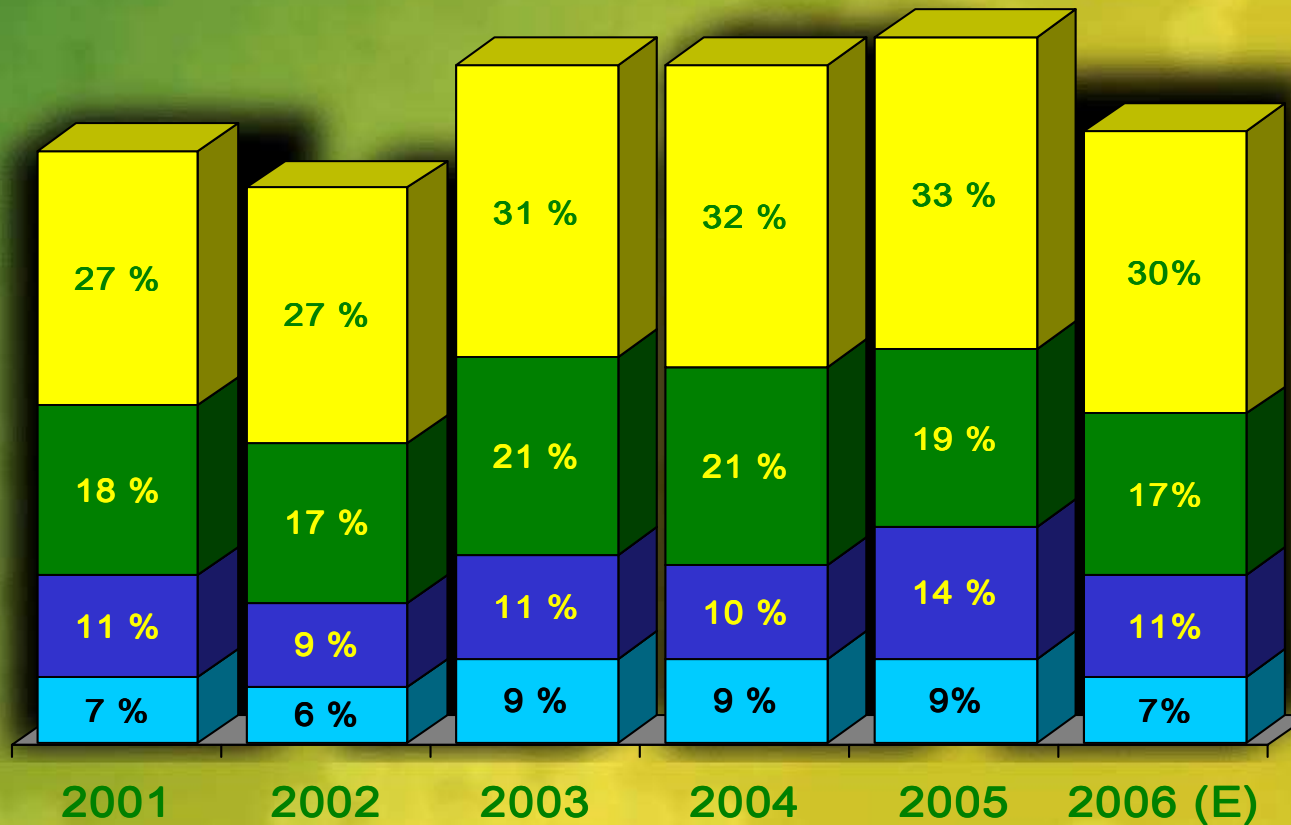
### ►► Increase In Profits



# Consolidated Income Statement (mil. €) according to IFRS

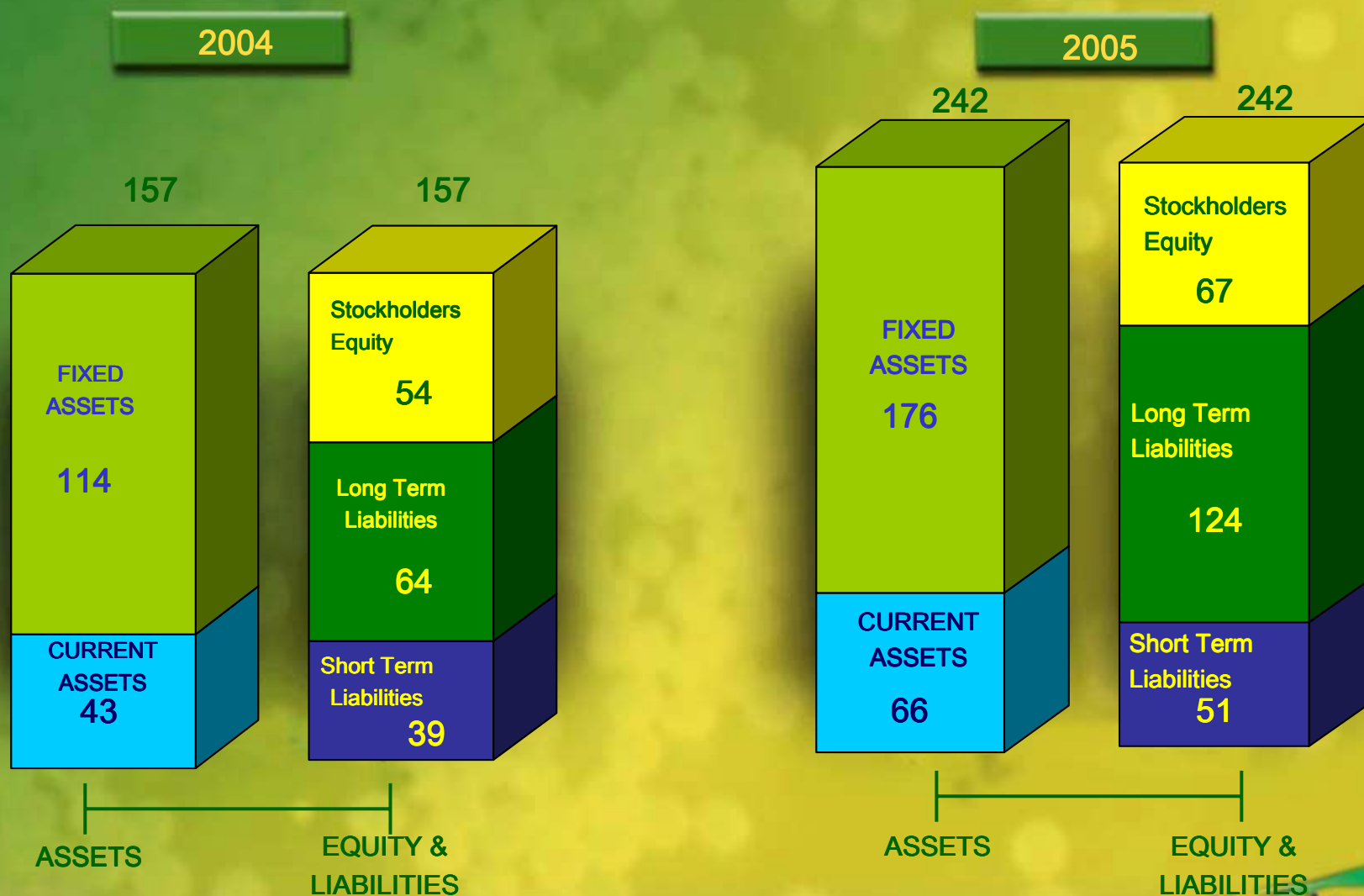
## Profit Margins

- Net Margin after taxes
- Net Margin before taxes
- Margin EBITDA
- Gross Profit Margin





# Consolidated Balance Sheet structure (mil. €) according to IFRS

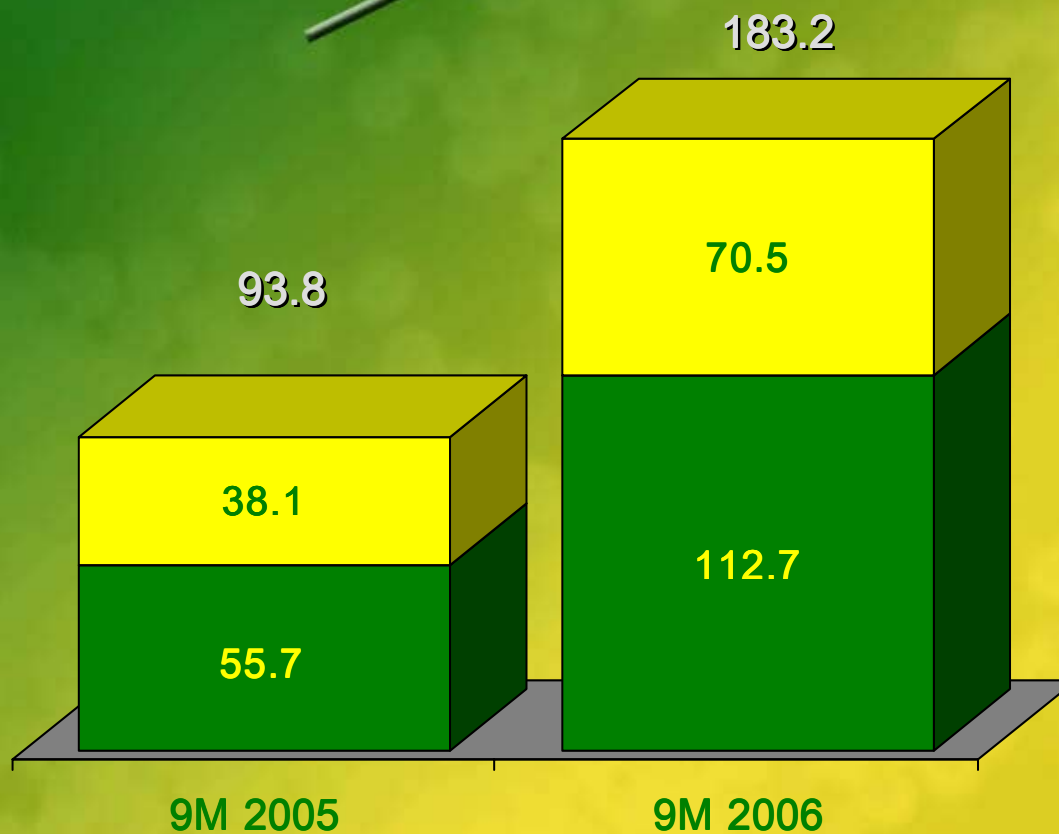


# 9M 2006 - Consolidated Income Statement (mil. €) according to IFRS

SALES

+ 95 %

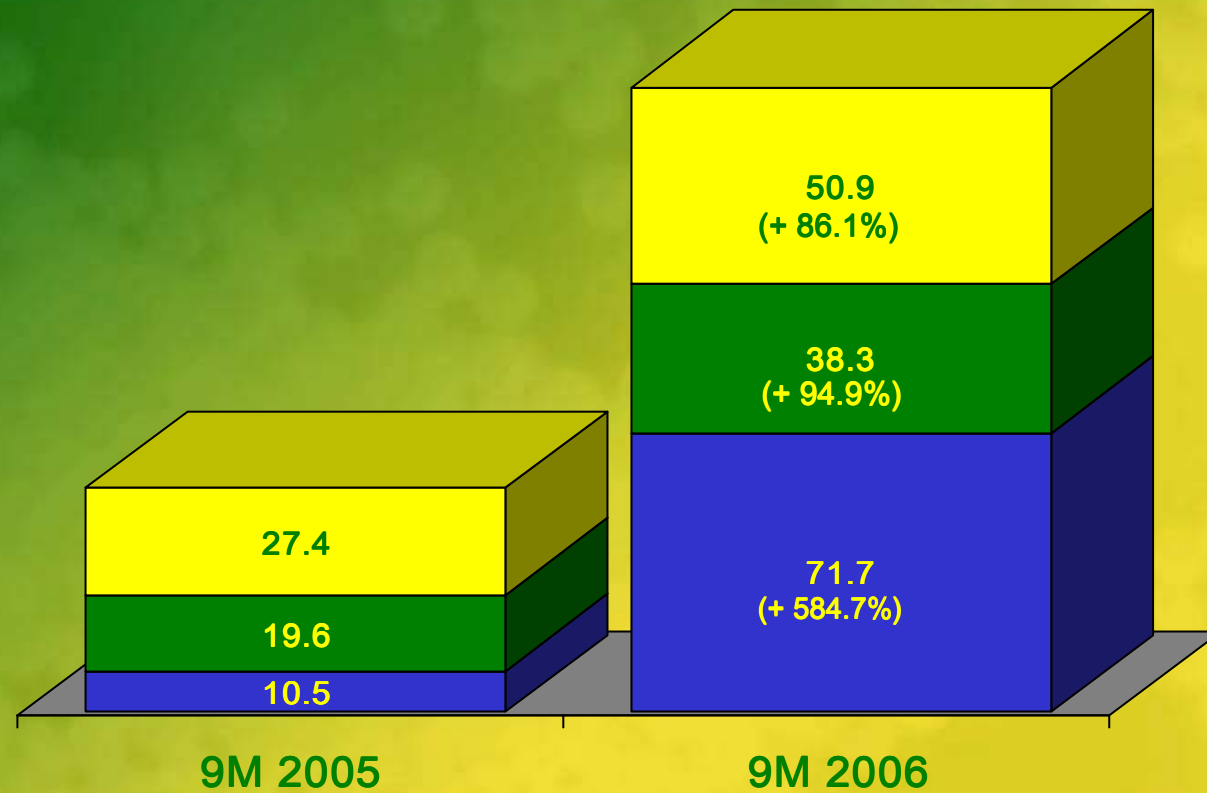
- Production
- Distribution



# 9M 2006 - Consolidated Income Statement (mil. €) according to IFRS

## ►► Increase in Profits

- EBT
- EBITDA
- GROSS PROFIT



## Consolidated Financial Data Cash Flow (mil. €) according to IFRS

	2005	2006 (E)	2007 (P)	2008 (P)	2009 (P)
<b>SALES</b>	142.5	300	460	585	735
<b>EBIT</b>	20.5	40.5	63.2	75.9	95.4
<b>Less: Adjusted tax</b>	(2.3)	(5.7)	(8.4)	(12.0)	(16.8)
<b>Adjusted operating profit</b>	18.2	34.7	54.7	63.9	78.6
<b>Plus: Depreciation</b>	6.9	11	14.7	17.8	22.3
<b>Operating Cash Flow</b>	25.2	45.8	69.5	81.7	101.0
<b>Less: Working Capital</b>	6.6	(48.3)	(21.5)	(12.6)	(23.0)
<b>Less: CAPEX &amp; Acquisitions</b>	(68.1)	(9.7)	(18.1)	(21.1)	(22)
<b>Free Cash Flow (FCFF)</b>	(36.3)	(12.2)	29.9	48.0	56.0

## Investment Ratios according to IFRS

	2004	2005	2006 (E)
# Shares (mil.)	36	36	36
Average Price (€)	3.70	4.27	10.83
Capitalization (€) mil.	133.2	154	390
Book Value (€) mil.	54	63	160
Price/Book Value (x)	2.5	2.4	2.4
Earnings A.T. (€) mil.	7.3	12.6	71.0
Earnings per Share (EPS)	0.21	0.34	1.97
P/E (x)	18.18	12.18	5.49
Return on Equity (R.O.E.)	14.26 %	18.2 %	44 %
PEG (x)	0.41	0.18	0.08
Dividend (€) mil.	2.2	1.0	2.16
Dividend per Share (DPS)	0.061	0.03	0.06
Dividend Yield	1.62 %	0.70 %	0.55 %

# Share Data

Trading Symbol – ATHEX	NEOXH
Trading Symbol – Reuters	NCHr. AT
Trading Symbol – Bloomberg	NEOCHI GA
Participation in Eurobank MidCap Private Sector 50	November 2004
Participation in Big Cap Market	November 2005
Participation in FTSE/ATHEX 140	November 2005
Participation in FTSE/ATHEX Mid 40	January 2005
Participation in FTSE/ATHEX International	January 2006
Participation in MSCI	May 2006
Participation in FTSE Global Equity Index (Small Cap & All Cap)	September 2006

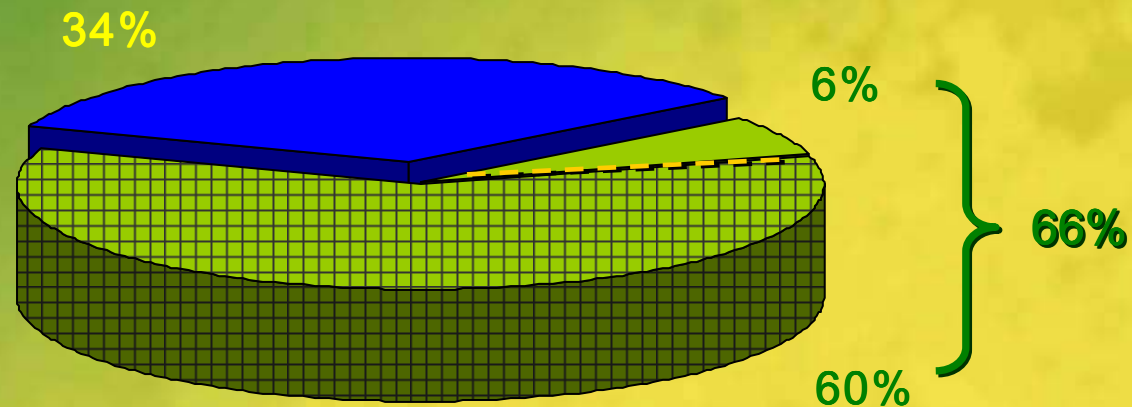


# Share Data

## Share Price and Marketability

Average Share Price 2006	10.83 €
Average Share Price 2005	4.27 €
Average Daily Volume 2006	158,104
Average Daily Volume 2005	262,841

## Shareholder Structure



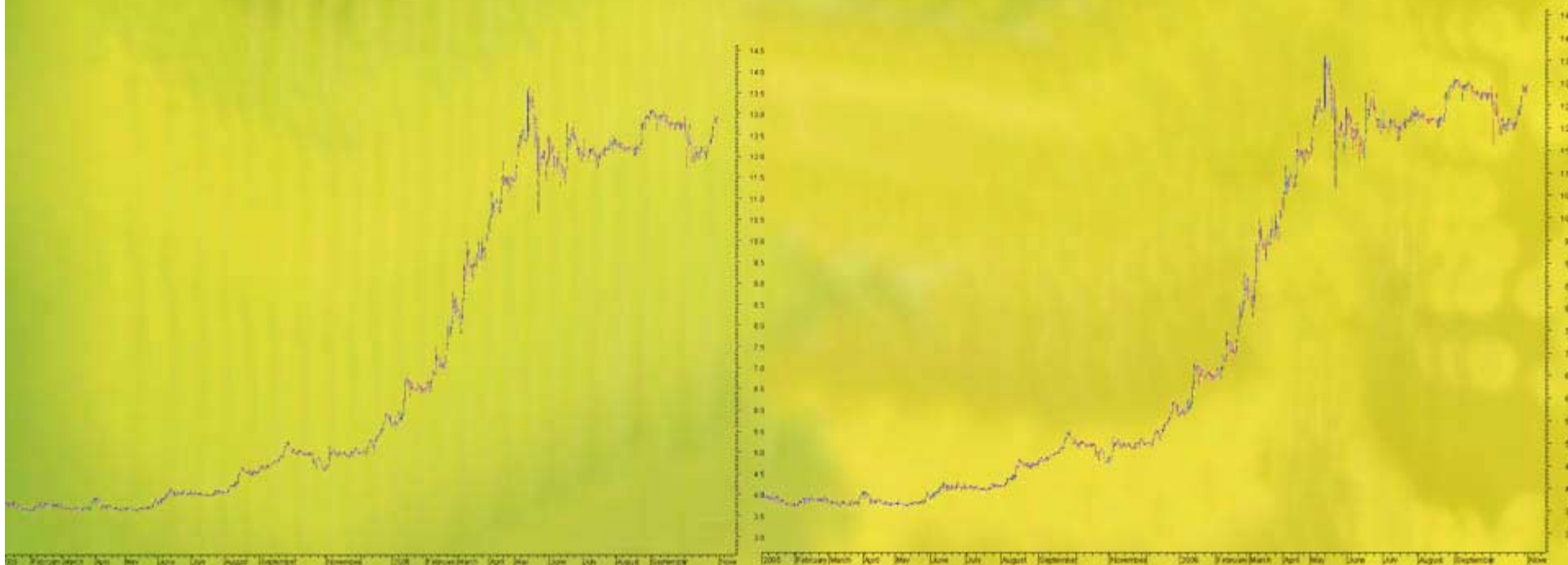
Foreign Institutional Investors

■ Major Shareholder (L. Lavrentiadis) ■ Free Float

# Share price Evolution

Since May 20, 2003 (NEOCHIMIKI's listing)

Since January 1<sup>st</sup>, 2005





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**Neochimiki**