



Year results 2010

Our auditor, Deloitte Bedrijfsrevisoren/ Reviseurs d'Entreprises, represented by Luc Van Coppennolle, has confirmed that his audit procedures of the consolidated financial statements are substantially completed and that these procedures have not revealed any material modification that would have to be made to the accounting information, derived from the consolidated financial statements and included in this communiqué.

Consolidated statement for the year 31 December 2010

| '000 EUR | Year end 31/12/2010 | Year end 31/12/2009 |
|---|------------------------|------------------------|
| Revenue | 137.663 | 80.778 |
| Other operating income | 1.204 | 701 |
| Changes in inv. of finished goods and wip | 7.722 | 1.120 |
| Raw materials and consumables used | -115.418 | -63.679 |
| Employee benefits expense | -11.243 | -10.857 |
| Depreciation and amortisation expense | -3.205 | -3.185 |
| Changes in restoration provision | - | 2.193 |
| Other operating expenses | -8.200 | -6.375 |
| Operating result | 8.523 | 696 |
| Investment revenues | - | 45 |
| Hedging results | -435 | -1.396 |
| Other gains and losses | - | - |
| Finance costs | -585 | -444 |
| Result before tax | 7.503 | -1.099 |
| Income tax expense | -1.751 | -22 |
| Result for the year | 5.752 | -1.121 |
| Result of the year | <u>5.752</u> | <u>-1.121</u> |
| Attributable to: | | |
| Equity holders of the parent | 5.752 | -1.121 |
| Minority interest | - | - |
| | <u>5.752</u> | <u>-1.121</u> |

Result per share (in EUR) (1.500.000 shares)

| | | |
|---|------|-------|
| Result of operating activities after net financial result | 5,00 | -0,73 |
| Group share in the net result of the period (Basic) | 3,83 | -0,75 |
| Group share in the net result of the period (Diluted) | 3,83 | -0,75 |

In 2010, the Campine Group realized a turnover of EUR 137.66 million, compared with EUR 80.78 million in 2009 (+70%).

The first half net operating profit after net financial result was EUR 5.15 million. The second half also showed a profit of EUR 2.35 million - giving a pre-tax profit for the year of EUR 7.50 million. This compares with a pre-tax loss of EUR -1.10 million in 2009. This significant increase is amongst others due to the strong rise in metal prices since early 2010.

The operating profit amounted to EUR 8.52 million (2009: KEUR 696). Antimony prices rose dramatically while volume returned to a higher level. Lead prices too revived in 2010, while volume remained stable.

Net financial result amounted to a loss of EUR -1.02 million compared with a loss of EUR -1.80 million in 2009.

The lead hedging resulted in a net loss of KEUR -435 (compared with a net loss of EUR -1.40 million in 2009). The objective of hedging is to limit the fluctuations of Campine's results due to the impact of changes in lead prices on the value of purchases and sales and of inventories. These amounts include the fair value of the LME lead hedge at December 31, which is included in the income statement in accordance with the specific IFRS standards.

Profit after taxes was EUR 5.75 million, compared with a EUR -1.12 million loss in 2009. The better earnings figures are explained by the sharp rise in metal prices, the economic upswing and the lower tax charge due to losses carried forward from previous years.

The Board of Directors proposes that the company pays a dividend of EUR 2.25 million (EUR 1.50 gross per share. In 2010 no dividend was paid on the basis of the 2009 result.

Results per Business Unit

- ◆ **Lead:** turnover rose strongly to EUR 54.12 million (EUR 39.74 million in 2009) (+36%) on a slightly higher delivered volume of 42,802 mT (41,424 mT in 2009) (+3%).

LME lead prices started the year at EUR 1,650 EUR/mT in January 2010. During the year they fluctuated between EUR 1,400 and 2,000/mT, ending the year at EUR 1,936/mT.

- ◆ **Antimony:** turnover rose sharply to EUR 61.75 million (EUR 31.50 million in 2009) (+96%), while volume increased to 9,909 mT (7,948 mT in 2009) (+25%).

Antimony metal prices more than doubled from EUR 4,300/mT in early January to almost EUR 9,650/mT at the end of December.

- ◆ **Plastics:** the plastics business unit realized a turnover of EUR 20.53 million (EUR 9.63 million in 2009) (+113%). Volume increased to 5,413 mT (2009: 3,150 mT) (+72%).

Perspectives 2011

The results will be strongly affected by the development of metal prices and the economic situation. There are definite signs of improvement in most sectors.

Antimony

In spite of the high raw material prices, demand is steady.

Campine succeeds well in satisfying the demand at an acceptable price. The high prices imply a higher financial risk due to the increased financing need of the raw material flow but if no drastic price changes occur we anticipate a good result.

Plastic

The business in 2011 started quite well. The order intake is in line with expectations. Thanks to improved machine capacity utilization, we anticipate a positive year.

Lead

In 2011 there will remain a global overcapacity– in particular in Europe. However, Campine is well-positioned to keep its customers and to remain profitable.

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