

Ercros posts 12 million EBITDA in first quarter

In the first quarter of 2007, Ercros's ebitda was 12.13 million euros. This was 6% up on the figure for the same period last year, which came to 11.43 million euros.

First quarter results are still not very representative because they reflect the seasonal impact of electricity, which is significantly more expensive in the winter months. This impact should be offset in the second and third quarters of the year. The results were also influenced by the sharp increase in the cost of supplies and energy against last year. In concrete terms, in comparison with the first quarter of 2006, the price of ethylene has increased 9%, methanol 55%, gas 19% and electricity 16%. Given how these prices changed over 2006, the impact of the increases is expected to diminish as the year progresses.

Revenue in the first three months of the year was 217.93 million euros, compared with 148.18 million euros for the same period last year. By division, Basic Chemicals invoiced 71.49 million euros, which was 1.1% down on 2006. It must be remembered, however, that due to the inclusion of Derivados Forestales, the volume of inter-divisional services is greater in 2007 than in 2006 and so sales to third parties smaller. The Plastics division invoiced 47.6 million euros, 10% up on the first quarter of 2006; Pharmaceuticals 11.85 million euros, 1% up; Animal Feed 11.30 million euros, 23% higher; Emulsions 6.97 million euros, 25% up; and finally Water Treatment 5.85 million euros, 4% down on the first quarter of 2006. Invoicing for 2007 includes the new Intermediate Chemicals division, which billed 62.88 million euros.

Depreciation and amortization up to March was 10.60 million euros, leaving EBIT at 1.53 million euros. Furthermore, finance income equalled -4.24 million euros compared with -2.84 million euros for the same period in 2006. After taking into account taxes and minority interests, the first quarter 2007 loss attributable to the parent was 2.59 million euros, against 0.15 million euros profit for the same period in 2006.

Condensed income statement

	1Q 2007	1Q 2006	% Change
	Million euros	Million euros	
Revenue	217.93	148.18	47.1
EBITDA	12.13	11.43	6.1
Ordinary EBITDA	12.13	11.43	6.1
Non-recurrent EBITDA	-	-	-
Depreciation & amortization	-10.60	-8.07	31.4
EBIT	1.53	3.36	-54.5
Finance income (expense)	-4.24	-2.84	49.3
Tax and minority interests	0.12	-0.37	-
Profit (loss) for the period	-2.59	0.15	-

Revenue by division

	1Q 2007	1Q 2006	% Change
	Million euros	Million euros	
Basic Chemicals	71.49	72.32	-1.10
Intermediate Chemicals	62.88	-	-
Plastics	47.59	43.29	9.9
Pharmaceuticals	11.85	11.69	1.4
Animal Feeds	11.30	9.17	23.2
Emulsions	6.97	5.59	24.7
Water Treatment	5.85	6.12	-4.4
Ercros	217.93	148.18	47.1

Changes in scope:

First quarter 2006 data does not include the activities of the Intermediate Chemicals Division, since this was included in the scope of consolidation of Ercros on 19 May 2006 following the acquisition of Derivados Forestales.